



BUDGET
AUSTRALIA'S FEDERAL RELATIONS
BUDGET PAPER NO. 3
2013-14

CIRCULATED BY

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FOR THE INFORMATION OF HONOURABLE MEMBERS
ON THE OCCASION OF THE BUDGET 2013-14

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FOREWORD

This Budget Paper presents information on the Commonwealth's financial relations with State, Territory and local governments. This includes an overview of major Australian Government reforms and new developments, as well as information on payments to the States and analysis of fiscal developments in the public sector.

Notes

- (a) The following definitions are used in this Budget Paper:
- Budget year refers to 2013-14, while the forward years refer to 2014-15, 2015-16 and 2016-17; and
 - one billion is equal to one thousand million.
- (b) Figures in tables and the text have generally been rounded. Discrepancies in tables between totals and sums of components reflect rounding unless otherwise noted.
- estimates of \$100,000 and over are generally rounded to the nearest tenth of a million;
 - estimates midway between rounding points are rounded up; and
 - percentage changes in tables are based on the underlying unrounded amounts.
- (c) Tables use the following notations:
- | | |
|-----|-------------------------------|
| - | nil |
| na | not applicable |
| \$m | millions of dollars |
| \$b | billions of dollars |
| nfp | not for publication |
| 0 | zero |
| * | unquantifiable |
| .. | not zero, but rounded to zero |
| ~ | allocation not yet determined |

(d) This Budget Paper uses the following conventions.

- The Australian Capital Territory and the Northern Territory of Australia are referred to as ‘the Territories’.
- References to the ‘States’ or ‘each State’ include the State governments and Territory governments. The State and local government sector is denoted as the ‘State/local sector’.
- References to the ‘State/local sector’ include the Territory governments unless otherwise stated.
- Local governments are instrumentalities of State governments. Consequently, payments made to the State government sector include payments made to the local government sector unless otherwise specified.
- The following abbreviations are used, where appropriate:

NSW New South Wales

VIC Victoria

QLD Queensland

WA Western Australia

SA South Australia

TAS Tasmania

ACT Australian Capital Territory

NT Northern Territory

GST Goods and services tax

(e) The term ‘Commonwealth’ refers to the Commonwealth of Australia. The term is used when referring to the legal entity of the Commonwealth of Australia.

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

Budget Paper No. 3, *Australia’s Federal Relations 2013-14*, 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. Appendix D: Debt Transactions of this paper is only available online at: www.budget.gov.au.

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EXECUTIVE SUMMARY

- While maintaining a sustainable fiscal position, the Commonwealth is working with the States and Territories (the States) to implement historic reforms to school funding and disability care which will shape a stronger, fairer and smarter Australia. These reforms build on the Government's substantial investments in education, infrastructure, disability care, and health; delivering significant improvements to Australia's social and economic infrastructure.
- As part of this Budget, the Commonwealth is introducing once-in-a-generation reforms of school funding arrangements. These reforms will provide for a more consistent and equitable system that will direct funding to those schools and students most in need. Significant additional funding will be provided to those States that sign up to the new funding arrangements and other reforms as part of the *National Education Reform Agreement*.
- This Budget announces the next wave of the Commonwealth's flagship Nation Building Program. The Government will spend around \$24 billion on productivity enhancing roads, rail and ports from 2014-15 to 2018-19. Key measures announced in this Budget include \$715.0 million to fund the Brisbane Cross River Rail project, \$3.0 billion towards the Melbourne Metro rail project and \$2.4 billion towards the upgrade and maintenance of Queensland's Bruce Highway.
- The Commonwealth is increasing its commitment and share of disability spending by establishing DisabilityCare Australia, a national disability care and support system across Australia for people with a significant and permanent disability. The States will be allocated a share of the DisabilityCare Australia Fund to support their commitment to this important initiative.
- The Commonwealth will continue to invest in health in a number of initiatives including major investments to support the implementation of the *National Health Reform Agreement* and funding for regional areas from the Health and Hospitals Fund.
- In 2013-14, the Commonwealth will provide the States with \$95.3 billion in total payments, including payments for specific purposes of \$44.1 billion and general revenue assistance of \$51.2 billion. This contribution represents approximately 24 per cent of total Commonwealth expenditure in 2013-14.

PART 1: AUSTRALIA'S FEDERAL RELATIONS

While maintaining a sustainable fiscal position, the Commonwealth is working with the States and Territories to implement progressive and fiscally responsible reforms which will enhance the wellbeing of all Australians.

The Commonwealth is introducing historic reforms to school education and disability care, which will help shape a stronger, smarter and fairer Australia into the future. These reforms build on the Government's significant investments in areas such as health, infrastructure, skills, Indigenous support and affordable housing.

The States and Territories receive substantial financial support from the Commonwealth through two broad categories of payments. These payments comprise specific purpose payments, targeting key service delivery sectors, areas of nationally significant reform and policy collaboration, and general revenue assistance, including distribution of Goods and Services Tax (GST) revenue.

In 2013-14, the Commonwealth will provide \$95.3 billion in total payments to the States, a 3.6 per cent increase on 2012-13. This represents around 24 per cent of total Commonwealth expenditure. Around 85 per cent of this funding is broadly untied which allows States flexibility to support service delivery as they choose.

OVERVIEW

Commonwealth payments to the States and Territories (the States) are framed by the *Intergovernmental Agreement on Federal Financial Relations* (the Intergovernmental Agreement). Since 1 January 2009, the Intergovernmental Agreement has provided the framework for the Commonwealth and the States to work in partnership to deliver reforms for the benefit of all Australians.

These reforms support the States through substantial financial investments in critical areas of service delivery and infrastructure, including funding for stimulus to protect jobs during the global financial crisis. The Commonwealth's support to the States has included major new investments in healthcare, education, disability support and housing.

While charting a pathway to surplus, despite large tax revenue write-downs, the Commonwealth will continue to provide substantial levels of funding to the States through both specific purpose payments and general revenue assistance. This funding is aimed towards advancing historic social reforms, assisting in key service delivery sectors, and supporting delivery of significant social and economic outcomes.

Overall, the Commonwealth will provide the States with \$95.3 billion in payments for specific purposes and general revenue assistance in 2013-14. This represents a \$3.3 billion increase in total financial assistance compared to 2012-13. Commonwealth

payments to the States in 2013-14 are expected to be \$27 billion higher than in 2006-07. Total payments to the States as a proportion of Commonwealth expenditure are estimated to be 23.9 per cent in 2013-14. National Partnership payments are expected to be \$12.8 billion in 2013-14, a change of \$1.2 billion from \$13.9 billion in 2012-13. This change is in large part driven by the early payment of \$1.1 billion in Financial Assistance Grants to assist local governments and an increase in estimated natural disaster relief and recovery payments in 2012-13.

National Specific Purpose Payments (National SPPs), including National Health Reform funding and National Education Reform funding, will increase by \$2.2 billion from \$29.1 billion in 2012-13 to \$31.3 billion in 2013-14. This increase is provided by the Commonwealth in accordance with the indexation arrangements established under the Intergovernmental Agreement and provides the States with a secure and growing funding base for the delivery of activities across the main service sectors. In addition, National Education Reform funding delivers new funding arrangements for school education that will drive long-term improvements in education outcomes and a fairer approach to funding based on the needs of every student.

General revenue assistance, principally comprising GST entitlements, provides another stable funding base to support the delivery of State services. Notwithstanding that current GST forecasts are below levels projected in last year's *Mid-Year Economic and Fiscal Outlook*, State GST entitlements are still expected to increase from \$47.7 billion in 2012-13 to \$50.3 billion in 2013-14, an increase of \$2.6 billion.

In 2008-09, the year in which the current federal financial relations framework was introduced, the Commonwealth increased payments to the States by approximately \$7 billion over those provided in 2007-08. Since this increase, that funding has been maintained and total Commonwealth payments are expected to increase at over 4.7 per cent per annum on average over the forward estimates period, after adjusting for the transfer of responsibility for home and community care to the Commonwealth. This growth demonstrates the strong support the Commonwealth is providing for State service delivery and economic and social infrastructure.

Around 85 per cent of the financial support provided by the Commonwealth to the States is broadly untied and therefore can be spent by the States in the manner that each jurisdiction believes will best support service delivery in key areas of government activity such as health, education and skills, housing, and disabilities. The remaining 15 per cent of funding supports specific reforms or projects that the Commonwealth and States jointly agree should be pursued in the national interest.

TOTAL PAYMENTS TO THE STATES

In 2013-14, the Commonwealth will provide the States with payments totalling \$95.3 billion, comprising payments for specific purposes of \$44.1 billion and general revenue assistance of \$51.2 billion.

As part of this Budget, the Commonwealth will provide additional substantial support to the States in 2013-14 and over the forward estimates including:

- additional funding to implement a new needs-based funding model for schools;
- additional funding to assist the States with their contribution to DisabilityCare Australia;
- \$1.0 billion for the Health and Hospitals Fund Regional Priority Round;
- \$655.6 million in additional funding for Early Childhood Education; and
- the next wave of the Government's flagship Nation Building Program, with the Commonwealth spending around \$24 billion on productivity enhancing infrastructure for roads, rail and ports from 2014-15 to 2018-19.

Payments for specific purposes

In 2013-14, the Commonwealth will provide the States with \$44.1 billion in payments for specific purposes, an increase of \$1.0 billion compared with \$43.0 billion in 2012-13. National SPPs, National Health Reform and National Education Reform funding will total \$31.3 billion in 2013-14, a \$2.2 billion increase in National SPPs from 2012-13, with the remaining \$12.8 billion to be distributed through National Partnership payments. Payments for specific purposes as a proportion of Commonwealth expenditure are estimated to be 11.1 per cent in 2013-14.

Part 2 of this Budget Paper provides further information on payments for specific purposes to the States.

General revenue assistance

In 2013-14, States are expected to receive \$51.2 billion in general revenue assistance, comprising GST payments of \$50.3 billion and \$1.0 billion in other general revenue assistance. This is an increase of \$2.3 billion compared with the \$48.9 billion the States are expected to receive in total general revenue assistance in 2012-13. Payments for general revenue assistance are estimated to be 12.9 per cent as a proportion of Commonwealth expenditure in 2013-14.

Part 3 of this Budget Paper provides further information on general revenue assistance to the States, including GST.

Table 1.1: Commonwealth payments to the States

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total(a)
2012-13									
Payments for specific purposes	12,772	10,145	10,030	4,476	3,055	1,070	615	858	43,021
General revenue assistance	14,666	10,947	9,478	2,907	4,463	1,694	984	2,734	48,935
Total payments to the States	27,438	21,093	19,508	7,383	7,518	2,765	1,599	3,592	91,956
2013-14									
Payments for specific purposes(b)(c)	13,573	10,892	8,982	4,865	2,960	993	701	946	44,067
General revenue assistance	15,608	11,345	10,741	2,499	4,595	1,801	1,059	2,756	51,234
Total payments to the States	29,180	22,238	19,723	7,365	7,555	2,794	1,760	3,702	95,300
2014-15									
Payments for specific purposes(c)	14,160	11,006	10,143	4,895	3,082	1,039	781	912	46,018
General revenue assistance	16,652	11,817	11,558	2,101	4,754	1,965	1,163	2,968	53,804
Total payments to the States	30,812	22,824	21,701	6,996	7,836	3,003	1,944	3,880	99,822
2015-16									
Payments for specific purposes(c)	14,593	11,543	10,130	5,256	3,524	1,148	780	931	47,906
General revenue assistance	17,682	12,636	11,974	2,354	4,839	2,150	1,245	3,082	56,778
Total payments to the States	32,275	24,179	22,105	7,610	8,363	3,299	2,025	4,013	104,684
2016-17									
Payments for specific purposes(c)	15,101	12,081	11,016	5,888	3,581	1,172	863	1,196	50,899
General revenue assistance	18,545	13,357	12,606	2,622	5,040	2,205	1,305	3,151	59,647
Total payments to the States	33,646	25,438	23,622	8,511	8,621	3,378	2,168	4,347	110,546

(a) Total column may not equal sum of State totals. As there is no basis on which to estimate State allocations for a small number of payments, these payments are not reflected in State totals.

(b) Payments for specific purposes includes National Schools SPP funding, which ceases on 31 December 2013.

(c) Payments for specific purposes from 2013-14 onwards include National Education Reform funding, which commences from 1 January 2014. As the Commonwealth's offer to States under the *National Education Reform Agreement* is open until 30 June 2013, the Budget makes provision for National Education Reform funding for all States from 1 January 2014.

For 2013-14, total payments to the States as a proportion of GDP are estimated to be 6.0 per cent, payments for specific purposes are estimated to be 2.8 per cent and general revenue assistance is estimated to be 3.2 per cent as a proportion of GDP.

Table 1.2: Total Commonwealth payments to the States as a proportion of GDP

\$million	National						Total	Change from previous year	Per cent of GDP
	National SPPs (a)	National Health Reform funding	National Education Reform funding (b)	National Partnership payments (c)	GST entitlement	Other general revenue assistance			
2012-13	15,805	13,280	-	13,936	47,700	1,235	91,956	-	6.0
2013-14	10,420	14,040	6,824	12,783	50,250	984	95,300	3.6	6.0
2014-15	4,052	15,531	14,314	12,120	52,820	984	99,822	4.7	6.0
2015-16	4,164	17,164	15,630	10,947	55,800	978	104,684	4.9	5.9
2016-17	4,283	18,956	17,099	10,562	58,670	977	110,546	5.6	5.9

(a) Includes National Schools SPP funding which ceases on 31 December 2013.

(b) National Education Reform funding commences from 1 January 2014. As the Commonwealth's offer to States under the *National Education Reform Agreement* is open until 30 June 2013, the Budget makes provision for National Education Reform funding for all States from 1 January 2014.

(c) Includes financial assistance grants for local government and payments direct to local government.

GAINS FOR THE STATES SINCE 2007

From 2007-08 to 2011-12, the Commonwealth has provided over \$450 billion in assistance to the States (including stimulus payments), comprising \$227 billion for payments for specific purposes and \$224 billion for general revenue assistance. This is an increase of approximately 28 per cent in real terms on assistance provided to States from 2002-03 to 2006-07 by the previous government.

The Commonwealth's investments have supported important social and economic reforms that spread opportunity, support a fairer and more prosperous society and ensure the continuation of high quality delivery of key services now and into the future.

The Government has provided significant additional levels of support to the States to fund healthcare. From 2014-15, National Health Reform funding will be directly linked to the level of services delivered by public hospitals. The Commonwealth has guaranteed that its contribution will be at least \$16.4 billion greater than the amount the States would have received under the former National Healthcare SPP between 2014-15 and 2019-20.

Investing in programs to assist Australians affected by mental health issues is a key priority for the Commonwealth. To that effect, up to \$200 million has been committed to fund significant reform, to address service gaps in the mental health system. The Government's mental health initiatives are helping people with severe mental illness to receive the support they need to help them to break the cycle of hospitalisation and unplanned re-admission. The reforms also ensure their families and carers have a place to turn to for help if additional information or services are needed.

In this Budget, the Commonwealth has committed to significant new spending in the education sector with the introduction of National Education Reform funding. This new commitment builds on a legacy of investment in education. From 2008-09, the

Commonwealth has provided funding to ensure access to affordable quality childcare, Trade Training Centres in schools, the Digital Education Revolution, and improving literacy and numeracy outcomes for students in Australian schools. Furthermore, since 2009-10 the Commonwealth has provided significant financial contributions to support state and non-government early childhood and school services under national early childhood development and schools agreements. By investing in the earliest years, in school education, and beyond into higher education and vocational education and training, the Government is providing opportunities for all Australians to maximise their potential and build a smarter nation.

The Government continues to place a priority on advancing opportunities for Indigenous Australians through both direct investments and support to State governments to deliver services. The Commonwealth has provided over \$800 million to the Northern Territory since 2009-10, as part of the *Closing the Gap* initiative and continues to support investment in this area through the *Stronger Futures in the Northern Territory* initiative. This funding has been provided to benefit communities in the Northern Territory in the areas of law and order, community safety, education, health, food security and interpreters. Further, from 2008-09 the Commonwealth has provided funding for housing and infrastructure for Indigenous Australians in remote areas across Australia.

The Commonwealth is committed to improving outcomes in the housing sector. Since 1 January 2009, the Commonwealth has provided funding to support state housing services under the National Affordable Housing SPP. This has included the provision of public rental housing for low to moderate income households, and assistance for those who are homeless and in crisis, including the delivery of up to 600 homes across Australia for families and individuals.

The Commonwealth has demonstrated a substantial commitment to supporting communities affected by natural disasters, contributing over \$6 billion in payments under the Natural Disaster Relief and Recovery Arrangements between 2007-08 and 2011-12. This funding has assisted recovery and reconstruction efforts for Australian communities affected by floods, bushfires and cyclones. This Budget continues to provide support for those affected by natural disasters, including the January 2013 floods in Queensland and New South Wales.

In response to the significant changes in the global economy since 2008-09, the Commonwealth responded with major stimulus packages aimed at boosting economic growth and assisting States to deal with the pressures following the global financial crisis. The additional funding supported the States' economic and fiscal positions in a period when most States experienced falls in revenues from their own taxes.

In this period, the Commonwealth supported economic growth and jobs through the Economic Security Strategy and the Nation Building and Jobs Plan. These initiatives delivered stimulatory measures, increased investment in schools, housing, community

infrastructure and roads, and assistance for young people to access education and training places.

As part of the \$10.4 billion Economic Security Strategy, the Commonwealth announced the introduction of the First Home Owners Boost in October 2008, complementing the States' existing First Home Owners Grant payments. This funding stimulated housing activity, supported the construction industry and assisted Australians to purchase their first home.

Along with the Economic Security Strategy, the other stimulus packages which helped ensure the Australian economy was well placed to withstand the impacts of the global recession were:

- the \$15.2 billion COAG Funding Package which accompanied the introduction of the new framework of federal financial relations in 2008, including maintaining the benefits of ongoing National SPPs and introducing substantial new National Partnership Agreement funding for healthcare, schools, productivity, affordable housing and Indigenous reform;
- the \$4.7 billion Nation Building Package, including \$110 million for Black Spot funding to improve road safety and support jobs in Australia, and \$150 million to improve road safety by funding the construction of boom gates at rail crossings; and
- the \$42 billion Nation Building and Jobs Plan including \$28.8 billion in direct Government investment in schools, housing, energy efficiency, community and transport infrastructure and support to small businesses.

MAJOR GOVERNMENT REFORMS AND DEVELOPMENTS

Delivering key reforms while maintaining fiscal sustainability

Commonwealth payments to the States continue to grow across the forward estimates period despite the tight fiscal environment. Challenging economic conditions have had a significant impact on the level of tax receipts expected in 2012-13 and over the forward estimates. Since the *Mid-Year Economic and Fiscal Outlook 2012-13*, tax receipts have been revised down by around \$60 billion over the four years to 2015-16. Had tax receipts remained at their 2007-08 share of GDP, the Budget would have been in surplus from 2012-13 onwards.

The impact of further tax write-downs will see a delay in the return to surplus, but the Government is delivering long-term savings to improve the sustainability of the budget. The Government remains committed to maintaining strong public finances, consistent with its fiscal strategy, while also supporting important reforms. A strong economy is a critical foundation for strong public finances. Offsetting the large revenue write-down in a short time period would have come at a significant cost to

jobs and growth. Commonwealth assistance to the States will contribute to supporting jobs and growth across Australia.

Within this general economic environment, GST entitlements to the States are also forecast to be lower than previously estimated in 2012-13 and across the forward estimates period. GST entitlements in 2013-14 have been revised down by \$750 million since the 2012-13 MYEFO. This reflects weakness in current year collections and slightly lower growth in consumption subject to GST. This lower growth in consumption reflects weaker domestic prices.

Notwithstanding these movements, total payments to the States will increase by 3.6 per cent in 2013-14.

Schools reform

The Commonwealth is committed to ensuring that every Australian child has the opportunity to access first class education and to achieve excellent education outcomes. This will place Australia at an internationally competitive level.

The *National Education Reform Agreement*, which introduces the National Plan for School Improvement and a new and more equitable funding system, will help deliver on this commitment.

To drive improvements in student outcomes across the board, the National Plan for School Improvement focuses on five key reform areas:

- quality teachers;
- quality learning;
- empowered school leadership;
- meeting student need; and
- transparency and accountability.

The Agreement introduces a new needs-based funding model for schools, based on a Schooling Resource Standard (SRS). The Commonwealth's SRS will provide a base amount of funding for every Australian school student, which will be supplemented by additional loadings for regional and remote schools, students from a low-socioeconomic status background, Indigenous students, and students with low English-language proficiency. The new funding arrangements will apply for both government and non-government schools, with additional investment to be phased in over six years and shared between the Commonwealth and the States.

Commonwealth National Education Reform funding, to be calculated according to the SRS methodology, will replace the National Schools SPP from 1 January 2014.

Further information on the *National Education Reform Agreement* can be found in Part 2 of this Budget Paper.

Implementing other education reforms

Consistent with the Commonwealth and States' ongoing commitment to universal access to early childhood education, this Budget includes an additional \$660.1 million for the National Partnership Agreement on Early Childhood Education (including \$655.6 million in payments to the States and \$4.5 million in Commonwealth expenditure). Building on the Commonwealth's investment of \$970 million over five years under the current National Partnership, this additional investment will ensure that current levels of service delivery are maintained, with an additional focus on Indigenous, vulnerable and disadvantaged children.

DisabilityCare Australia

DisabilityCare Australia will establish a National Disability Insurance Scheme across Australia for people with a significant and permanent disability, to be jointly funded by the Commonwealth and the States. DisabilityCare Australia will provide people with disability with choice and control over their support services and enhance their opportunities for social and economic participation. This is the most fundamental social policy reform since the introduction of Medicare in 1984.

As part of this significant reform, the Commonwealth is increasing its share of disability spending and locking in a strong and stable funding source for DisabilityCare Australia. This will provide people with disability, their families and carers, the support and care they deserve. There will be a modest increase in the Medicare levy from 1 July 2014. The additional revenue from this change will be placed in the DisabilityCare Australia Fund, which will only be drawn down to meet expenditure directly related to DisabilityCare.

To assist with funding DisabilityCare Australia, the Commonwealth will allocate \$9.7 billion of revenue going into the DisabilityCare Australia Fund to the States over 10 years. The States will be eligible to draw down from the Fund once certain key conditions are met, including agreement that a state will fully implement DisabilityCare Australia.

Implementing key health reforms

In this Budget, the Commonwealth will continue to invest in healthcare across a range of initiatives aimed at improving the quality of life and wellbeing of all Australians in urban, regional and remote areas of the community.

From 2013-14 and across the forward estimates, States are expected to receive \$71.6 billion in payments to support service delivery, reforms and projects in the health sector.

National Health Reform

The *National Health Reform Agreement* arrangements, which commenced on 1 July 2012, support major reforms to the funding and delivery of health and hospital services. The reforms are designed to deliver the most efficient price of delivering the services to preserve universal healthcare in Australia. National Health Reform funding reinstates the Commonwealth's share of hospital funding over time. This funding is key to public hospital resources as it had originally replaced fees charged by public hospitals prior to the introduction of Medicare.

The new funding arrangements will be in their final transition year in 2013-14, ahead of the commencement of annual growth funding to the States from 2014-15. These arrangements deliver funding to States' hospitals based on where patients are receiving hospital treatment and the national efficient price of hospital services.

Infrastructure

The 2013-14 Budget provides funding for high-quality infrastructure projects in order to boost Australia's productive capacity. This investment builds on the Government's \$36.0 billion of funding for land transport infrastructure over the six years to 2013-14.

This Budget announces the next wave of the Government's flagship Nation Building Program. The Government will spend around \$24 billion on productivity enhancing roads, rail and ports from 2014-15 to 2018-19. Key measures announced in this Budget include \$2.4 billion towards the upgrade and maintenance of the Bruce Highway and over \$3.5 billion towards substantial rail projects.

Much of this investment supports the continuing development and renewal of urban areas. Investing in our cities plays a critical role in boosting Australia's productive capacity, including by reducing congestion and improving liveability.

In this Budget, the Commonwealth is investing in two key urban passenger rail projects in Brisbane and Melbourne. The Commonwealth is providing \$715.0 million to fund the Brisbane Cross River Rail project, and \$3.0 billion to the Melbourne Metro rail project. Both of these projects will help to reduce traffic congestion in these major cities by providing commuters with greatly improved public transport options.

As part of this Budget, the Commonwealth is also investing in two major road projects in Sydney. The Commonwealth is making a \$1.8 billion allocation towards the Sydney Motorways (M4 extension and M5 duplication), dependent on New South Wales meeting a number of preconditions. The Commonwealth is also contributing \$400.0 million for the F3 to M2 tunnel in Sydney. Both of these projects will ease the movement of freight to and within the Sydney basin, which will boost productivity, reduce business costs and relieve bottlenecks and urban congestion.

Providing continued support to communities affected by natural disasters

In recent years, Australia has witnessed the considerable impact on its communities of severe natural disasters. This Budget again reflects the substantial commitment the Commonwealth makes to providing ongoing support to affected communities that have dealt, and continue to deal with, the devastating impact of these disasters.

In 2013-14, the Commonwealth will continue to provide substantial funding to the States under the Natural Disaster Relief and Recovery Arrangements to support the rebuilding of communities affected by natural disasters. In January 2013, the Commonwealth responded to disasters in Queensland by agreeing to direct additional funding to aid reconstruction and recovery efforts.

PART 2: PAYMENTS FOR SPECIFIC PURPOSES

The Commonwealth provides substantial financial support to the States to assist in specific state services through National Specific Purpose Payments, National Partnership payments, National Health Reform funding, and from 1 January 2014, National Education Reform funding. This Part provides an outline of these payments across the forward estimates.

OVERVIEW OF PAYMENTS

The Commonwealth provides payments to the States for specific purposes to pursue important national policy objectives in areas administered by the States. These payments cover most functional areas of state and local government activity including: health; education; skills and workforce development; community services; housing; Indigenous reform; infrastructure; and the environment.

The Commonwealth provides the following types of specific purpose payments to the States:

- National Specific Purpose Payments (National SPPs) in respect of key service delivery sectors;
- National Health Reform funding;
- National Education Reform funding from 1 January 2014; and
- National Partnership payments – facilitation, project and reward payments.

The *Intergovernmental Agreement on Federal Financial Relations* (Intergovernmental Agreement) provides that all National SPPs and National Partnership payments will be paid by the Commonwealth Treasury to each State Treasury on the 7th day of each month. These payment arrangements will also apply for National Education Reform funding.

From 1 July 2012, a national funding pool was established to facilitate payment of the Commonwealth's contribution to National Health Reform funding, which supports the provision of public hospital services under the National Health Reform arrangements. Funding within the national funding pool is administered by the National Health Funding Pool Administrator through an independent and jointly governed national funding body.

National SPPs

The Commonwealth supports the States' efforts in delivering services in key service delivery sectors through National SPPs. The Commonwealth currently makes payments under four National SPPs:

- National Schools SPP;
- National Skills and Workforce Development SPP;
- National Disability Services SPP; and
- National Affordable Housing SPP.

The States are required to spend each National SPP in the relevant sector.

The National SPPs are ongoing and are indexed each year by growth factors specified in the Intergovernmental Agreement.

Payments made throughout the year for National SPPs are made in advance, based on Commonwealth estimates of the respective growth factors. A balancing adjustment is made after the end of the financial year once final growth factor data become available.

The National SPPs are distributed among the States in accordance with population shares based on the Australian Statistician's determination as at 31 December of that year. In recognition that an immediate shift to equal per capita shares may have had implications for State allocations, an equal per capita distribution is being phased in over five years from 2009-10.

In the case of the government schools component of the National Schools SPP, the relevant population is each State's share of full-time equivalent student enrolments in government schools.

From 1 July 2012, the National Healthcare SPP was replaced by National Health Reform funding which comprises base funding equivalent to the National Healthcare SPP and, from 1 July 2014, efficient growth funding.

From 1 January 2014, the National Schools SPP will be replaced by National Education Reform funding. Further details of the new school funding arrangements are set out in Part 1 of this Budget Paper.

National Partnership payments

The Commonwealth recognises the need to support the States to undertake priority national reforms or collaborative projects.

Under the Intergovernmental Agreement, National Partnership payments to the States are the key vehicle to facilitate reforms, reward those jurisdictions that deliver on nationally significant reforms or support the delivery of specified projects.

There are three types of National Partnership payments: facilitation; project; and reward.

When a reform is agreed as a national priority, National Partnership facilitation payments may be paid in advance of the States implementing reforms, in recognition of the administrative and other costs associated with undertaking reform.

National Partnership reward payments can be used to reward those States that deliver on nationally significant reform or continuous improvement in service delivery. National Partnership agreements with reward payments set out clear, mutually agreed and ambitious performance benchmarks that encourage the achievement of reforms or continuous improvement in service delivery.

For reward payments, the COAG Reform Council assesses and publicly reports on the achievement of agreed performance benchmarks. The Commonwealth considers the COAG Reform Council assessments when determining reward payments to the States.

Project payments are a financial contribution to the States to deliver specific projects, including to improve the quality or quantity of service delivery, or projects which support national objectives. To the fullest extent possible, project payments are aligned with the achievement of project milestones and are made after the States have achieved the outcomes or outputs specified in the relevant National Partnership.

National Partnerships are typically entered into for a fixed period of time, reflecting the nature of the project or reform involved.

Some payments for specific purposes under the previous federal financial arrangements have become National Partnership project payments.

National Partnership agreements are publicly available at:
www.federalfinancialrelations.gov.au.

Total payments for specific purposes

In 2013-14, payments for specific purposes are estimated to total \$44.1 billion, up from \$43.0 billion in 2012-13 (an increase of 2.4 per cent). Total payments to the States for specific purposes represent 11.1 per cent of total Commonwealth expenditure in 2013-14.

Total payments for specific purposes, including National SPPs and National Partnership payments are shown in Table 2.1.

Table 2.1: Total payments for specific purposes by category, 2012-13 to 2016-17

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total(a)
2012-13									
National Specific Purpose									
Payments	5,033	3,913	3,220	1,622	1,192	348	275	202	15,805
National Health Reform funding	4,299	3,257	2,661	1,405	1,010	294	203	152	13,280
National Partnership payments(b)	3,439	2,975	4,149	1,449	852	428	138	505	13,936
Total payments for specific purposes	12,772	10,145	10,030	4,476	3,055	1,070	615	858	43,021
2013-14									
National Specific Purpose									
Payments(c)	3,328	2,603	2,163	1,108	715	206	184	112	10,420
National Health Reform funding	4,485	3,487	2,831	1,535	1,014	310	233	144	14,040
National Education Reform funding(d)	2,082	1,688	1,434	707	511	165	118	118	6,824
National Partnership payments(b)	3,677	3,115	2,553	1,515	719	312	166	571	12,783
Total payments for specific purposes	13,573	10,892	8,982	4,865	2,960	993	701	946	44,067
2014-15									
National Specific Purpose									
Payments	1,322	1,032	847	460	229	66	71	25	4,052
National Health Reform funding	4,927	3,846	3,130	1,724	1,126	339	271	168	15,531
National Education Reform funding(d)	4,335	3,544	3,049	1,497	1,057	342	244	247	14,314
National Partnership payments(b)	3,576	2,585	3,116	1,215	670	291	195	472	12,120
Total payments for specific purposes	14,160	11,006	10,143	4,895	3,082	1,039	781	912	46,018
2015-16									
National Specific Purpose									
Payments	1,354	1,062	873	478	233	66	74	25	4,164
National Health Reform funding	5,410	4,240	3,457	1,933	1,248	370	312	195	17,164
National Education Reform funding(d)	4,672	3,886	3,404	1,645	1,127	370	258	268	15,630
National Partnership payments(b)	3,157	2,354	2,397	1,200	917	342	137	443	10,947
Total payments for specific purposes	14,593	11,543	10,130	5,256	3,524	1,148	780	931	47,906

Table 2.1: Total payments for specific purposes by category, 2012-13 to 2016-17 (continued)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total(a)
2016-17									
National Specific Purpose									
Payments	1,387	1,094	899	498	237	67	76	25	4,283
National Health Reform funding	5,939	4,673	3,816	2,163	1,382	403	357	223	18,956
National Education Reform funding(d)	5,112	4,258	3,776	1,786	1,201	400	273	293	17,099
National Partnership payments(b)	2,663	2,056	2,525	1,442	761	303	157	655	10,562
Total payments for specific purposes	15,101	12,081	11,016	5,888	3,581	1,172	863	1,196	50,899

(a) State allocations are not yet finalised for several National Partnership payments; unallocated payments are not included in State totals.

(b) Includes financial assistance grants for local government.

(c) Includes National Schools SPP funding which ceases on 31 December 2013.

(d) National Education Reform funding commences from 1 January 2014. As the Commonwealth's offer to States under the *National Education Reform Agreement* is open until 30 June 2013, the Budget makes provision for National Education Reform funding for all States from 1 January 2014.

Total payments for specific purposes by sector, including National SPPs, National Health Reform funding, National Education Reform funding and National Partnership payments, are shown in Table 2.2.

Table 2.2: Total payments for specific purposes by sector, 2012-13 to 2016-17

\$million	2012-13	2013-14	2014-15	2015-16	2016-17
Health	15,007	16,077	17,041	18,472	20,030
Education(a)(b)	13,546	14,471	14,823	15,868	17,537
Skills and workforce development	1,717	1,761	1,851	1,840	2,006
Community Services	2,235	2,395	1,966	2,163	2,412
Affordable Housing	1,788	2,080	1,848	1,751	1,812
Infrastructure	3,642	5,026	5,177	4,669	3,959
Environment	545	562	567	420	332
Contingent	1,894	148	97	23	..
Other(c)	2,647	1,547	2,647	2,700	2,810
Total payments for specific purposes	43,021	44,067	46,018	47,906	50,899

(a) Includes National Schools SPP funding which ceases on 31 December 2013.

(b) Includes National Education Reform funding which commences from 1 January 2014. As the Commonwealth's offer to States under the *National Education Reform Agreement* is open until 30 June 2013, the Budget makes provision for National Education Reform funding for all States from 1 January 2014.

(c) Includes financial assistance grants for local government.

Total payments for specific purposes by sector and category, including National SPPs and National Partnership payments, are shown in Table 2.3.

Table 2.3: Total payments for specific purposes by sector and category, 2012-13 to 2016-17

\$million	2012-13	2013-14	2014-15	2015-16	2016-17
<i>Health</i>					
National Health Reform funding	13,280	14,040	15,531	17,164	18,956
National Partnerships	1,726	2,037	1,510	1,308	1,074
Total health payments	15,007	16,077	17,041	18,472	20,030
<i>Education</i>					
National Schools SPP(a)	11,910	6,491	-	-	-
National Education Reform funding(b)	-	6,824	14,314	15,630	17,099
National Partnerships	1,636	1,156	509	238	439
Total education payments	13,546	14,471	14,823	15,868	17,537
<i>Skills and workforce development</i>					
National Skills and Workforce					
Development SPP	1,388	1,409	1,436	1,463	1,490
National Partnerships	330	352	414	377	516
Total Skills and workforce development payments	1,717	1,761	1,851	1,840	2,006
<i>Community services</i>					
National Disability SPP(c)	1,244	1,238	1,309	1,371	1,438
National Partnerships	991	1,158	657	792	974
Total community services payments	2,235	2,395	1,966	2,163	2,412
<i>Affordable housing</i>					
National Affordable Housing SPP	1,264	1,283	1,307	1,331	1,355
National Partnerships	525	797	541	420	458
Total affordable housing payments	1,788	2,080	1,848	1,751	1,812
<i>Infrastructure</i>					
National Partnerships	3,642	5,026	5,177	4,669	3,959
<i>Environment</i>					
National Partnerships	545	562	567	420	332
<i>Contingent payments</i>					
National Partnerships	1,894	148	97	23	..
<i>Other</i>					
National Partnerships(d)	2,647	1,547	2,647	2,700	2,810
Total payments for specific purposes	43,021	44,067	46,018	47,906	50,899

(a) National Schools SPP funding ceases on 31 December 2013.

(b) National Education Reform funding commences from 1 January 2014. As the Commonwealth's offer to States under the *National Education Reform Agreement* is open until 30 June 2013, the Budget makes provision for National Education Reform funding for all States from 1 January 2014.

(c) Includes adjustment to the National Disability SPP to achieve budget neutrality under National Health Reform (see footnote to Table 2.7 in this Part for details).

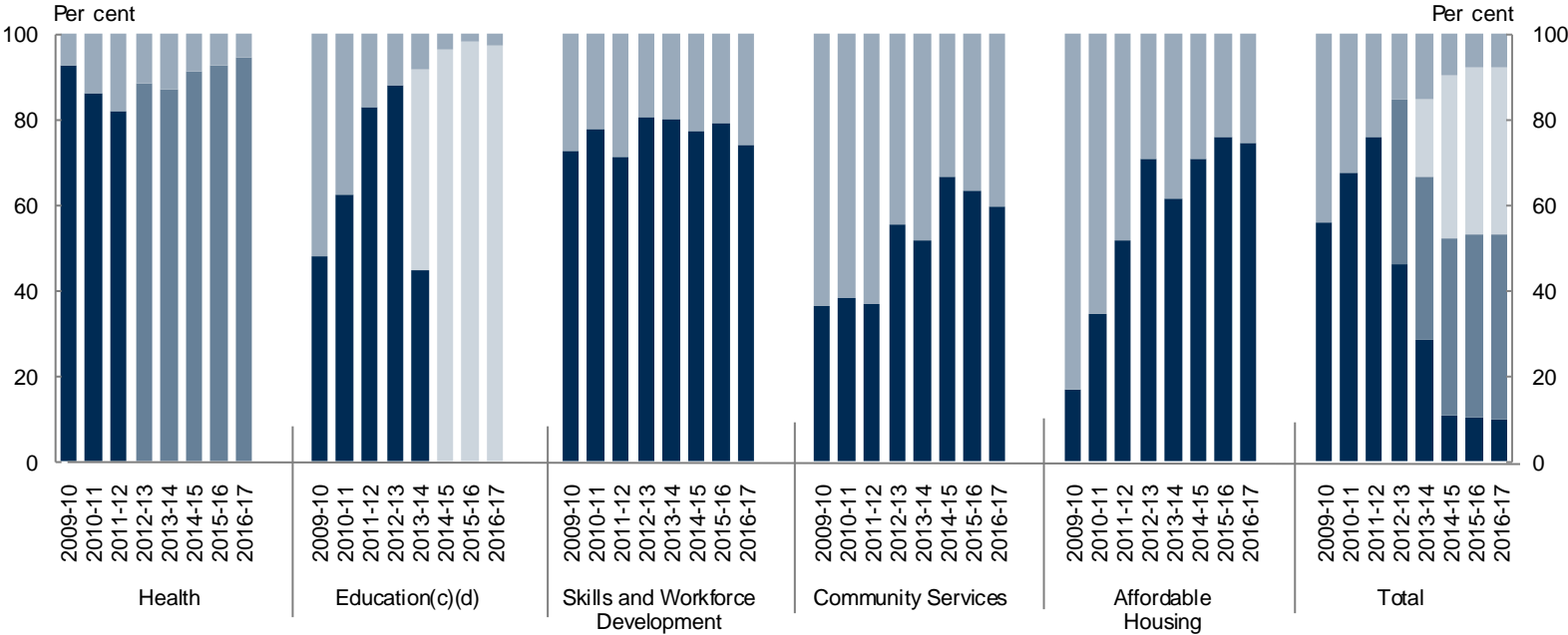
(d) Includes financial assistance grants for local government.

Further information on these payments is in this Part. Total payments for specific purposes categorised by Government Finance Statistics function are set out in Appendix B.

Categories of payments for specific purposes

Chart 2.1 shows the breakdown of payments for specific purposes by category. It illustrates that National SPPs (and National Health Reform/National Education Reform funding) are the primary source of specific purpose funding to the States.

Chart 2.1: Composition of payments for specific purposes^{(a)(b)}



■ National SPP ■ National Health Reform funding ■ National Education Reform funding ■ National Partnership payments

- (a) Infrastructure, Environment, Contingent, Other and Local government payments are provided solely through National Partnership payments and are not included in Chart 2.1.
- (b) Information for 2009-10, 2010-11 and 2011-12 is taken from the Final Budget Outcomes.
- (c) Includes National Schools SPP funding which ceases on 31 December 2013.
- (d) Includes National Education Reform funding which commences from 1 January 2014. As the Commonwealth's offer to States under the *National Education Reform Agreement* is open until 30 June 2013, the Budget makes provision for National Education Reform funding for all States from 1 January 2014.

HEALTH

In 2013-14, the Commonwealth will provide funding of \$16.1 billion to support state health services. This funding will account for approximately 36.5 per cent of the Commonwealth's \$44.1 billion in total payments for specific purposes.

Table 2.4 provides information on payments to support state health services, including additional investments and reforms under the National Health Reform arrangements.

Table 2.4: Payments to support state health services

\$million	2012-13	2013-14	2014-15	2015-16	2016-17
National Health Reform funding	13,280.4	14,040.0	15,531.1	17,164.1	18,956.1
National Partnership payments					
National Health Reform	663.9	818.5	99.5	99.5	99.5
Health infrastructure	465.5	509.1	562.1	393.4	38.2
Health services	62.4	74.5	275.1	367.1	448.6
Indigenous health	51.1	54.0	25.1	17.1	17.6
Mental health	71.5	100.8	121.8	125.5	80.2
Preventive health	68.7	64.6	53.5	53.5	130.4
Other health payments	343.0	415.5	373.0	251.9	259.6
Total	15,006.6	16,076.9	17,041.2	18,472.0	20,030.3

National Health Reform Agreement

On 2 August 2011, COAG agreed the *National Health Reform Agreement*, which provides the foundation of the Commonwealth's funding of public hospital services, replacing the former National Healthcare SPP.

The *National Health Reform Agreement* is a shared commitment to national reform, covering both funding and system governance, and sets out a range of objectives representing the shared intention of the Commonwealth and the States to improve health outcomes for all Australians and ensure the sustainability of the Australian health system.

Under the new arrangements, the majority of the Commonwealth's funding for public hospital services is provided as activity based funding, based on an efficient price for hospital services determined by the Independent Hospital Pricing Authority.

The *National Health Reform Agreement* also provides greater transparency of Commonwealth and State public hospital funding, and accountability for the performance of hospitals and health services through the establishment of the Administrator of the National Health Funding Pool (the Administrator) and National Health Funding Body, and National Health Performance Authority (the Authority). The Administrator and the Authority report regularly on payments through the National Health Funding Pool to public hospitals and on the performance of public hospitals respectively. More information on these arrangements is available from www.nhpa.gov.au and www.publichospitalfunding.gov.au.

National Health Reform funding

In 2013-14, National Health Reform funding is estimated to be \$14.0 billion, equivalent to the amount that would have been provided under the former National Healthcare SPP. This is an estimated increase in funding of 5.72 per cent compared to 2012-13.

National Health Reform funding^{(a)(b)}

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13									
Hospital services	4,199.2	3,181.5	2,598.9	1,372.5	986.5	287.0	197.8	148.3	12,971.8
Public health	99.9	75.7	61.8	32.7	23.5	6.8	4.7	3.5	308.6
Total	4,299.2	3,257.2	2,660.7	1,405.2	1,010.0	293.9	202.5	151.8	13,280.4
2013-14									
Hospital services	4,381.3	3,405.6	2,765.5	1,499.2	990.5	303.3	227.6	141.0	13,714.0
Public health	104.0	81.0	65.8	35.7	23.6	7.2	5.4	3.4	326.0
Total	4,485.3	3,486.7	2,831.3	1,534.8	1,014.0	310.5	233.0	144.4	14,040.0
2014-15									
Hospital services	4,817.2	3,760.3	3,060.4	1,685.7	1,101.2	331.4	264.8	164.9	15,185.9
Public health	110.0	85.8	69.7	38.2	24.8	7.5	5.7	3.5	345.2
Total	4,927.2	3,846.1	3,130.0	1,723.9	1,126.0	338.9	270.5	168.4	15,531.1
2015-16									
Hospital services	5,294.0	4,149.2	3,383.5	1,891.9	1,222.1	361.8	305.6	190.9	16,798.9
Public health	116.0	90.8	73.8	40.9	26.0	7.9	6.1	3.7	365.3
Total	5,410.0	4,240.1	3,457.3	1,932.7	1,248.1	369.7	311.6	194.6	17,164.1
2016-17									
Hospital services	5,816.8	4,576.4	3,738.3	2,119.6	1,354.3	394.9	350.3	219.3	18,569.9
Public health	122.0	96.2	78.2	43.8	27.4	8.2	6.5	3.9	386.2
Total	5,938.8	4,672.6	3,816.5	2,163.4	1,381.7	403.1	356.8	223.2	18,956.1

(a) State allocations of funding for 2012-13 and 2013-14 are shown on the basis provided for under the previous National Healthcare SPP. Adjustments will take place with respect to cross-border activity, where residents of one State receive hospital treatment in another State.

(b) The efficient growth funding component of National Health Reform funding in 2014-15, 2015-16 and 2016-17 is indicative only. The distribution of efficient growth funding will be determined by efficient growth in each State.

National Health Reform funding includes an explicit component for public health. The States have full discretion over the application of public health funding to the outcomes set out in the *National Healthcare Agreement*. This amount represents the sum of amounts identified under the *National Healthcare Agreement* relating to national public health, youth health services and essential vaccines (service delivery) in 2008-09 (\$244.0 million), indexed annually by the National Healthcare SPP growth factor.

During the first two years of the *National Health Reform Agreement* funding arrangements (2012-13 and 2013-14) are transitional, in part to allow the newly established independent national health agencies to fully take up their statutory responsibilities ahead of new funding arrangements from 2014-15.

In this transition period the Commonwealth's funding contribution to public hospital services will be amounts equivalent to those that would otherwise have been payable through the former National Healthcare SPP, and the SPP indexation arrangements will continue to apply. As in 2012-13, the adjustment to funding for 2013-14 reflects the application of those indexation arrangements.

From July 2014, for the first time Commonwealth National Health Reform funding will be directly linked to the level of services delivered by public hospitals.

Over and above the existing SPP funding, the Commonwealth will meet 45 per cent of the cost of the efficient growth in public hospital services from 2014-15, increasing to 50 per cent from 2017-18.

Efficient growth includes:

- for services funded on the basis of activity – the increase in the volume of public hospital services and the efficient price of delivering those services; and
- for services funded on the basis of block grants – the increase in the efficient cost of delivering those services.

The Commonwealth has guaranteed that its increased contribution will be at least \$16.4 billion greater than the amount the States would have received under the former National Healthcare SPP between 2014-15 and 2019-20. If the additional growth funding commitment over this period is less than \$16.4 billion, the residual amount will be paid to the States to fund health services that aim to reduce the growth in demand for hospital services.

The new arrangements from July 2014 will be a significant change to the way the Commonwealth funds State hospital activity. With the new arrangements commencing from next July, it is timely that Heads of Treasuries take the opportunity in coming months to ensure, in conjunction with relevant agencies, that all necessary arrangements are in place to enable the successful introduction of the new funding arrangements. This will include developing a shared understanding of the parameters that underpin the Commonwealth's and the States' projected growth funding from 2014-15 onwards, including the impacts of any recent movements in State hospital activity.

Under the cross-border provisions of the *National Health Reform Agreement*, Commonwealth funding contributions flow to the State where a patient receives treatment, rather than solely on the basis of State population shares previously in place under the SPP arrangements.

When a resident of one state receives hospital treatment in another state, the 'resident state' compensates the treating or provider state for the cost of that care via a 'cross-border' payment.

Commonwealth activity based funding contributions through the National Health Funding Pool to each state or territory are made on a 'provider state' basis and reflect the Commonwealth share of the costs of this cross-border activity.

The cross-border flows required to give effect to this outcome for Commonwealth payments are determined by the Administrator and based on data provided by the States to the Administrator.

The table below shows estimated net cross-border flows for 2012-13 and 2013-14.

Cross-Border funding flows

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	-77.8	18.0	11.3	-0.7	9.9	0.0	46.3	-6.9	-
2013-14	-82.2	13.8	19.7	0.3	13.5	-0.8	46.5	-10.8	-

National Partnership payments for health

In addition to National Health Reform funding, the Commonwealth will provide funding through National Partnerships to alleviate key pressure points to help meet the growing demand for health services.

A total of \$2.0 billion will be provided to the States in 2013-14 under the following health categories:

- National Partnerships supporting National Health Reform arrangements;
- health infrastructure;
- health services;
- Indigenous health;
- mental health;
- preventive health; and
- other health payments.

National Partnerships supporting National Health Reform arrangements^(a)

\$million	2012-13	2013-14	2014-15	2015-16	2016-17
National Partnership payments					
National Health Reform					
Improving Public Hospital Services					
Flexible funding pool for emergency departments, elective surgery and subacute care	25.0	1.1	-	-	-
National elective surgery target					
Capital funding	-	1.2	-	-	-
Facilitation and reward funding	-	51.7	49.5	49.5	49.5
National emergency access target					
Capital funding	50.0	1.9	-	-	-
Facilitation and reward funding	50.0	51.7	50.0	50.0	50.0
New subacute beds guarantee funding	446.5	632.5	-	-	-
Financial assistance for long stay older patients	92.4	78.2	-	-	-
Total	663.9	818.5	99.5	99.5	99.5

(a) Continuity of funding for hospital services is provided through the additional National Health Reform funding of at least \$16.4 billion which commences in 2014-15.

National Partnership on Improving Public Hospital Services

Several payments are provided under the *National Partnership on Improving Public Hospital Services* which implements the public patient access to elective surgery, emergency department and subacute care services elements of the *National Health Reform Agreement*. This National Partnership follows on from the *National Partnership on the elective surgery waiting list reduction plan* and the *National Partnership on hospital and health workforce reform*.

Flexible funding pool for emergency departments, elective surgery and subacute care component

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	7.0	5.6	4.7	2.7	2.1	1.1	0.9	0.8	25.0
2013-14	-	-	-	-	-	1.1	-	-	1.1
2014-15	-	-	-	-	-	-	-	-	-
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-

The Commonwealth is providing funding to increase hospital capacity and improve services to patients through a flexible funding pool. The funding pool gives the States additional capacity to respond to capital and recurrent cost needs in the public hospital system in relation to emergency departments, elective surgery and subacute care.

National elective surgery target component

The Commonwealth will provide funding to ensure elective surgery patients are seen within clinically recommended times, and to reduce the number of patients waiting beyond those times.

Capital funding

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	-	-	-	-	-	-	-	-	-
2013-14	-	-	-	-	-	1.2	-	-	1.2
2014-15	-	-	-	-	-	-	-	-	-
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-

The Commonwealth has provided funding for the national elective surgery target to boost elective surgery capacity in public hospitals. The Commonwealth will also provide capital funding of \$1.2 million to Tasmania in 2013-14.

Expanding the elective surgery capacity will help to achieve the Commonwealth's new national elective surgery target. This target seeks to ensure that, by the end of 2016, 100 per cent of public hospital elective surgery patients in all urgent categories are treated within the clinically recommended times.

Facilitation and reward funding

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	-	-	-	-	-	-	-	-	-
2013-14	15.8	12.3	10.6	5.4	3.4	3.1	0.7	0.5	51.7
2014-15	15.8	12.3	10.6	5.4	3.4	0.9	0.7	0.5	49.5
2015-16	15.8	12.3	10.6	5.4	3.4	0.9	0.7	0.5	49.5
2016-17	15.8	12.3	10.6	5.4	3.4	0.9	0.7	0.5	49.5

The Commonwealth will provide facilitation funding to achieve elective surgery targets by expanding elective surgery capacity and improving the delivery of elective surgery. The Commonwealth will provide reward funding to jurisdictions based on their achievement in meeting the national elective surgery target.

The national elective surgery target comprises two complementary parts. Part 1 is based on achieving a progressive increase in the proportion of elective surgery procedures undertaken within clinically recommended times so that 100 per cent of patients waiting for surgery are treated within those times by 2016. Part 2 aims to reduce the number of patients who have already waited longer than the clinically recommended time for elective surgery.

National emergency access target component

The Commonwealth is providing funding to expand capacity in the public hospital system and reduce the time taken to treat, admit or discharge patients in public hospital emergency departments as part of a reform to introduce a four hour national emergency access target for emergency department treatment.

Capital funding

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	14.5	11.4	9.6	5.4	4.0	1.9	1.7	1.4	50.0
2013-14	-	-	-	-	-	1.9	-	-	1.9
2014-15	-	-	-	-	-	-	-	-	-
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-

The Commonwealth is providing funding for the expansion of emergency departments and associated facilities to help achieve the agreed new national emergency access target. This measure allows for the redesign and upgrade of public hospital emergency departments to meet the new target and funding will be distributed based on population and need.

Facilitation and reward funding

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	16.0	12.4	10.3	5.2	3.6	1.1	0.8	0.5	50.0
2013-14	15.9	12.4	10.4	5.3	3.5	2.8	0.8	0.6	51.7
2014-15	15.9	12.4	10.4	5.3	3.5	1.1	0.8	0.6	50.0
2015-16	15.9	12.4	10.4	5.3	3.5	1.1	0.8	0.6	50.0
2016-17	15.9	12.4	10.4	5.3	3.5	1.1	0.8	0.6	50.0

The Commonwealth is providing facilitation funding to introduce a four hour national emergency access target. Under the target, 90 per cent of all patients presenting to a public hospital emergency department will leave the emergency department for admission to hospital or referral to another hospital for treatment or will be discharged within four hours. From its commencement on 1 January 2012, the target applies to all five patient triage categories and is to be achieved through progressive improvements by 2015.

The Commonwealth will provide reward funding to jurisdictions depending on their achievement against the national emergency access target. This will be based on the performance achieved in each of the calendar year assessment periods, subject to assessment by the COAG Reform Council.

New subacute beds guarantee funding component^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	145.0	111.1	89.8	45.9	32.8	10.6	7.0	4.3	446.5
2013-14	203.8	154.7	125.9	64.3	46.0	21.0	9.9	6.9	632.5
2014-15	-	-	-	-	-	-	-	-	-
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-

(a) This funding forms part of the National Partnership on Improving Public Hospital Services. This was implemented as a precursor to National Health Reform growth funding which commences in 2014-15 and provides additional funding of at least \$16.4 billion over six years.

The Commonwealth is providing funding for over 1,300 additional beds for subacute services.

The States will deliver an agreed number of new subacute beds or equivalent services each year in public hospitals or in community settings. Funding will provide beds and services for palliative care, rehabilitation, psychogeriatric care, geriatric evaluation and management, and subacute mental health care.

National Partnership on financial assistance for long stay older patients^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	30.4	12.8	16.8	8.8	13.4	5.8	3.1	1.4	92.4
2013-14	24.3	9.4	15.6	11.7	13.3	2.3	0.8	0.8	78.2
2014-15	-	-	-	-	-	-	-	-	-
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-

(a) Amounts in 2013-14 are indicative distributions.

The Commonwealth is providing funding for the *National Partnership on financial assistance for long stay older patients* to assist with the care of long stay older patients in public hospitals.

The funding contribution will assist with the care in public hospitals of older people, aged 65 years or over, who have finished acute and post-acute care and are awaiting Commonwealth aged care placement.

Health infrastructure

\$million	2012-13	2013-14	2014-15	2015-16	2016-17
National Partnership payments					
Health infrastructure					
Health and Hospitals Fund					
Hospital infrastructure and other					
projects of national significance	166.2	99.2	65.0	0.6	-
National cancer system	188.3	148.8	101.1	50.5	1.6
Regional priority round	108.6	261.1	396.1	342.3	36.6
Other Health infrastructure payments					
Funding for Grafton Hospital	2.0	-	-	-	-
Radiation oncology services in North/North West Tasmania	0.4	-	-	-	-
Total	465.5	509.1	562.1	393.4	38.2

Health and Hospitals Fund

Hospital infrastructure and other projects of national significance component

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	9.4	0.5	146.6	2.2	-	-	-	7.5	166.2
2013-14	-	-	35.6	62.6	-	1.0	-	-	99.2
2014-15	-	-	15.0	50.0	-	-	-	-	65.0
2015-16	-	-	-	0.6	-	-	-	-	0.6
2016-17	-	-	-	-	-	-	-	-	-

The Commonwealth is providing funding from the Health and Hospitals Fund to support the development of health infrastructure projects of national significance.

The Commonwealth will collaborate with the States to expand and modernise key public hospitals across Australia to improve hospital care.

These projects are funded under the *National Partnership on Health Infrastructure* or Project Agreements.

National cancer system component

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	41.4	33.0	46.6	12.8	34.7	13.8	6.0	-	188.3
2013-14	6.3	82.0	41.5	3.4	3.3	6.6	4.5	1.2	148.8
2014-15	-	68.0	21.2	4.5	-	6.8	-	0.6	101.1
2015-16	-	50.0	-	-	-	0.5	-	-	50.5
2016-17	-	-	-	1.6	-	-	-	-	1.6

The Commonwealth is providing funding from the Health and Hospitals Fund to support infrastructure to deliver a world class cancer care system in Australia. This funding will help modernise cancer services and improve detection, survival and treatment outcomes, particularly for patients in regional and rural Australia.

Regional priority round component

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	39.4	41.6	10.9	0.9	15.2	-	0.4	-	108.6
2013-14	76.5	56.6	44.0	23.5	22.2	-	0.4	37.8	261.1
2014-15	195.9	73.5	40.0	20.8	11.4	-	0.1	54.4	396.1
2015-16	195.3	13.5	10.3	13.6	22.3	50.0	-	37.3	342.3
2016-17	27.0	-	-	-	-	-	-	9.7	36.6

The Commonwealth is delivering on the \$1.8 billion commitment to Health and Hospitals Fund investment in Regional Australia. Regional Priority funding will improve access to essential health services for Australians living in rural, regional and remote areas.

The Commonwealth will also work in partnership with the States to expand and modernise key health infrastructure, including hospitals, across Australia. This will improve health services across a range of areas including acute care, primary care, e-Health, integrated health facilities, and Indigenous health workforce and training.

Other infrastructure projects

The following projects are funded as part of the *National Partnership on Health Infrastructure*.

Funding for Grafton Hospital component

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	2.0	-	-	-	-	-	-	-	2.0
2013-14	-	-	-	-	-	-	-	-	-
2014-15	-	-	-	-	-	-	-	-	-
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-

The Commonwealth has provided funding for the Grafton Hospital initiative. The measure has been established to enable faster and safer treatment for elderly patients and patients with chronic conditions, improve the timely diagnosis of patients and improve the operating theatre infrastructure for surgical procedures.

Radiation oncology services in North/North West Tasmania component

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	-	-	-	-	-	0.4	-	-	0.4
2013-14	-	-	-	-	-	-	-	-	-
2014-15	-	-	-	-	-	-	-	-	-
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-

The Commonwealth has provided funding to expand radiation oncology services in North/North West Tasmania.

Health services

\$million	2012-13	2013-14	2014-15	2015-16	2016-17
National Partnership payments					
Health services					
Early intervention pilot program	0.2	-	-	-	-
National antimicrobial utilisation surveillance program	0.2	0.2	-	-	-
Northern Territory medical school – funding contribution	2.2	2.3	2.3	2.3	2.4
Adult Public Dental Services	-	-	200.0	295.0	390.0
BreastScreen Australia radiography workforce initiatives	0.2	-	-	-	-
Canberra Hospital – dedicated paediatric emergency care	-	-	5.0	-	-
Expansion of the Breastscreen Australia Program	-	9.8	10.4	12.0	14.2
Health care grants for the Torres Strait	5.3	4.4	4.5	4.6	4.7
Improving Health Services in Tasmania					
Better access to community based palliative care services	5.8	1.8	1.7	1.7	-
Cradle Coast Connected Care Clinical Repository	0.3	0.3	0.3	0.3	-
Innovative flexible funding for mental health	1.1	1.1	1.0	1.0	-
Reducing Elective Surgery Waiting Lists in Tasmania	8.8	8.3	7.1	6.2	-
Walk-in centres in Hobart and Launceston	4.7	6.9	5.1	5.1	-
National Bowel Cancer Screening Program – participant follow-up function	1.4	1.8	1.9	2.2	-
National perinatal depression initiative	6.1	10.8	8.2	8.2	8.2
OzFoodNet	1.6	1.7	1.7	1.7	1.8
Royal Darwin hospital – equipped, prepared and ready	14.8	14.9	15.2	15.5	15.8
Torres Strait health protection strategy – mosquito control	0.9	0.9	1.0	1.0	1.0
Vaccine-preventable diseases surveillance	0.8	0.8	0.8	0.8	0.8
Victorian cytology service	8.1	8.5	8.9	9.4	9.8
Total	62.4	74.5	275.1	367.1	448.6

National Partnership on Health services

A number of projects are funded as part of the *National Partnership on Health Services*.

Early intervention pilot program component

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	0.2	-	-	-	-	-	-	-	0.2
2013-14	-	-	-	-	-	-	-	-	-
2014-15	-	-	-	-	-	-	-	-	-
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-

The Commonwealth has provided funding for the early intervention pilot program under the National Binge Drinking Strategy. The program is being implemented by the New South Wales Police Force based on their existing *Your Choice* model. It provides early intervention and diversion programs for young people under the age of 18 years who are at risk of developing alcohol-related problems. Many intervention activities are now embedded in both police and health programs.

National antimicrobial utilisation surveillance program component

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	-	-	-	-	0.2	-	-	-	0.2
2013-14	-	-	-	-	0.2	-	-	-	0.2
2014-15	-	-	-	-	-	-	-	-	-
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-

The Commonwealth is providing funding for the national antimicrobial utilisation surveillance program. The program collects, analyses and reports on inpatient antimicrobial usage data in Australian hospitals to support the development of strategies to minimise antimicrobial resistance.

Northern Territory medical school — funding contribution component

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	-	-	-	-	-	-	-	2.2	2.2
2013-14	-	-	-	-	-	-	-	2.3	2.3
2014-15	-	-	-	-	-	-	-	2.3	2.3
2015-16	-	-	-	-	-	-	-	2.3	2.3
2016-17	-	-	-	-	-	-	-	2.4	2.4

The Commonwealth is providing funding as a contribution to the recurrent costs of the Northern Territory Medical Program (NTMP) to provide medical training activities across the full four years of the graduate entry medical course. The NTMP is delivered by Flinders University, with recurrent funding provided by the Northern Territory Government.

Other health services

Several payments have been combined under the category of other health services.

National Partnership on Adult Public Dental Services

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	-	-	-	-	-	-	-	-	-
2013-14	-	-	-	-	-	-	-	-	-
2014-15	64.5	49.6	40.1	21.2	14.6	4.6	3.3	2.1	200.0
2015-16	95.1	73.1	59.2	31.3	21.6	6.7	4.9	3.0	295.0
2016-17	125.7	96.7	78.3	41.4	28.5	8.9	6.4	4.0	390.0

The Commonwealth will provide funding for the *National Partnership on Adult Public Dental Services* to support the provision of dental health services to adults who rely on the public dental system. This initiative will contribute to long-term improvement in dental health by assisting more than one million low income adults to receive treatment. This is part of the Commonwealth's \$4.1 billion dental health package announced on 29 August 2012.

National Partnership on BreastScreen Australia radiography workforce initiatives

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	-	-	..	-	0.2
2013-14	-	-	-	-	-	-	-	-	-
2014-15	-	-	-	-	-	-	-	-	-
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-

The Commonwealth has provided funding for the *National Partnership on BreastScreen Australia radiography workforce initiatives* to increase provision of recruitment and/or retention activities such as professional development, training, or employment opportunities for both trainee and experienced radiographers.

National Partnership for the Canberra hospital — dedicated paediatric emergency care

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	-	-	-	-	-	-	-	-	-
2013-14	-	-	-	-	-	-	-	-	-
2014-15	-	-	-	-	-	-	5.0	-	5.0
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-

The Commonwealth will provide funding under the *National Partnership for the Canberra Hospital – dedicated paediatric emergency care* for the development of a dedicated service for children within the emergency department of the Canberra Hospital. This will help streamline and better coordinate paediatric emergency and admitted patient services for approximately 15,000 children each year.

Funding for the Canberra Hospital is a new spending measure in the 2013-14 Budget. This measure is discussed in Budget Paper No. 2: *Budget Measures 2013-14*.

National Partnership on the Expansion of the BreastScreen Australia Program^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	-	-	-	-	-	-	-	-	-
2013-14	2.4	1.9	1.7	1.1	1.0	0.7	0.6	0.5	9.8
2014-15	3.4	2.6	2.1	1.0	0.9	0.3	0.1	0.1	10.4
2015-16	3.9	3.0	2.4	1.1	1.0	0.3	0.2	0.1	12.0
2016-17	4.7	3.5	2.9	1.4	1.2	0.4	0.2	0.1	14.2

(a) States splits are indicative distributions only and will be finalised following negotiations with the States.

The Commonwealth will provide funding under the *National Partnership on Expansion of the BreastScreen Australia Program* to improve the early detection of breast cancer by expanding the target age range of the BreastScreen Australia Program from women 50 to 69 years of age to women 50 to 74 years of age. This will build on the existing BreastScreen Australia program, which commenced in 1991.

A new spending measure associated with the Expansion of the BreastScreen Australia Program is discussed in Budget Paper No. 2: *Budget Measures 2013-14*.

National Partnership on health care grants for the Torres Strait

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	-	-	5.3	-	-	-	-	-	5.3
2013-14	-	-	4.4	-	-	-	-	-	4.4
2014-15	-	-	4.5	-	-	-	-	-	4.5
2015-16	-	-	4.6	-	-	-	-	-	4.6
2016-17	-	-	4.7	-	-	-	-	-	4.7

The Commonwealth is providing funding under the *National Partnership on health care grants for the Torres Strait*. Under this program, the Commonwealth is contributing funding to Queensland health facilities for the treatment of Papua New Guinea (PNG) nationals, as a contribution to the costs associated with the provision of these health services.

This funding will also assist the Queensland Government to contribute to the safe and ethical transfer of PNG nationals with tuberculosis to the PNG health system.

National Partnership on Improving Health Services in Tasmania

The Commonwealth is providing funding for a package of measures to address pressures on the Tasmanian health system and improve healthcare outcomes for Tasmanians.

Better access to community based palliative care services component^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	-	-	-	-	-	5.8	-	-	5.8
2013-14	-	-	-	-	-	1.8	-	-	1.8
2014-15	-	-	-	-	-	1.7	-	-	1.7
2015-16	-	-	-	-	-	1.7	-	-	1.7
2016-17	-	-	-	-	-	-	-	-	-

(a) Amounts from 2013-14 onwards are subject to negotiation with Tasmania.

The Commonwealth will provide funding to strengthen the capacity of the existing publicly funded palliative care services and networks, and to improve access to multi-disciplinary community based palliative care services across Tasmania.

Cradle Coast Connected Care clinical repository component

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	-	-	-	-	-	0.3	-	-	0.3
2013-14	-	-	-	-	-	0.3	-	-	0.3
2014-15	-	-	-	-	-	0.3	-	-	0.3
2015-16	-	-	-	-	-	0.3	-	-	0.3
2016-17	-	-	-	-	-	-	-	-	-

The Commonwealth will provide funding to support the continued operation of the Cradle Coast Connected Care clinical repository. The clinical repository stores advance care plans, which document a person’s preferences about health, personal care and preferred health outcomes, and guide future decision making when that person cannot make or communicate decisions relating to their health needs.

Innovative flexible funding for mental health component^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	-	-	-	-	-	1.1	-	-	1.1
2013-14	-	-	-	-	-	1.1	-	-	1.1
2014-15	-	-	-	-	-	1.0	-	-	1.0
2015-16	-	-	-	-	-	1.0	-	-	1.0
2016-17	-	-	-	-	-	-	-	-	-

(a) Amounts from 2013-14 onwards are subject to negotiation with Tasmania.

The Commonwealth will provide funding for packages of care to support Tasmanians not served well by mainstream care approaches, including those affected by alcohol, drug, and other complex mental health issues. The funding will be innovative and flexible to provide intensive, short-term support that is individualised, community based and recovery focused.

Reducing Elective Surgery Waiting Lists component

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	-	-	-	-	-	8.8	-	-	8.8
2013-14	-	-	-	-	-	8.3	-	-	8.3
2014-15	-	-	-	-	-	7.1	-	-	7.1
2015-16	-	-	-	-	-	6.2	-	-	6.2
2016-17	-	-	-	-	-	-	-	-	-

The Commonwealth is providing funding to increase Tasmania’s capacity to perform elective surgery procedures, targeting patients who have waited longer than the clinically recommended period for their surgery. This will ensure that these patients receive their operations as a priority, subject to clinical need, and will support Tasmania in managing its elective surgery waiting list.

Walk-in centres in Hobart and Launceston component^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	-	-	-	-	-	4.7	-	-	4.7
2013-14	-	-	-	-	-	6.9	-	-	6.9
2014-15	-	-	-	-	-	5.1	-	-	5.1
2015-16	-	-	-	-	-	5.1	-	-	5.1
2016-17	-	-	-	-	-	-	-	-	-

(a) Funding is subject to negotiation with Tasmania.

The Commonwealth will provide funding to establish walk-in centres to provide care for patients with low acuity episodic minor illnesses and injuries in Hobart and Launceston. These centres will provide services free of charge and for extended hours, and link closely with general practitioners to ensure continuity of patient care.

National Partnership on the National Bowel Cancer Screening Program — participant follow-up function

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	-	0.4	0.4	0.2	0.1	0.1	0.1	0.1	1.4
2013-14	-	0.6	0.5	0.2	0.2	0.1	0.1	0.1	1.8
2014-15	-	0.6	0.5	0.3	0.2	0.1	0.1	0.1	1.9
2015-16	-	0.7	0.6	0.3	0.2	0.1	0.1	0.1	2.2
2016-17	-	-	-	-	-	-	-	-	-

The Commonwealth is providing funding for the *National Partnership on the National Bowel Cancer Screening Program – participant follow-up function*. This initiative funds the follow-up of participants who return a positive test result. The second phase of the program commenced on 1 July 2008 and offers testing to people who turn 50, 55 or 65 years of age. The program will be expanded to include people who turn 60 years of age in 2013 and 70 years of age in 2015.

National Partnership on the national perinatal depression initiative^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	1.7	1.4	1.2	0.7	0.4	0.2	0.2	0.2	6.1
2013-14	3.1	2.6	2.2	1.3	0.7	0.3	0.3	0.3	10.8
2014-15	2.3	1.9	1.6	1.0	0.6	0.3	0.2	0.3	8.2
2015-16	2.3	1.9	1.6	1.0	0.6	0.3	0.2	0.3	8.2
2016-17	2.3	1.9	1.6	1.0	0.6	0.3	0.2	0.3	8.2

(b) State splits are indicative distributions based on state splits from previous years and final distribution will be contingent on a cost shared agreement to be negotiated between States and the Commonwealth.

The Commonwealth is providing funding under the *National Partnership on the national perinatal depression initiative*. The initiative aims to improve prevention and early detection of antenatal and postnatal depression and provide better support and treatment for expectant and new mothers experiencing depression.

The measure taken in the 2013-14 Budget as part of this program is discussed in Budget Paper No. 2: *Budget Measures 2013-14*.

National Partnership on OzFoodNet

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	0.3	0.2	0.2	0.2	0.2	0.2	0.1	0.1	1.6
2013-14	0.3	0.2	0.2	0.2	0.2	0.2	0.1	0.1	1.7
2014-15	0.3	0.3	0.3	0.2	0.2	0.2	0.1	0.1	1.7
2015-16	0.3	0.3	0.3	0.2	0.2	0.2	0.1	0.1	1.7
2016-17	0.4	0.3	0.3	0.2	0.2	0.2	0.1	0.1	1.8

The Commonwealth is providing funding for the *National Partnership on OzFoodNet*. This is a collaborative initiative with state health authorities for enhanced foodborne disease surveillance. This initiative aims to provide a better understanding of the causes and incidence of foodborne disease in the community and to provide an evidence base for policy formulation.

OzFoodNet collaborates nationally to coordinate investigations into foodborne disease outbreaks, particularly those that cross state and country borders.

National Partnership on Royal Darwin hospital — equipped, prepared and ready

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	-	-	-	-	-	-	-	14.8	14.8
2013-14	-	-	-	-	-	-	-	14.9	14.9
2014-15	-	-	-	-	-	-	-	15.2	15.2
2015-16	-	-	-	-	-	-	-	15.5	15.5
2016-17	-	-	-	-	-	-	-	15.8	15.8

The Commonwealth is providing funding for the *National Partnership on Royal Darwin hospital — equipped, prepared and ready* to maintain the National Critical Care and Trauma Response Centre at Royal Darwin Hospital in a state of readiness to respond to major health incidents in the region.

National Partnership on the Torres Strait health protection strategy — mosquito control

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	-	-	0.9	-	-	-	-	-	0.9
2013-14	-	-	0.9	-	-	-	-	-	0.9
2014-15	-	-	1.0	-	-	-	-	-	1.0
2015-16	-	-	1.0	-	-	-	-	-	1.0
2016-17	-	-	1.0	-	-	-	-	-	1.0

The Commonwealth is providing funding for the *National Partnership on the Torres Strait health protection strategy — mosquito control* to assist in mosquito detection and eradication. Funding also supports employment of a Torres Strait communication officer to improve communication and coordination between Australia and PNG to reduce the spread of communicable diseases in the Torres Strait.

The measure taken in the 2013-14 Budget as part of this program is discussed in Budget Paper No. 2: *Budget Measures 2013-14*.

National Partnership on vaccine-preventable diseases surveillance

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	0.2	0.2	0.2	0.1	0.1	..	..	..	0.8
2013-14	0.2	0.2	0.2	0.1	0.1	..	..	..	0.8
2014-15	0.2	0.2	0.2	0.1	0.1	..	..	..	0.8
2015-16	0.2	0.2	0.2	0.1	0.1	..	..	..	0.8
2016-17	0.2	0.2	0.2	0.1	0.1	..	..	..	0.8

The Commonwealth is providing funding under the *National Partnership on vaccine-preventable diseases surveillance* to improve surveillance reporting of nationally notifiable vaccine-preventable diseases and allow national monitoring, analysis and timely reporting of data to provide an evidence base for policy formulation.

The measure taken in the 2013-14 Budget as part of this program is discussed in Budget Paper No. 2: *Budget Measures 2013-14*.

National Partnership for Victorian cytology service

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	-	8.1	-	-	-	-	-	-	8.1
2013-14	-	8.5	-	-	-	-	-	-	8.5
2014-15	-	8.9	-	-	-	-	-	-	8.9
2015-16	-	9.4	-	-	-	-	-	-	9.4
2016-17	-	9.8	-	-	-	-	-	-	9.8

The Commonwealth is providing funding for the *National Partnership for Victorian cytology service* to support the early detection of pre-cancerous cervical conditions by processing pap smears undertaken by general practitioners and other health professionals.

The measure taken in the 2013-14 Budget as part of this program is discussed in Budget Paper No. 2: *Budget Measures 2013-14*.

Indigenous health

\$million	2012-13	2013-14	2014-15	2015-16	2016-17
National Partnership payments					
Indigenous health					
Health services					
Sexual assault counselling in remote Northern Territory areas	1.3	-	-	-	-
Accommodation related to renal services for Aboriginal and Torres Strait Islander peoples in the Northern Territory	-	10.0	-	-	-
Closing the Gap in the Northern Territory – Indigenous health and related services	0.4	-	-	-	-
Improving ear health services for Indigenous Australian children	6.5	0.7	-	-	-
Improving trachoma control services for Indigenous Australians	3.9	4.4	4.1	4.2	4.2
Indigenous early childhood development – antenatal and reproductive health	24.3	24.4	6.0	-	-
Reducing acute rheumatic heart fever among Indigenous children	2.5	2.6	2.6	2.7	2.7
Renal dialysis services in Central Australia	1.6	1.7	1.7	-	-
Stronger Futures in the Northern Territory					
Hearing health services	2.4	2.8	3.2	3.1	3.3
Mobile Outreach Service Plus	4.3	4.4	4.5	4.6	4.8
Oral health services	2.3	2.6	2.6	2.5	2.7
Torres Strait health protection strategy – Saibai Island health clinic	1.5	0.5	0.5	-	-
Total	51.1	54.0	25.1	17.1	17.6

National Partnership on sexual assault counselling in remote Northern Territory areas

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	-	-	-	-	-	-	-	1.3	1.3
2013-14	-	-	-	-	-	-	-	-	-
2014-15	-	-	-	-	-	-	-	-	-
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-

The Commonwealth has provided funding for sexual assault counselling in remote Northern Territory areas as part of the *Mobile Outreach Service Plus*. This program provides culturally safe counselling and other support to Aboriginal children and their families and communities in remote areas of the Northern Territory, who are experiencing trauma related to any form of child abuse, including sexual assault.

This project has been funded as part of the *National Partnership on Health Services*.

National Partnership on accommodation related to renal services for Aboriginal and Torres Strait Islander peoples in the Northern Territory

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	-	-	-	-	-	-	-	-	-
2013-14	-	-	-	-	-	-	-	10.0	10.0
2014-15	-	-	-	-	-	-	-	-	-
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-

The Commonwealth is providing funding for the *National Partnership on accommodation related to renal services for Aboriginal and Torres Strait Islander peoples in the Northern Territory* for the construction of accommodation facilities.

National Partnership on Closing the Gap in the Northern Territory — Indigenous health and related services

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	-	-	-	-	-	-	-	0.4	0.4
2013-14	-	-	-	-	-	-	-	-	-
2014-15	-	-	-	-	-	-	-	-	-
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-

The Commonwealth has provided funding for the *National Partnership on Closing the Gap in the Northern Territory – Indigenous health and related services component*. Funding under this component will improve access to effective primary health care services in partnership with the Northern Territory Government, Aboriginal Medical Services Alliance Northern Territory, and through consultation with other key stakeholders.

Other payments made as part of the *National Partnership on Closing the Gap* in the Northern Territory are discussed in the Education and Community Services sections of this Part.

National Partnership on improving ear health services for Indigenous Australian children

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	0.9	0.3	1.4	1.4	0.8	-	-	1.9	6.5
2013-14	0.1	..	0.2	0.2	0.1	-	-	0.2	0.7
2014-15	-	-	-	-	-	-	-	-	-
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-

The Commonwealth is providing funding for the *National Partnership on improving ear health services for Indigenous Australian children* to support the delivery of additional surgical services, clinical leadership programs and ear health services to New South Wales, Victoria, Queensland, Western Australia, South Australia and the Northern Territory.

National Partnership on improving trachoma control services for Indigenous Australians

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	0.1	-	0.2	0.9	1.0	-	-	1.7	3.9
2013-14	0.3	-	-	1.4	1.1	-	-	1.7	4.4
2014-15	0.3	-	-	1.3	1.0	-	-	1.5	4.1
2015-16	0.3	-	-	1.4	1.0	-	-	1.6	4.2
2016-17	0.3	-	-	1.4	1.0	-	-	1.6	4.2

The Commonwealth is providing funding for the *National Partnership on improving trachoma control services for Indigenous Australians* for the continued expansion of trachoma control activities in jurisdictions where trachoma, an infectious disease which can lead to blindness, is endemic. Funding is also being provided to jurisdictions where trachoma has been found previously, to determine whether full trachoma control programs are required in those jurisdictions.

The measure taken in the 2013-14 Budget as part of this program is discussed in Budget Paper No. 2: *Budget Measures 2013-14*.

National Partnership on Indigenous early childhood development — antenatal and reproductive health

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	5.7	1.3	7.1	3.8	1.3	0.7	0.2	4.1	24.3
2013-14	5.5	1.4	7.6	3.9	1.1	0.7	0.3	3.8	24.4
2014-15	2.6	-	-	2.0	0.5	0.4	-	0.5	6.0
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-

The Commonwealth is providing funding for the *National Partnership on Indigenous early childhood development – antenatal and reproductive health* to all jurisdictions to improve antenatal care, teenage sexual and reproductive health, and pre-pregnancy care, as well as building linkages with existing child and maternal health programs to increase the uptake of these services.

National Partnership on reducing acute rheumatic heart fever among Indigenous children

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	-	-	0.8	0.8	-	-	-	0.8	2.5
2013-14	-	-	0.9	0.9	-	-	-	0.9	2.6
2014-15	-	-	0.9	0.9	-	-	-	0.9	2.6
2015-16	-	-	0.9	0.9	-	-	-	0.9	2.7
2016-17	-	-	0.9	0.9	-	-	-	0.9	2.7

The Commonwealth is providing funding under the *National Partnership on reducing acute rheumatic heart fever among Indigenous children* to support register and control programs for acute rheumatic fever and rheumatic heart disease in Indigenous children.

National Partnership on renal dialysis services in Central Australia

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	-	-	-	-	-	-	-	1.6	1.6
2013-14	-	-	-	-	-	-	-	1.7	1.7
2014-15	-	-	-	-	-	-	-	1.7	1.7
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-

The Commonwealth is providing funding for the *National Partnership on renal dialysis services in Central Australia* to contribute to the delivery of renal dialysis and support services in Central Australia. This funding will improve access to renal services targeted to Indigenous Australians.

National Partnership on Stronger Futures in the Northern Territory

The Commonwealth is providing funding to the Northern Territory Government through the *National Partnership on Stronger Futures in the Northern Territory*.

There are three health components under the *National Partnership on Stronger Futures in the Northern Territory*. The Stronger Futures in the Northern Territory initiative is discussed further in the Community Services section of this Part.

Hearing health services component

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	-	-	-	-	-	-	-	2.4	2.4
2013-14	-	-	-	-	-	-	-	2.8	2.8
2014-15	-	-	-	-	-	-	-	3.2	3.2
2015-16	-	-	-	-	-	-	-	3.1	3.1
2016-17	-	-	-	-	-	-	-	3.3	3.3

The Commonwealth is providing funding for integrated hearing health services with the capacity to reach children in remote communities. These services continue to support improved hearing outcomes for Indigenous children across the Northern Territory.

Mobile Outreach Service Plus component

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	-	-	-	-	-	-	-	4.3	4.3
2013-14	-	-	-	-	-	-	-	4.4	4.4
2014-15	-	-	-	-	-	-	-	4.5	4.5
2015-16	-	-	-	-	-	-	-	4.6	4.6
2016-17	-	-	-	-	-	-	-	4.8	4.8

The Commonwealth is providing funding for the *Mobile Outreach Service Plus* program to ensure Aboriginal children and their families living in remote areas of the Northern Territory who are affected by trauma associated with child abuse and neglect are provided with counselling and support.

Oral health services component

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	-	-	-	-	-	-	-	2.3	2.3
2013-14	-	-	-	-	-	-	-	2.6	2.6
2014-15	-	-	-	-	-	-	-	2.6	2.6
2015-16	-	-	-	-	-	-	-	2.5	2.5
2016-17	-	-	-	-	-	-	-	2.7	2.7

The Commonwealth is providing funding for an integrated oral health program for Aboriginal children in communities in the Northern Territory. The focus on preventive oral health services will decrease the incidence of dental problems and improve oral health practices and overall wellbeing.

National Partnership on the Torres Strait health protection strategy — Saibai Island health clinic

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	-	-	1.5	-	-	-	-	-	1.5
2013-14	-	-	0.5	-	-	-	-	-	0.5
2014-15	-	-	0.5	-	-	-	-	-	0.5
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-

The Commonwealth is providing funding for the *National Partnership on the Torres Strait health protection strategy – Saibai Island health clinic* to provide additional staff for the treatment of communicable diseases at the health care clinic on Saibai Island, and development and implementation of a culturally appropriate sexual health education campaign for people in the Torres Strait.

Mental health

\$million	2012-13	2013-14	2014-15	2015-16	2016-17
National Partnership payments					
Mental health					
Early Psychosis Youth Centres	28.2	50.2	70.2	80.2	80.2
Supporting National Mental Health Reform	43.3	50.6	51.6	45.3	-
Total	71.5	100.8	121.8	125.5	80.2

National Partnership on Early Psychosis Youth Centres^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5	28.2
2013-14	6.3	6.3	6.3	6.3	6.3	6.3	6.3	6.3	50.2
2014-15	8.8	8.8	8.8	8.8	8.8	8.8	8.8	8.8	70.2
2015-16	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	80.2
2016-17	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	80.2

(a) Yearly profiles and State splits are indicative distributions only and have been allocated on an equal State split.

The Commonwealth will provide funding for the *National Partnership on Early Psychosis Youth Centres* initiative to reform early psychosis management within the Australian mental health system. The new centres will provide an integrated and comprehensive

service to help address the needs of people aged between 15 and 24 years with emerging psychotic disorders. Services provided include early intervention and clinical treatment.

National Partnership on Supporting National Mental Health Reform

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	13.6	9.2	8.9	5.3	3.3	1.6	0.6	0.9	43.3
2013-14	13.6	9.3	15.3	6.0	3.4	1.6	0.6	0.9	50.6
2014-15	13.6	9.5	15.6	6.4	3.4	1.6	0.6	0.9	51.6
2015-16	13.6	7.6	10.4	7.0	3.4	1.7	0.6	0.9	45.3
2016-17	-	-	-	-	-	-	-	-	-

The Commonwealth is providing funding for the *National Partnership on Supporting National Mental Health Reform* to deliver improved health, social, economic and housing outcomes for people with severe and persistent mental illness by addressing service gaps and preventing ongoing cycling through state mental health systems.

Preventive health

\$million	2012-13	2013-14	2014-15	2015-16	2016-17
National Partnership payments					
Preventive health					
Enabling infrastructure	2.5	-	-	-	-
Healthy children	23.9	28.9	28.9	28.9	105.8
Healthy communities	15.2	11.1	-	-	-
Healthy workers	21.2	24.7	24.7	24.7	24.7
Social marketing	6.0	-	-	-	-
Total	68.7	64.6	53.5	53.5	130.4
<i>Memorandum item - payments direct to local governments included in payments above</i>					
Healthy communities	15.2	11.1	-	-	-
Total	15.2	11.1	-	-	-

National Partnership on Preventive health

The Commonwealth is providing funding for the *National Partnership on Preventive health*. This National Partnership has been established to address the rising prevalence of lifestyle-related chronic diseases by laying the foundations for healthy behaviours in the daily lives of Australians. The objectives of this National Partnership are being achieved through settings such as: communities; early childhood education and care environments; schools; and workplaces. These objectives are being supported by national social marketing campaigns. A key feature of this National Partnership is the establishment of infrastructure required to monitor and evaluate the progress of interventions, as well as the establishment of the Australian National Preventive Health Agency.

Enabling infrastructure component

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	0.8	0.6	0.5	0.3	0.2	0.1	..	..	2.5
2013-14	-	-	-	-	-	-	-	-	-
2014-15	-	-	-	-	-	-	-	-	-
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-

The Commonwealth has provided funding for additional state-based surveillance activities covering nutrition and physical activity measures consistent with national protocols and to enable reporting on performance benchmarks in the National Partnership.

The Commonwealth has established the Australian National Preventive Health Agency, and has provided additional funding for the Australian Health Survey. The survey will collect representative data on the prevalence of chronic diseases and lifestyle-related risk factors amongst Indigenous and non-Indigenous Australians, including nutrition, physical activity and biomedical measures.

Healthy children component

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	7.7	5.8	4.9	2.5	1.7	0.5	0.4	0.3	23.9
2013-14	9.3	7.0	5.9	3.0	2.1	0.7	0.5	0.3	28.9
2014-15	9.3	7.0	5.9	3.0	2.1	0.7	0.5	0.3	28.9
2015-16	9.3	7.0	5.9	3.0	2.1	0.7	0.5	0.3	28.9
2016-17	34.2	25.7	21.7	11.0	7.6	2.5	1.8	1.2	105.8

The Commonwealth is providing facilitation funding for the healthy children initiative. Funding will deliver programs for children from birth to 16 years of age to increase levels of physical activity and improve the intake of fruit and vegetables in settings such as child care centres, preschools and schools.

The Commonwealth will provide reward funding to the States upon the achievement of agreed performance benchmarks under this National Partnership.

Healthy communities component^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	3.7	3.2	2.9	2.2	1.8	0.6	0.3	0.6	15.2
2013-14	2.9	2.5	2.2	1.5	1.4	0.3	-	0.3	11.1
2014-15	-	-	-	-	-	-	-	-	-
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-

(a) All payments are made direct to local governments.

The Commonwealth is providing funding direct to local governments for the healthy communities initiative. This funding supports 92 local government areas nationally in the targeted, progressive roll out of community-based healthy lifestyle programs that facilitate increased access to physical activity, healthy eating and healthy weight activities for disadvantaged adults who are predominantly not in the paid workforce.

Healthy workers component

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	6.9	5.2	4.3	2.2	1.5	0.5	0.4	0.2	21.2
2013-14	8.0	6.0	5.1	2.6	1.8	0.6	0.4	0.3	24.7
2014-15	8.0	6.0	5.1	2.6	1.8	0.6	0.4	0.3	24.7
2015-16	8.0	6.0	5.1	2.6	1.8	0.6	0.4	0.3	24.7
2016-17	8.0	6.0	5.1	2.6	1.8	0.6	0.4	0.3	24.7

The Commonwealth is providing facilitation funding for the healthy workers initiative. This funding supports workplace health programs that focus on decreasing the proportion of workers who are overweight or obese; increasing levels of physical activity and intake of fruit and vegetables; smoking cessation; and reducing harmful levels of alcohol consumption.

As part of this National Partnership, the Commonwealth has developed a national healthy workplace charter with peak employer and employee representatives (the Joint Statement of Commitment), and a healthy workers portal to provide supporting resources and tools to employers. A national quality framework for providers and a National Awards Scheme for employers has also be developed.

The Commonwealth will provide reward funding to the States upon the achievement of agreed performance benchmarks under this National Partnership.

Social marketing component

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	1.9	1.5	1.2	0.6	0.4	0.1	0.1	0.1	6.0
2013-14	-	-	-	-	-	-	-	-	-
2014-15	-	-	-	-	-	-	-	-	-
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-

The Commonwealth has provided funding to develop social marketing campaigns that extend and complement national campaigns which reinforce local activities on preventive health.

Other Health National Partnership payments

\$million	2012-13	2013-14	2014-15	2015-16	2016-17
National Partnership payments					
Other					
East Kimberley Development Package – health related projects	2.8	-	-	-	-
Essential vaccines	227.6	259.9	253.0	251.9	259.6
Hospital and health workforce reform – activity based funding	43.0	-	-	-	-
National Coronial Information System	0.4	0.4	0.4	-	-
Treating more public dental patients	69.2	155.2	119.6	-	-
Total	343.0	415.5	373.0	251.9	259.6

National Partnership on the East Kimberley Development Package — health related projects

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	-	-	-	2.8	-	-	-	-	2.8
2013-14	-	-	-	-	-	-	-	-	-
2014-15	-	-	-	-	-	-	-	-	-
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-

The Commonwealth is providing funding for the *National Partnership on the East Kimberley Development Package* for health infrastructure projects. Investment priorities under the package include primary and preventive health care, drug and alcohol services, short term patient accommodation, housing for health service providers, improvements to remote clinics, aged care facilities and environmental health measures. Improving primary and preventive health care services in these areas will reduce the incidence of chronic and acute illness in the community as well as reduce the pressure on acute health services in Kununurra and Wyndham.

A description of the East Kimberley Development Package as a whole is provided in the Infrastructure services section of this Part.

National Partnership on essential vaccines

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	90.4	75.4	29.1	13.6	12.1	3.0	2.1	1.8	227.6
2013-14	77.7	65.3	56.2	26.2	21.1	5.7	4.0	3.7	259.9
2014-15	75.9	64.5	55.3	25.8	18.5	5.5	3.9	3.5	253.0
2015-16	73.5	64.0	58.5	25.5	18.2	5.3	3.7	3.3	251.9
2016-17	80.7	61.5	57.7	28.3	17.6	5.8	4.0	4.1	259.6

The Commonwealth is providing funding for the *National Partnership on essential vaccines* to improve the health and wellbeing of Australians through the cost-effective delivery of immunisation programs under the National Immunisation Program. This National Partnership provides funding to the States for the purchase of essential vaccines, which have not yet transitioned to centralised purchasing arrangements, for all eligible individuals under the National Immunisation Program.

Facilitation funding will improve essential vaccine service delivery by assisting the States to invest in activities related to the distribution of vaccines to providers, cold chain management, vaccine storage, analysis of data around the provision of vaccines and to undertake projects to support the achievement of performance benchmarks. The Commonwealth is providing reward funding to the States for achieving performance benchmarks that maintain or increase vaccine coverage amongst Indigenous Australians and four year olds as well as in low coverage areas, and maintain or decrease vaccine wastage and leakage.

National Partnership on hospital and health workforce reform — activity based funding

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	16.5	6.8	9.4	2.5	4.8	0.8	0.6	1.7	43.0
2013-14	-	-	-	-	-	-	-	-	-
2014-15	-	-	-	-	-	-	-	-	-
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-

The Commonwealth has provided funding for the *National Partnership on hospital and health workforce reform* to support the implementation of activity based funding for Australia’s public hospital system, enhance health workforce capability and supply, increase the volume and quality of subacute care services, and improve the operations of emergency departments. This National Partnership has supported an efficient and effective public hospital system that delivers high quality and safe services to patients.

National Partnership on the National Coronial Information System

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	-	0.4	-	-	-	-	-	-	0.4
2013-14	-	0.4	-	-	-	-	-	-	0.4
2014-15	-	0.4	-	-	-	-	-	-	0.4
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-

The Commonwealth will provide funding for the *National Partnership on the National Coronial Information System*. This National Partnership will support the ongoing administration, maintenance and improvement of Australia’s national database of coronial data.

The measure taken in the 2013-14 Budget as part of this program is discussed in Budget Paper No. 2: *Budget Measures 2013-14*.

National Partnership on treating more public dental patients

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	22.3	17.2	13.5	5.8	5.6	2.5	1.1	1.2	69.2
2013-14	50.0	38.5	30.4	13.0	12.5	5.5	2.5	2.8	155.2
2014-15	38.5	29.7	23.4	10.1	9.6	4.3	1.9	2.1	119.6
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-

The Commonwealth is providing funding for the *National Partnership on treating more public dental patients* to assist the States to provide treatment for up to 400,000 people on public dental waiting lists, with a particular focus on Indigenous patients, high risk patients and those from rural areas.

EDUCATION

In 2013-14, the Commonwealth will provide funding of \$14.5 billion to support state education services.

Table 2.5 provides information on payments to support education services, including additional Commonwealth investments and reforms under the *National Education Reform Agreement*.

Table 2.5: Payments to support state education services

\$million	2012-13	2013-14	2014-15	2015-16	2016-17
National Schools SPP(a)	11,910.1	6,490.6	-	-	-
National Education Reform funding(b)	-	6,823.8	14,314.1	15,630.0	17,098.6
National Partnership payments					
More support for students with disabilities	78.7	81.5	57.7	-	-
Rewards for great teachers(c)	10.0	-	-	-	-
Smarter Schools – low socio-economic status school communities(d)(e)	362.9	141.3	-	-	-
Digital education revolution	200.0	-	-	-	-
Early childhood education – universal access to early education	461.7	406.0	234.9	-	-
East Kimberley Development Package – education related projects	4.2	-	-	-	-
Improving literacy and numeracy	161.2	80.8	-	-	-
Indigenous early childhood development – children and family centres	56.5	78.0	-	-	-
MoneySmart Teaching	0.7	1.3	1.2	1.3	1.5
National quality agenda for early childhood education and care	21.3	19.1	nfp	nfp	nfp
National Solar Schools Program	27.7	18.0	-	-	-
School Pathways Program	1.7	1.3	-	-	-
Secure Schools Program	5.0	5.0	-	-	-
Smarter Schools – improving teacher quality(e)	18.0	175.0	-	-	-
Stronger Futures in the Northern Territory(e)					
Building a quality school workforce –					
Additional teachers	28.0	27.1	27.6	28.1	21.6
Quality teaching	14.8	14.8	14.8	14.8	14.8
Teacher housing	-	4.8	5.4	6.1	7.4
Expansion of the school enrolment and attendance measure	1.9	2.2	2.3	2.2	2.3
Trade training centres in schools	181.9	100.3	165.1	185.0	391.0
Total	13,546.3	14,470.6	14,823.2	15,867.5	17,537.2

Table 2.5: Payments to support state education services (continued)

\$million	2012-13	2013-14	2014-15	2015-16	2016-17
<i>Memorandum item – payments for non-government schools included in payments above</i>					
National Schools SPP(a)	7,965.1	4,378.4	-	-	-
National Education Reform funding(b)	-	4,391.0	9,149.7	9,851.9	10,585.9
More support for students with disabilities	17.1	19.9	11.4	-	-
Rewards for great teachers(c)	1.8	-	-	-	-
Digital education revolution	74.0	-	-	-	-
Improving literacy and numeracy	36.2	18.1	-	-	-
National Solar Schools Program	6.9	-	-	-	-
Secure Schools Program	2.8	5.0	-	-	-
Trade training centres in schools	51.9	31.1	83.0	97.4	163.8
Total	8,155.7	8,843.6	9,244.1	9,949.3	10,749.8

(a) National Schools SPP funding ceases on 31 December 2013.

(b) National Education Reform funding commences from 1 January 2014. As the Commonwealth's offer to States under the *National Education Reform Agreement* is open until 30 June 2013, the Budget makes provision for National Education Reform funding for all States (government and non-government schools) from this date.

(c) Under the *National Education Reform Agreement*, this National Partnership ceases on 31 December 2013. All funding from 2013-14 onwards will be redirected to the Commonwealth's new needs-based funding model for schools.

(d) Under the *National Education Reform Agreement*, this National Partnership ceases on 31 December 2013. Part of 2013-14 funding and all funding from 2014-15 onwards will be redirected to the Commonwealth's new needs-based funding model for schools.

(e) Includes government and non-government schools. Payments to non-government schools are not shown in the Memorandum item.

National Education Reform Agreement

The Commonwealth has proposed that the *National Education Reform Agreement* will replace the current *National Education Agreement* from 1 January 2014.

The *National Education Reform Agreement* reaffirms the commitment of the Commonwealth and the States to the objective that Australian schooling should provide a high quality and equitable education for all students.

The Agreement will contribute to shared outcomes, including that:

- Australian students excel by international standards;
- young people make a successful transition from school to work and/or further study;
- all children are engaged in and benefiting from schooling; and
- schooling reduces the disadvantage of children, including Aboriginal and Torres Strait Islander children and children from low socio-economic status backgrounds.

To help achieve these outcomes, the Agreement establishes a more equitable school funding system and will help drive improvement in education outcomes at the student, school and national levels by:

- providing additional funding directed to those schools and students most in need; and
- introducing a National Plan for School Improvement, through which the Commonwealth and the States will commit to five key reform directions – quality teaching, quality learning, empowered school leadership, meeting student need, and transparency and accountability.

The Agreement introduces a new needs-based funding model for schooling, based on a Schooling Resource Standard (SRS). The Commonwealth's SRS will provide a base amount of funding for every Australian school student, which will be supplemented by additional loadings for: schools in regional and remote areas; students from a low-socioeconomic status background; Indigenous students; and students with low English-language proficiency. Following further work to develop a new loading for students with disability, it is intended that the loading will also become part of the SRS from 1 January 2015.

The new funding arrangements will apply for both government and non-government schools, with additional investment to be phased in over six years and shared between the Commonwealth and the States.

National Schools SPP and National Education Reform funding

Commonwealth National Education Reform funding, to be calculated according to the SRS methodology, will replace the National Schools SPP from 1 January 2014.

In 2013-14, this will see the Commonwealth providing \$6.5 billion to support state education services through the National Schools SPP and \$6.8 billion in National Education Reform funding.

National Schools SPP and National Education Reform funding^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13									
National Schools SPP	3,765.1	2,963.3	2,435.5	1,216.4	907.5	264.0	208.1	150.3	11,910.1
2013-14									
National Schools SPP(b)	2,037.6	1,609.4	1,347.0	672.1	490.8	140.0	113.3	80.3	6,490.6
National Education Reform funding(c)	2,082.4	1,688.0	1,434.3	707.1	511.1	164.5	118.1	118.2	6,823.8
Total	4,120.0	3,297.5	2,781.3	1,379.2	1,001.9	304.5	231.4	198.5	13,314.3
2014-15									
National Education Reform funding(c)	4,334.8	3,543.6	3,049.2	1,496.6	1,057.1	342.4	243.7	246.8	14,314.1
2015-16									
National Education Reform funding(c)	4,672.0	3,885.9	3,403.7	1,645.3	1,126.6	370.0	258.1	268.4	15,630.0
2016-17									
National Education Reform funding(c)	5,112.2	4,258.5	3,775.6	1,785.5	1,201.0	399.8	273.4	292.7	17,098.6

(a) Includes government and non-government schools.

(b) National Schools SPP funding ceases on 31 December 2013.

(c) National Education Reform funding commences from 1 January 2014. As the Commonwealth's offer to States under the *National Education Reform Agreement* is open until 30 June 2013, the Budget makes provision for National Education Reform funding for all States (government and non-government schools) from this date.

As the Commonwealth's funding offer under the *National Education Reform Agreement* will remain open until 30 June 2013, the Budget makes provision for National Education Reform funding for all States from 1 January 2014.

However, States will only receive National Education Reform funding from 1 January 2014 if they have signed the *National Education Reform Agreement* and a related bilateral agreement. States that do not sign the *National Education Reform Agreement* and a related bilateral agreement will continue to receive funding consistent with the National Schools SPP, as well as payments under the Rewards for Great Teachers and Low Socio-economic Status School Communities National Partnerships until those agreements expire.

Growth factor

The Intergovernmental Agreement defines the growth factor for the government schools component of the National Schools SPP as the product of:

- the growth in average government schools recurrent cost; and
- the growth in full time equivalent enrolment in government schools.

The growth factor for the non-government schools component of the National Schools SPP is determined in accordance with the *Schools Assistance Act 2008*.

The growth factor for the government schools component of the National Schools SPP is currently estimated to be 7.08 per cent in 2013-14, which applies until this SPP ceases on 31 December 2013.

National Partnership payments for education

In addition to the National Schools SPP and National Education Reform funding, the Commonwealth will provide a total of \$1.2 billion in 2013-14 through National Partnerships to support state education services. Further details on these National Partnerships are provided below.

National Partnerships relating to schools reform

Under the *National Education Reform Agreement*, the *National Partnership on rewards for great teachers* and the *National Partnership on Smarter Schools – low socio-economic status school communities* will cease from 31 December 2013, with savings redirected to the Commonwealth's new needs-based funding model for schools.

Funding previously provisioned for National Partnerships associated with the Reward for School Improvement program and the next phase of the Empowering Local Schools program will not proceed and will also be redirected to the Commonwealth's new needs-based funding model for schools.

Funding for the majority of activities associated with these programs will be provided for through the new school funding arrangements, which will also deliver greater consistency in the distribution of funding and provide more support for disadvantaged students.

Funding for the *National Partnership on more support for students with disabilities* has been extended for 12 months. Following further work to develop a new loading for students with disability, it is intended that the loading will become part of the needs-based funding model from 1 January 2015.

The measures taken in the 2013-14 Budget in relation to these programs are discussed in Budget Paper No. 2: *Budget Measures 2013-14*.

National Partnership on more support for students with disabilities^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	25.2	19.2	16.4	8.1	5.8	1.8	1.4	0.9	78.7
2013-14	26.1	19.8	16.9	8.4	6.0	1.9	1.4	0.9	81.5
2014-15	18.4	14.0	12.1	5.9	4.3	1.4	1.0	0.7	57.7
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-

(a) Includes government and non-government schools.

The Commonwealth is providing funding for the *National Partnership on more support for students with disabilities*. This National Partnership was established to provide targeted assistance to teachers and schools to support students with disabilities. This

initiative provides education authorities with the flexibility to select a range of activities that will best meet the needs of students, teachers and schools in their jurisdiction.

The focus of this initiative is to build the capacity of Australian schools and teachers to better support the needs of students with disability and/or learning difficulties, thereby contributing to improved student learning experiences, educational outcomes and transitions.

National Partnership on rewards for great teachers^{(a)(b)}

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	3.1	2.5	2.0	1.1	0.7	0.2	0.2	0.2	10.0
2013-14	-	-	-	-	-	-	-	-	-
2014-15	-	-	-	-	-	-	-	-	-
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-

(a) Includes government and non-government schools.

(b) Under the *National Education Reform Agreement*, this National Partnership ceases on 31 December 2013. All funding from 2013-14 onwards will be redirected to the Commonwealth's new needs-based funding model for schools.

The Commonwealth is providing funding in 2012-13 for the *National Partnership on rewards for great teachers*. This National Partnership was established to improve the quality and effectiveness of all teachers by ensuring that they have access to constructive performance and development processes which, as a result, contribute to improved learning outcomes for students. To date, the National Partnership has resulted in the development and implementation of strategies for teachers to participate in annual performance and development reviews in which they will receive constructive feedback on performance, as well as opportunities for professional development. Through these discussions, high performing teachers will be encouraged to work towards certification at higher levels of the Australian Professional Standards for Teachers. All participating states have established certifying authorities, recruited assessors and have commenced assessor training.

While the National Partnership will cease on 31 December 2013, the proposed reforms included in *Better Schools: A National Plan for School Improvement* will ensure an ongoing focus on supporting and recognising teachers and their ongoing professional development.

National Partnership on Smarter Schools — low socio-economic status school communities^{(a)(b)}

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	143.9	66.7	55.4	23.5	38.7	17.0	0.7	17.0	362.9
2013-14	55.2	25.6	23.2	9.0	14.9	6.5	0.3	6.5	141.3
2014-15	-	-	-	-	-	-	-	-	-
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-

(a) Includes government and non-government schools.

(b) Under the *National Education Reform Agreement*, this National Partnership ceases on 31 December 2013. Part of 2013-14 funding and all funding from 2014-15 onwards will be redirected to the Commonwealth's new needs-based funding model for schools.

The Commonwealth is providing funding in 2012-13 and 2013-14 for the *National Partnership on Smarter Schools – low socio-economic status school communities*. The National Partnership was established to promote teacher quality, principal leadership, school accountability and innovative learning opportunities to equip students better for further education, workforce participation and civic responsibilities.

While the National Partnership will cease on 31 December 2013, the proposed reforms included in *Better Schools: A National Plan for School Improvement* will ensure an ongoing focus on providing educational support to students from economically disadvantaged families.

National Partnership on the digital education revolution^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	63.4	47.5	42.5	20.9	15.1	4.8	3.8	1.9	200.0
2013-14	-	-	-	-	-	-	-	-	-
2014-15	-	-	-	-	-	-	-	-	-
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-

(a) Includes government and non-government schools.

The Commonwealth is providing funding for the *National Partnership on the digital education revolution*. This National Partnership was established to prepare students for education, training and to live and work in a digital world. The National Secondary School Computer Fund (NSSCF) and associated on-costs are the major funding element under this National Partnership. The NSSCF helps schools to provide new computers and other information and communication technology (ICT) equipment for students in Years 9 to 12, as well as the necessary infrastructure to support the installation and maintenance of the additional ICT.

Funding to reach the computer to student ratio of 1:1 is provided biannually to education authorities through this National Partnership with States and Territories and through funding agreements with the non-government sector. The 1:1 ratio was achieved nationally in Australian schools with Years 9 to 12 for the start of the 2012 school year. To date, more than 967,000 computers have been installed under the NSSCF, exceeding the national target of 786,000 computers.

Other National Partnerships for education

National Partnership on early childhood education — universal access to early education

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	142.7	113.1	100.7	49.2	31.9	10.7	7.3	6.1	461.7
2013-14	131.4	97.9	85.0	43.8	27.3	9.0	6.4	5.1	406.0
2014-15	76.0	56.6	49.2	25.4	15.8	5.2	3.7	3.0	234.9
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-

The Commonwealth is providing funding for the *National Partnership on early childhood education – universal access to early education*. This National Partnership was established to provide universal access to affordable, quality early childhood education in the year before full-time schooling with a specific focus on ensuring access for Indigenous children living in remote communities. The program is to be delivered by a degree qualified early childhood teacher for at least 600 hours a year.

A new spending measure associated with this program is discussed in Budget Paper No. 2: *Budget Measures 2013-14*.

National Partnership on the East Kimberley Development Package — education related projects

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	-	-	-	4.2	-	-	-	-	4.2
2013-14	-	-	-	-	-	-	-	-	-
2014-15	-	-	-	-	-	-	-	-	-
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-

The Commonwealth is providing funding to Western Australia as part of the *National Partnership on the East Kimberley Development Package – education related projects*. Investment priorities under the package include early childhood development, primary and secondary schooling, post-secondary education and training, and community meeting facilities in remote locations. Concerted action in the areas of education and training is expected to improve the socio-economic status, employment status and workforce participation of Indigenous people.

A description of the East Kimberley Development Package as a whole is provided in the Infrastructure section of this Part.

National Partnership on improving literacy and numeracy^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	49.9	27.4	40.4	19.7	13.1	4.6	1.8	4.4	161.2
2013-14	25.0	13.7	20.2	9.9	6.6	2.3	0.9	2.2	80.8
2014-15	-	-	-	-	-	-	-	-	-
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-

(a) Includes government and non-government schools.

The Commonwealth is providing funding for the *National Partnership on improving literacy and numeracy* to improve the performance of students who are falling behind in literacy and/or numeracy in participating schools in 2013, with a particular emphasis on students from disadvantaged backgrounds and Aboriginal and Torres Strait Islander students.

The National Partnership aims to sustain the momentum of the *National Partnership on Smarter Schools – Literacy and Numeracy*, which concluded in December 2012, through: the effective identification of areas in participating schools where support is needed; monitoring and analysis of literacy and numeracy performance; and improved capability and effectiveness of literacy and/or numeracy teaching in participating schools. It will also facilitate the sharing of effective evidence-based teaching approaches across schools and jurisdictions including through an increase in the number of literacy and numeracy approaches published on *Teach Learn Share*.

National Partnership on Indigenous early childhood development — children and family centres

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	15.1	3.0	15.4	5.8	11.3	1.5	1.1	3.4	56.5
2013-14	25.4	3.8	12.7	11.9	5.3	1.7	1.1	16.3	78.0
2014-15	-	-	-	-	-	-	-	-	-
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-

The Commonwealth is providing funding for element one of the *National Partnership on Indigenous early childhood development – children and family centres* to improve outcomes for Indigenous children in the early years and to contribute to COAG's Closing the Gap targets for Indigenous Australians. This National Partnership provides for the establishment of 38 children and family centres across Australia by 2014, which will deliver integrated services, including early learning, childcare and family support programs.

Additional elements of this National Partnership provide for increased access to antenatal care and health programs and increased access and use of maternal and child health services by Indigenous families. These elements are reported in the Health section of this Part.

National Partnership on MoneySmart Teaching

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	0.2	0.2	-	0.1	0.1	-	0.1	-	0.7
2013-14	0.3	0.2	0.2	0.1	0.1	0.1	0.1	0.1	1.3
2014-15	0.3	0.2	0.2	0.1	0.1	0.1	0.1	0.1	1.2
2015-16	0.3	0.3	0.2	0.1	0.1	0.1	0.1	0.1	1.3
2016-17	0.3	0.3	0.2	0.2	0.2	0.1	0.1	0.1	1.5

The Commonwealth will provide funding for the *National Partnership on MoneySmart Teaching* to support the delivery of face-to-face professional learning to teachers in primary and secondary schools and the trialling of teacher support materials, consistent with *Helping Our Kids Understand Finances*, a commitment to improve financial literacy in Australian schools.

A new spending measure associated with this program is discussed in Budget Paper No. 2: *Budget Measures 2013-14*. This measure builds on the initiatives undertaken through the *National Partnership on Helping Our Kids Understand Finances – Professional Learning and MoneySmart Schools*, which expires on 30 June 2013.

National Partnership on the national quality agenda for early childhood education and care^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	9.6	5.1	1.6	1.2	2.4	0.3	0.2	0.9	21.3
2013-14	8.5	4.6	1.5	0.9	2.3	0.3	0.2	0.8	19.1
2014-15	nfp	nfp	nfp	nfp	nfp	nfp	nfp	nfp	nfp
2015-16	nfp	nfp	nfp	nfp	nfp	nfp	nfp	nfp	nfp
2016-17	nfp	nfp	nfp	nfp	nfp	nfp	nfp	nfp	nfp

(a) A review of this agreement will be undertaken by COAG in 2014. Provision has been made in the Contingency Reserve for funding from 2014-15, subject to negotiations with the States.

The Commonwealth is providing funding for the *National Partnership on the national quality agenda for early childhood education and care* to deliver an integrated and unified national regulatory system for early childhood education and care, and reduce the regulatory burden on service providers. It is promoting continuous improvement in the quality of services through a national quality standard, including the early years learning framework, and a national quality rating system.

The National Quality Agenda is improving educational and developmental outcomes for children, and improving public knowledge of, and access to, information about the quality of early childhood education and care services.

National Partnership on the National Solar Schools Program^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	7.6	3.4	6.5	1.8	3.7	1.5	1.3	1.9	27.7
2013-14	2.4	5.4	4.6	3.4	0.9	0.2	0.4	0.6	18.0
2014-15	-	-	-	-	-	-	-	-	-
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-

(a) Includes government and non-government schools.

The Commonwealth is providing funding for the *National Partnership on the National Solar Schools Program*. Funding is being provided for approved schools to install solar and other renewable power systems, solar hot water systems, rainwater tanks and a range of energy efficiency measures.

National Partnership on the School Pathways Program

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	-	-	-	0.5	1.2	-	-	-	1.7
2013-14	-	-	-	0.5	0.7	-	-	-	1.3
2014-15	-	-	-	-	-	-	-	-	-
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-

The Commonwealth is providing funding for the *National Partnership on the School Pathways Program* in South Australia and Western Australia. This National Partnership was established to increase the pool of young people ready to move from school into further education, apprenticeships, scholarships and part time work/study combinations in the defence industry. The School Pathways Program is also increasing employer awareness of options for recruiting young people and the benefits to business of doing so.

National Partnership on the Secure Schools Program^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	2.7	1.0	0.5	0.3	0.2	-	-	0.3	5.0
2013-14	2.2	2.0	0.4	0.3	0.1	-	-	-	5.0
2014-15	-	-	-	-	-	-	-	-	-
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-

(a) Includes government and non-government schools.

The Commonwealth is providing funding for the *National Partnership on the Secure Schools Program*. This National Partnership will assist government and non-government schools at risk of racial, religious or ethnically motivated crimes to meet their particular security needs by providing security-related infrastructure such as fencing, lighting and CCTV.

National Partnership on Smarter Schools — improving teacher quality^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	5.7	4.6	3.6	1.9	1.3	0.4	0.3	0.2	18.0
2013-14	56.0	44.5	34.5	17.7	12.8	4.2	3.1	2.1	175.0
2014-15	-	-	-	-	-	-	-	-	-
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-

(a) Includes government and non-government schools.

The Commonwealth is providing funding for the *National Partnership on Smarter Schools – improving teacher quality*. This National Partnership was established to facilitate and reward ambitious, nationally significant and sustainable reforms to attract, train, place, develop and retain quality teachers and school leaders in classrooms and schools. These reforms provide a platform for raising student performance and support other schooling reforms targeting low socio-economic status school communities and literacy and numeracy outcomes.

National Partnership on Stronger Futures in the Northern Territory

The Commonwealth is providing funding to the Northern Territory Government through the *National Partnership on Stronger Futures in the Northern Territory*. There are four education components under the *National Partnership on Stronger Futures in the Northern Territory*. The Stronger Futures in the Northern Territory initiative is described further in the Community Services section of this Part.

Building a quality school workforce

The Commonwealth is providing funding for building a quality school workforce. This funding supports the urgent improvement of schooling outcomes for Indigenous children and comprises three components – additional teachers, quality teaching and teacher housing.

Additional teachers component^{(a)(b)}

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	-	-	-	-	-	-	-	28.0	28.0
2013-14	-	-	-	-	-	-	-	27.1	27.1
2014-15	-	-	-	-	-	-	-	27.6	27.6
2015-16	-	-	-	-	-	-	-	28.1	28.1
2016-17	-	-	-	-	-	-	-	21.6	21.6

(a) Includes government and non-government schools.

(b) Includes \$12.4 million of funding in 2012-13 previously committed under the Closing the Gap in the Northern Territory National Partnership.

The Commonwealth is providing funding for the provision and continued maintenance of 200 teaching positions in remote Northern Territory schools, to maintain a strong workforce and provide access to quality teaching that directly engages young people in education and supports the aspirations of Aboriginal communities for quality education outcomes for their children.

Quality teaching component^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	-	-	-	-	-	-	-	14.8	14.8
2013-14	-	-	-	-	-	-	-	14.8	14.8
2014-15	-	-	-	-	-	-	-	14.8	14.8
2015-16	-	-	-	-	-	-	-	14.8	14.8
2016-17	-	-	-	-	-	-	-	14.8	14.8

(a) Includes government and non-government schools.

The quality teaching component will enhance the capability of the existing education workforce in remote Northern Territory communities and improve teachers' abilities to support students with critical needs. Commonwealth funding will allow Northern Territory education providers to develop career pathways for Indigenous staff members, increase the number of Indigenous staff members with education qualifications and provide professional development, support and programs to enable teachers and students to achieve improved outcomes in literacy and numeracy in targeted remote communities.

Teacher housing component^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	-	-	-	-	-	-	-	-	-
2013-14	-	-	-	-	-	-	-	4.8	4.8
2014-15	-	-	-	-	-	-	-	5.4	5.4
2015-16	-	-	-	-	-	-	-	6.1	6.1
2016-17	-	-	-	-	-	-	-	7.4	7.4

(a) Includes government and non-government schools.

The Commonwealth will provide funding for the provision of up to 103 teacher houses in remote Northern Territory communities over the next ten years, to address critical staff housing shortages and help attract and retain high quality teachers in remote schools.

Expansion of the school enrolment and attendance measure

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	-	-	-	-	-	-	-	1.9	1.9
2013-14	-	-	-	-	-	-	-	2.2	2.2
2014-15	-	-	-	-	-	-	-	2.3	2.3
2015-16	-	-	-	-	-	-	-	2.2	2.2
2016-17	-	-	-	-	-	-	-	2.3	2.3

The Commonwealth is providing funding for the expansion of the school enrolment and attendance measure (SEAM). This measure will use the income support payment system as a way to connect schools and families where children are not enrolled in or attending school, and encourages dialogue between the school and the family on factors impacting on school enrolment and attendance. As a last resort, SEAM will use the possible suspension of income support payments to encourage improved school enrolment and attendance behaviours.

This measure aligns with the Northern Territory Government’s *Every Child, Every Day* attendance strategy and has expanded from 6 to 22 communities (including all Northern Territory Remote Service Delivery communities, Alice Springs, Tennant Creek, Alyangula, Nhulunbuy, and the remaining areas of Katherine not already in scope for SEAM) in the Northern Territory.

This measure supports greater engagement between schools and families and encourages better attendance behaviours and educational outcomes in SEAM communities. SEAM will use attendance conferences and the development of attendance plans that will provide parents with ownership and control of their behaviour towards their children’s school attendance. The funding will provide for increased levels of support for families through additional social workers from the Department of Human Services and additional funding for Northern Territory Government Attendance and Engagement Officers.

National Partnership on trade training centres in schools^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	48.4	46.6	36.4	21.5	14.8	4.7	6.2	3.3	181.9
2013-14	13.7	34.7	11.8	18.4	6.0	1.3	4.5	9.8	100.3
2014-15	41.7	37.7	41.9	22.2	11.0	3.7	3.5	3.4	165.1
2015-16	49.5	42.6	46.0	21.8	13.3	4.0	4.2	3.7	185.0
2016-17	114.7	93.9	89.0	43.1	29.6	9.1	7.9	3.7	391.0

(a) Includes government and non-government schools.

The Commonwealth is providing funding for the *National Partnership on trade training centres in schools*. Trade training centres are being established to help increase the proportion of students achieving Year 12 or equivalent qualifications by ensuring students have access to high quality, relevant education and training opportunities that engage and encourage them to complete their studies. The trade training centres also aim to address national skills shortages in traditional trades and emerging industries. Under the program, funds are available for major capital works, upgrade or refurbishment of existing facilities and/or industry standard equipment.

SKILLS AND WORKFORCE DEVELOPMENT

In 2013-14, the Commonwealth will provide funding of \$1.8 billion to support state skills and workforce development related services as detailed in Table 2.6.

Table 2.6: Payments to support state skills and workforce development related services

\$million	2012-13	2013-14	2014-15	2015-16	2016-17
National Skills and Workforce Development SPP	1,387.5	1,409.0	1,436.2	1,462.7	1,489.6
National Partnership payments					
Building Australia's Future Workforce					
Skills reform	238.4	238.4	377.2	377.4	516.3
Training places for single and teenage parents	20.0	26.7	26.7	-	-
Commonwealth/State and Territory joint group training program	11.1	-	-	-	-
Education Investment Fund	3.8	-	-	-	-
Industry and Indigenous Skills centres	2.9	-	-	-	-
TAFE fee waivers for childcare qualifications	16.0	15.4	10.5	-	-
Youth attainment and transitions					
Maximising engagement, attainment and successful transitions	37.5	18.8	-	-	-
Year 12 attainment and transitions	-	53.3	-	-	-
Total	1,717.1	1,761.5	1,850.6	1,840.1	2,006.0

National Agreement for Skills and Workforce Development

The *National Agreement for Skills and Workforce Development* identifies the long-term objectives of the Commonwealth and the States in the areas of skills and workforce development, and recognises the interest of all Governments in ensuring the skills of the Australian people are developed and utilised in the economy.

The Agreement seeks to deliver a vocational education and training (VET) system with improved quality and greater transparency for students, employers and governments; greater access to training opportunities and improved outcomes for disadvantaged students; and greater efficiency.

The reforms needed to achieve the objectives and outcomes of this Agreement include reforming training to achieve a more demand-driven and client-focused system, and driving the next wave of innovation and productivity.

National Skills and Workforce Development SPP

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	451.8	343.9	275.0	145.3	102.3	31.7	23.3	14.4	1,387.5
2013-14	453.9	349.7	281.8	151.4	102.6	31.5	23.5	14.5	1,409.0
2014-15	457.0	357.1	290.1	159.0	103.1	31.3	23.9	14.7	1,436.2
2015-16	463.6	364.1	295.9	163.9	104.4	31.5	24.4	14.9	1,462.7
2016-17	470.4	371.3	301.8	168.9	105.7	31.6	25.0	15.1	1,489.6

The National Skills and Workforce Development SPP is the funding associated with the *National Agreement for Skills and Workforce Development* and is provided to work towards increasing the skill levels of all Australians.

Growth factor

The Intergovernmental Agreement defines the growth factor for the National Skills and Workforce Development SPP as the product of:

- $0.85 \times \text{wage cost index 1} + 0.15 \times \text{wage cost index 6}$

The growth factor for the National Skills and Workforce Development SPP is currently estimated to be 1.55 per cent in 2013-14.

National Partnership payments for skills and workforce development

In addition to the National Skills and Workforce Development SPP, the Commonwealth will provide funding through National Partnerships as detailed below.

Building Australia's Future Workforce — National Partnership on skills reform

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	76.6	59.3	48.7	24.9	17.3	5.3	3.8	2.5	238.4
2013-14	76.6	59.3	48.7	24.9	17.3	5.3	3.8	2.5	238.4
2014-15	121.2	93.9	77.0	39.3	27.4	8.4	6.0	3.9	377.2
2015-16	121.3	93.9	77.1	39.4	27.4	8.4	6.1	3.9	377.4
2016-17	165.9	128.5	105.4	53.8	37.5	11.6	8.3	5.3	516.3

The Commonwealth is providing funding of \$238.4 million in 2013-14 under the *Building Australia's Future Workforce — National Partnership on skills reform*, to progress reforms of the VET sector. The agreed reforms aim to create:

- accessible training for working-age Australians and, in particular, a more equitable training system, which provides greater opportunities for participation in education and training;
- a transparent VET sector, which enables better understanding of the VET activity that is occurring in each jurisdiction;

- a higher quality VET sector, which delivers learning experiences and qualifications that are relevant to individuals, employers and industry; and
- a more efficient VET sector, which is responsive to the needs of students, employers and industry.

This National Partnership will complement the revised *National Agreement for Skills and Workforce Development*.

Building Australia's Future Workforce — National Partnership Agreement on training places for single and teenage parents

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	6.4	4.7	4.3	1.9	1.7	0.6	0.2	0.2	20.0
2013-14	8.5	6.3	5.7	2.6	2.2	0.8	0.2	0.3	26.7
2014-15	8.5	6.3	5.7	2.6	2.2	0.8	0.2	0.3	26.7
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-

The Commonwealth is providing funding for the *Building Australia's Future Workforce — National Partnership on training places for single and teenage parents* to improve their skills. The funding will provide training places at the Certificate II level or above.

National Partnership on the Commonwealth/State and Territory joint group training program

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	0.8	3.2	3.3	2.2	1.1	-	0.3	0.2	11.1
2013-14	-	-	-	-	-	-	-	-	-
2014-15	-	-	-	-	-	-	-	-	-
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-

The Commonwealth has provided funding for the *National Partnership on the Commonwealth/State and Territory joint group training program*. This National Partnership will support group training organisations to deliver strategies and initiatives to improve Australian apprenticeship commencements and completions.

National Partnership on the Education Investment Fund

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	3.8	-	-	-	-	-	-	-	3.8
2013-14	-	-	-	-	-	-	-	-	-
2014-15	-	-	-	-	-	-	-	-	-
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-

The Commonwealth has provided funding from the Education Investment Fund to support the development of infrastructure for higher education, research and VET

institutions to improve Australia’s tertiary education, research and skills capabilities. The Education Investment Fund is one of the three Nation-building Funds established by the *National-building Funds Act 2008*, along with the Building Australia Fund and the Health and Hospitals Fund.

National Partnership on Industry and Indigenous skills centres

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	-	0.3	0.9	0.5	0.3	0.3	0.2	0.5	2.9
2013-14	-	-	-	-	-	-	-	-	-
2014-15	-	-	-	-	-	-	-	-	-
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-

The Commonwealth has provided funding for the *National Partnership on Industry and Indigenous skills centres* to assist industry and/or Indigenous community organisations to purchase, construct, fit out or refurbish capital infrastructure intended for the delivery of VET.

National Partnership on TAFE fee waivers for childcare qualifications

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	4.8	6.8	3.1	0.2	0.3	0.2	0.6	..	16.0
2013-14	3.8	5.9	2.5	0.7	1.4	0.4	0.5	0.1	15.4
2014-15	2.8	3.5	1.4	0.8	1.7	0.1	0.2	..	10.5
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-

The Commonwealth is providing funding for the *National Partnership on TAFE fee waivers for childcare qualifications*. This National Partnership removes fees for the Diploma and Advanced Diploma of Children’s Services courses delivered at TAFE institutions, or by other government VET providers. This agreement assists people, including existing child care educators, gain a VET qualification in early childhood education.

National Partnership on youth attainment and transitions

The *National Partnership on youth attainment and transitions* includes maximising engagement, attainment and successful transitions, and Year 12 attainment and transitions.

Maximising engagement, attainment and successful transitions component

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	8.5	17.0	5.6	2.8	1.9	0.6	0.7	0.4	37.5
2013-14	4.2	8.5	2.8	1.4	1.0	0.3	0.3	0.2	18.8
2014-15	-	-	-	-	-	-	-	-	-
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-

Year 12 attainment and transitions component

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	-	-	-	-	-	-	-	-	-
2013-14	16.8	13.8	10.3	5.7	3.9	1.2	0.8	1.0	53.3
2014-15	-	-	-	-	-	-	-	-	-
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-

The Commonwealth is providing funding for the *National Partnership on youth attainment and transitions*. This National Partnership was established to support the achievement of a national Year 12 or equivalent attainment rate of 90 per cent by 2015 and to halve the gap in Indigenous Year 12 or equivalent attainment by 2020. Measures under this National Partnership aim to increase the educational engagement and attainment of young people and to improve their transition to post-school education, training, and employment through immediate, concerted action supported by broader long-term reform.

COMMUNITY SERVICES

In 2013-14, the Commonwealth will provide funding of \$2.4 billion to support state community services, as detailed in Table 2.7.

The Commonwealth will assist the States with their funding contribution to DisabilityCare Australia by allocating them some of the revenue going into the DisabilityCare Australia Fund from the increase in the Medicare levy. The Commonwealth is working closely with the States towards the goal of having full national roll out of DisabilityCare Australia by July 2019.

Further, under the National Health Reform arrangements, the Commonwealth has full policy and funding responsibility for aged care services and funding responsibility for specialist disability services delivered by the States for people aged 65 years and over (50 years and over for Indigenous Australians). The States have responsibility for funding and regulating disability services for people aged under 65 years (under 50 years for Indigenous Australians). The exception to these arrangements is Western Australia, where the previous arrangements continue. Victoria has recently agreed to implement changes to roles and responsibilities in relation to aged care and disability services, with arrangements still to be finalised. Additional details on the National Health Reform arrangements are set out earlier in this Part.

Table 2.7: Payments to support state community services

\$million	2012-13	2013-14	2014-15	2015-16	2016-17
National Disability SPP	1,272.9	1,336.3	1,408.1	1,474.6	1,545.2
Changed roles and responsibilities – adjustment to achieve budget neutrality	-28.8	-98.7	-99.1	-103.6	-106.8
National Partnership payments					
Transitioning responsibilities for aged care and disability services(a)					
Basic community care maintenance and support services	500.8	542.4	nfp	nfp	nfp
Specialist disability services	116.1	165.3	184.9	206.9	230.9
Aged care assessment	8.7	-	-	-	-
Assistance to States for DisabilityCare Australia	-	-	-	73.9	188.5
Assisting preparation towards the launch of the National Disability Insurance Scheme	1.1	7.1	4.3	0.6	-
Certain concessions for pensioners and seniors card holders					
Certain concessions for pensioners	270.5	279.7	291.2	303.2	316.1
National reciprocal transport concessions	12.5	12.5	12.5	12.5	12.5
Home and Community Care – services for veterans	8.3	8.1	-	-	-

(a) Estimates do not reflect the recent agreement between the Commonwealth and Victoria under this National Partnership.

Table 2.7: Payments to support state community services (continued)

\$million	2012-13	2013-14	2014-15	2015-16	2016-17
Pay equity for the social and community services sector	24.5	55.5	85.1	116.6	150.5
Stronger Futures in the Northern Territory					
Alice Springs Transformation Plan	2.2	4.7	4.2	1.8	-
Child, youth, family and community wellbeing	13.4	13.6	11.3	11.6	11.9
Community safety and justice	21.4	40.3	34.9	35.6	34.7
Municipal and essential services	5.0	20.5	20.9	21.4	21.9
Remote engagement and coordination	3.3	4.2	4.2	3.7	3.5
Tackling alcohol abuse	3.4	3.6	3.6	3.7	3.7
Total	2,235.4	2,395.3	1,966.0	2,162.6	2,412.5

National Disability Agreement

The *National Disability Agreement* commits the Commonwealth and the States to strive, through the provision of disability support services, to help people with disabilities and their carers achieve an enhanced quality of life and participate as valued members of the community.

To meet these objectives, governments have agreed to reform their services, including to:

- improve the provision of services and opportunities to enhance the capacity of people with disability;
- ensure that services are person-centred and provide timely access to the necessary support needs;
- identify, plan and respond to the development and support needs of people with disability at an early stage and at key life transition points; and
- support the role of carers and families, including through strengthening their informal support networks.

National Disability SPP

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	414.4	306.0	250.6	125.8	109.2	33.7	19.9	13.4	1,272.9
2013-14	426.9	331.9	269.5	146.1	96.5	29.6	22.2	13.7	1,336.3
2014-15	448.1	350.1	284.4	155.9	101.1	30.7	23.4	14.4	1,408.1
2015-16	467.4	367.1	298.3	165.2	105.2	31.7	24.6	15.0	1,474.6
2016-17	487.9	385.1	313.1	175.2	109.6	32.8	25.9	15.6	1,545.2

The National Disability SPP is the funding associated with the *National Disability Agreement*. The Commonwealth is providing funding to the States under this National SPP to support disability services.

Growth factor

The Intergovernmental Agreement defines the growth factor for the National Disability SPP as the rolling five year average of year-on-year growth in nominal Gross Domestic Product.

For the purpose of calculating indexation, the Disabilities Assistance Package forms part of the base to calculate funding for 2012-13 onwards.

The growth factor for the National Disability SPP is currently estimated to be 4.98 per cent in 2013-14.

Changed roles and responsibilities — adjustment to achieve budget neutrality^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	-0.9	-	7.9	-	-21.8	-12.5	0.1	-1.6	-28.8
2013-14	1.1	-	8.1	-	-68.9	-24.6	2.0	-16.4	-98.7
2014-15	1.2	-	8.8	-	-68.9	-24.6	2.2	-17.8	-99.1
2015-16	1.3	-	9.2	-	-72.1	-25.7	2.3	-18.6	-103.6
2016-17	1.3	-	9.5	-	-74.3	-26.5	2.3	-19.1	-106.8

(a) Estimates do not reflect the recent agreement between the Commonwealth and Victoria.

The Commonwealth makes an adjustment to ensure that the changes to Commonwealth and State roles and responsibilities for aged care and disability services as part of the National Health Reform arrangements are budget neutral until 2013-14. Victoria has recently agreed to sign up to these arrangements, with details yet to be finalised.

Western Australia is not participating in these arrangements and no adjustment will be made to its National Disability SPP. From 1 July 2014, an adjustment will continue to be made to the National Disability SPP held constant as a per capita share of the National Disability SPP based on the adjustment made in 2013-14.

National Partnership payments for community services

In addition to the National Disability SPP, the Commonwealth will provide funding through National Partnerships as detailed below.

National Partnership on transitioning responsibilities for aged care and disability services

The *National Partnership on transitioning responsibilities for aged care and disability services* implements the first phase of changes to the roles and responsibilities associated with the Commonwealth taking full funding, policy and operational responsibility for basic community care services for people aged 65 years and over (50 years and over for Indigenous Australians), as well as funding responsibility for specialist disability services to people aged 65 years and over (50 years and over for Indigenous Australians).

As part of these reforms, States will reimburse the Commonwealth for the cost of packaged community care and residential care services delivered to persons under the age of 65 (50 years for Indigenous Australians). Further details of the National Health Reform arrangements can be found in Part 1 and the Health section of this Part.

Basic community care maintenance and support services component^{(a)(b)}

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	-	350.8	-	150.0	-	-	-	-	500.8
2013-14	-	379.9	-	162.4	-	-	-	-	542.4
2014-15	-	nfp	-	nfp	-	-	-	-	nfp
2015-16	-	nfp	-	nfp	-	-	-	-	nfp
2016-17	-	nfp	-	nfp	-	-	-	-	nfp

(a) Funding in 2012-13 and 2013-14 reflects payments to Victoria and Western Australia under the joint Home and Community Care Program Review Agreement. Funding is not published beyond 2013-14. Provision has been made in the Contingency Reserve subject to negotiations.

(b) Estimates do not reflect the recent agreement between the Commonwealth and Victoria.

The Commonwealth is providing funding for the provision of basic community care maintenance and support services such as domestic assistance and personal care to older people. These services will provide support for people aged 65 years and over (50 years and over for Indigenous Australians), and has replaced the Home and Community Care program for participating States. From July 2012, funding for these services has been provided by the Commonwealth directly to service providers.

The Commonwealth is currently providing funding to Victoria and Western Australia to continue the joint Commonwealth-State Home and Community Care program for clients of all ages in these States, as they are not signatories to this element of the National Health Reform arrangements. Arrangements for Victoria will change due to its recent agreement with the Commonwealth to implement changes to roles and responsibilities in relation to aged care and disability services.

Specialist disability services component^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	57.3	-	17.6	-	22.9	12.8	0.8	4.8	116.1
2013-14	55.1	-	16.3	-	69.6	5.2	-	19.0	165.3
2014-15	62.4	-	18.8	-	76.8	5.9	-	20.9	184.9
2015-16	70.9	-	21.6	-	84.8	6.6	-	23.0	206.9
2016-17	80.4	-	24.6	-	93.3	7.4	-	25.3	230.9

(a) Estimates do not reflect the recent agreement between the Commonwealth and Victoria.

The Commonwealth is providing funding for specialist disability services for people aged 65 years and over (50 years and over for Indigenous Australians), in participating States.

National Partnership on aged care assessment^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	2.9	2.1	1.5	0.9	0.8	0.2	0.1	0.1	8.7
2013-14	-	-	-	-	-	-	-	-	-
2014-15	-	-	-	-	-	-	-	-	-
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-

(a) Funding in 2012-13 is the final payment for deliverables relating to 2011-12.

The Commonwealth has provided funding for aged care assessment in line with its responsibilities to deliver a nationally consistent set of services, support, assessment, care and regulation. Funding to the States in 2012-13 reflects the final amounts payable for 2011-12.

National Partnership on assistance to States for DisabilityCare Australia^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	-	-	-	-	-	-	-	-	-
2013-14	-	-	-	-	-	-	-	-	-
2014-15	-	-	-	-	-	-	-	-	-
2015-16	27.5	21.3	-	nfp	6.3	2.0	7.1	0.8	73.9
2016-17	56.9	44.0	35.6	nfp	13.1	4.1	14.7	1.7	188.5

(a) Funding for Western Australia is not published as they have not yet agreed to full implementation of DisabilityCare Australia. A funding allocation of \$8.9 million for 2015-16 and \$18.4 million for 2016-17 is set aside should they agree to the offer.

The Commonwealth is working closely with the States towards the goal of having full national roll out of DisabilityCare Australia by 1 July 2019 and will provide funding through a new *National Partnership on assistance to States for DisabilityCare Australia*.

The Commonwealth will assist the States with their contribution to DisabilityCare Australia for 10 years, by allocating them some of the payments going into the DisabilityCare Australia Fund, which comes into effect on 1 July 2014. The annual amount flowing into the fund to be set aside for the States will be \$825 million in 2014-15, which is 25 per cent of the estimated additional Medicare Levy revenue collected in that year, grown in future years by 3.5 per cent per year.

All States that have committed to fully implement DisabilityCare Australia will be eligible to draw down from the Fund once at least 50 per cent of their eligible population is covered by the scheme. In addition, once those States and Territories have people participating in DisabilityCare Australia, they will be able to access 10 per cent of their allocation in 2015-16 and 20 per cent of their allocation in 2016-17 and 2017-18 to support early establishment costs related to DisabilityCare Australia. Payments from the Fund will only be spent on supporting people with disability.

Funding for the *National Partnership on assistance to States for DisabilityCare Australia* is a new spending measure in the 2013-14 Budget. This measure is discussed in Budget Paper No. 2: *Budget Measures 2013-14*.

National Partnership on assisting preparation towards the launch of the National Disability Insurance Scheme

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	-	-	-	-	-	0.6	0.5	-	1.1
2013-14	-	-	-	-	-	0.7	6.4	-	7.1
2014-15	-	-	-	-	-	0.6	3.7	-	4.3
2015-16	-	-	-	-	-	0.6	-	-	0.6
2016-17	-	-	-	-	-	-	-	-	-

The Commonwealth is providing funding for the *National Partnership on assisting preparation towards the launch of the National Disability Insurance Scheme*. In recognition of the unique circumstances in these States, the funding will assist the Australian Capital Territory and Tasmania in the transition to the new operating environment under DisabilityCare Australia and to support the Australian Capital Territory to expand services ahead of the launch of the National Disability Insurance Scheme.

Funding for the *National Partnership on assisting preparation towards the launch of the National Disability Insurance Scheme* is a new spending measure in the 2013-14 Budget. This measure is discussed in Budget Paper No. 2: *Budget Measures 2013-14*.

National Partnership on certain concessions for pensioners and seniors card holders

Two payments are provided under the *National Partnership on certain concessions for pensioners and seniors card holders*.

Certain concessions for pensioners component

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	94.1	67.3	47.0	23.6	26.8	8.6	1.9	1.3	270.5
2013-14	97.3	69.5	48.6	24.5	27.7	8.9	2.0	1.4	279.7
2014-15	101.3	72.4	50.6	25.5	28.8	9.2	2.1	1.4	291.2
2015-16	105.5	75.4	52.6	26.5	30.0	9.6	2.1	1.5	303.2
2016-17	109.9	78.6	54.9	27.6	31.3	10.0	2.2	1.5	316.1

The *National Partnership on certain concessions for pensioners and seniors card holders* has recently been renegotiated with the States. The Commonwealth is providing funding to assist the States with the cost of funding concessions, for all pensioner concession card holders without discrimination, in relation to council land and water rates, utilities including energy and sewerage, motor vehicle registration and public transport.

National reciprocal transport concessions component

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	5.9	1.6	3.8	0.4	0.4	0.1	0.2	0.1	12.5
2013-14	5.9	1.6	3.8	0.4	0.4	0.1	0.2	0.1	12.5
2014-15	5.9	1.6	3.8	0.4	0.4	0.1	0.2	0.1	12.5
2015-16	5.9	1.6	3.8	0.4	0.4	0.1	0.2	0.1	12.5
2016-17	5.9	1.6	3.8	0.4	0.4	0.1	0.2	0.1	12.5

The Commonwealth is providing funding for public transport concessions to enable seniors card holders to access public transport concessions when they travel outside their home state.

National Partnership on Home and Community Care — services for veterans

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	1.0	3.9	1.3	1.5	0.3	0.1	0.1	..	8.3
2013-14	0.9	4.0	1.2	1.5	0.3	0.1	0.1	..	8.1
2014-15	-	-	-	-	-	-	-	-	-
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-

The Commonwealth is providing funding for the *National Partnership on Home and Community Care – services for veterans*. This National Partnership was established to facilitate access by veterans to services through home and community care programs.

A measure taken in the 2013-14 Budget as part of this program is discussed in Budget Paper No. 2: *Budget Measures 2013-14*.

National Partnership on pay equity for the social and community services sector

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	2.7	5.1	12.2	2.0	1.3	0.6	0.3	0.3	24.5
2013-14	7.1	13.9	23.2	5.5	3.0	1.4	0.8	0.6	55.5
2014-15	12.1	24.0	29.6	9.6	5.2	2.3	1.3	1.0	85.1
2015-16	17.5	35.0	35.8	14.1	7.5	3.3	1.9	1.4	116.6
2016-17	23.3	47.0	42.3	19.1	10.1	4.3	2.6	1.9	150.5

The Commonwealth will provide funding for the *National Partnership on pay equity for the social and community services sector*, including a further \$1.0 billion from 2017-18 to 2020-21. This National Partnership will fund the Commonwealth’s share of the wage increases arising from Fair Work Australia’s decision on 1 February 2012 to grant an Equal Remuneration Order in the Social and Community Services (SACS) sector.

The Commonwealth’s commitment includes providing funding for its share of the wage increases for in-scope programs funded through existing National SPPs and National Partnership agreements. Final arrangements are still under negotiation with the States.

National Partnership on Stronger Futures in the Northern Territory

The Commonwealth is providing funding for the *National Partnership on Stronger Futures in the Northern Territory*.

The *Stronger Futures in the Northern Territory* initiative is a \$3.4 billion ten year investment in programs and services that are critical to closing the gap in Indigenous disadvantage and making communities safer in areas such as education, health, housing, policing, jobs and support for families and children.

Aboriginal people in the Northern Territory were consulted extensively to ensure that the *Stronger Futures in the Northern Territory* initiative responds directly to their needs.

Further details of Commonwealth funding being provided for the *National Partnership on Stronger Futures in the Northern Territory* can be found in the Health, Education and Affordable Housing sections of this Part.

Alice Springs Transformation Plan component

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	-	-	-	-	-	-	-	2.2	2.2
2013-14	-	-	-	-	-	-	-	4.7	4.7
2014-15	-	-	-	-	-	-	-	4.2	4.2
2015-16	-	-	-	-	-	-	-	1.8	1.8
2016-17	-	-	-	-	-	-	-	-	-

The Commonwealth is providing funding to continue key social services for Aboriginal children, families and individuals in Alice Springs. These initiatives complement the broader reform agenda of the Alice Springs Transformation Plan, which includes improving delivery, accessibility and coordination of services, facilitating land tenure reforms and improving the safety and wellbeing of Aboriginal people in Alice Springs.

Child, youth, family and community wellbeing component

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	-	-	-	-	-	-	-	13.4	13.4
2013-14	-	-	-	-	-	-	-	13.6	13.6
2014-15	-	-	-	-	-	-	-	11.3	11.3
2015-16	-	-	-	-	-	-	-	11.6	11.6
2016-17	-	-	-	-	-	-	-	11.9	11.9

The Commonwealth is providing funding to strengthen the safety and wellbeing of Aboriginal children, youth and their families. This funding is supporting a range of important initiatives in communities, including:

- continued funding for playgroups, home and parenting support services, youth workers and safe houses;
- an expansion of the number of Stronger Communities for Children sites, which offer services to help parents provide a safe, happy and healthy environment for their children; and
- Remote Aboriginal Family and Community Workers and the continuation of Mobile Child Protection Teams.

Community safety and justice component

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	-	-	-	-	-	-	-	21.4	21.4
2013-14	-	-	-	-	-	-	-	40.3	40.3
2014-15	-	-	-	-	-	-	-	34.9	34.9
2015-16	-	-	-	-	-	-	-	35.6	35.6
2016-17	-	-	-	-	-	-	-	34.7	34.7

The Commonwealth is providing funding for remote policing, community night patrols and legal assistance services. These services are critical to continuing to improve safety for Aboriginal people in Northern Territory communities.

Municipal and essential services component

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	-	-	-	-	-	-	-	5.0	5.0
2013-14	-	-	-	-	-	-	-	20.5	20.5
2014-15	-	-	-	-	-	-	-	20.9	20.9
2015-16	-	-	-	-	-	-	-	21.4	21.4
2016-17	-	-	-	-	-	-	-	21.9	21.9

The Commonwealth is providing support for the delivery municipal and essential services to outstations and homelands, such as access to power, water, as well as sewerage and road maintenance. It will also support garbage collection and dog control programs.

Remote engagement and coordination component

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	-	-	-	-	-	-	-	3.3	3.3
2013-14	-	-	-	-	-	-	-	4.2	4.2
2014-15	-	-	-	-	-	-	-	4.2	4.2
2015-16	-	-	-	-	-	-	-	3.7	3.7
2016-17	-	-	-	-	-	-	-	3.5	3.5

The Commonwealth is providing funding to the Northern Territory for more effective engagement with communities through continued support for the Northern Territory Aboriginal Interpreter Service and the Northern Territory coordination effort of the *Stronger Futures in the Northern Territory* initiative.

Tackling alcohol abuse component

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	-	-	-	-	-	-	-	3.4	3.4
2013-14	-	-	-	-	-	-	-	3.6	3.6
2014-15	-	-	-	-	-	-	-	3.6	3.6
2015-16	-	-	-	-	-	-	-	3.7	3.7
2016-17	-	-	-	-	-	-	-	3.7	3.7

The Commonwealth is providing funding to tackle alcohol abuse in the Northern Territory. Funding will include support to continue alcohol restrictions, licensing compliance and the development of alcohol management plans in communities.

AFFORDABLE HOUSING

In 2013-14, the Commonwealth will provide funding of \$2.1 billion to support state affordable housing services, as detailed in Table 2.8.

Table 2.8: Payments to support state affordable housing services

\$million	2012-13	2013-14	2014-15	2015-16	2016-17
National Affordable Housing SPP	1,263.7	1,282.7	1,307.1	1,330.6	1,354.5
National Partnership payments					
Building Better Regional Cities	34.6	49.9	-	-	-
First Home Owners Boost	3.0	-	-	-	-
Homelessness	156.5	155.0	-	-	-
Remote Indigenous Housing	303.2	541.1	485.6	368.2	411.7
Stronger Futures in the Northern Territory Housing	27.3	51.2	55.8	52.2	46.2
Total	1,788.4	2,079.8	1,848.5	1,751.0	1,812.5
<i>Memorandum item – payments direct to local governments included in payments above</i>					
Building Better Regional Cities	34.6	49.9	-	-	-
Total	34.6	49.9	-	-	-

National Affordable Housing Agreement

The *National Affordable Housing Agreement* commits the Commonwealth and the States to the objective that all Australians have access to affordable, safe and sustainable housing which will assist them to participate in the labour force and, more broadly, in the community.

The Commonwealth and the States have also committed to reforms that will enhance housing programs and services, including by improving:

- the integration of homelessness services and other mainstream services, such as employment services;
- operational efficiency of public housing and the employment outcomes of public housing tenants; and
- efficiency in the supply of housing through planning reforms.

National Affordable Housing SPP

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	402.9	299.8	251.2	134.4	95.0	31.5	23.5	25.4	1,263.7
2013-14	408.9	311.5	256.9	138.8	94.4	30.0	22.6	19.5	1,282.7
2014-15	415.9	325.0	264.0	144.7	93.8	28.5	21.8	13.4	1,307.1
2015-16	421.7	331.2	269.2	149.1	95.0	28.6	22.2	13.5	1,330.6
2016-17	427.7	337.6	274.4	153.6	96.1	28.8	22.7	13.7	1,354.5

The National Affordable Housing SPP is the funding associated with the *National Affordable Housing Agreement*. The Commonwealth is providing a financial contribution to support services in the housing sector.

This funding is being used to support a range of measures including social housing, assistance to people in the private rental market, support and accommodation for people who are homeless or at risk of homelessness, and home purchase assistance.

Growth factor

The Intergovernmental Agreement outlines the agreed growth factor for the National Affordable Housing SPP. The growth factor is the wage cost index 1, comprising a safety net wage adjustment weighted by 75 per cent and the all groups Consumer Price Index weighted by 25 per cent.

The growth factor for the National Affordable Housing SPP is currently estimated to be 1.50 per cent in 2013-14.

National Partnership payments for affordable housing

In addition to the National Affordable Housing SPP funding, the Commonwealth will provide a total of \$797.1 million in 2013-14 through National Partnerships to support state affordable housing services. Further details on these National Partnerships are provided below.

Building Better Regional Cities^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	19.5	5.6	3.5	6.0	-	-	-	-	34.6
2013-14	41.8	2.2	3.5	2.4	-	-	-	-	49.9
2014-15	-	-	-	-	-	-	-	-	-
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-

(a) All payments are made direct to local governments.

The Building Better Regional Cities program is a commitment by the Commonwealth to invest in local housing infrastructure projects that is helping build more affordable homes in high growth regional cities.

National Partnership on the First Home Owners Boost

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	0.4	2.8	..	-0.1	-0.1	..	..	..	3.0
2013-14	-	-	-	-	-	-	-	-	-
2014-15	-	-	-	-	-	-	-	-	-
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-

As part of the Economic Security Strategy, announced on 14 October 2008, the Commonwealth introduced the First Home Owners Boost to stimulate housing activity, support the construction industry and assist first home buyers to enter the housing market. The availability of the First Home Owners Boost has now ceased.

The continuation of the First Home Owners Boost payment in 2012-13 reflects the final 12 month application period and the timeframes allowed for the construction of new homes. Negative expenditure for some States reflects an estimate of funds recovered from applicants later found to be ineligible; these funds were returned to the Commonwealth.

National Partnership on homelessness^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	41.4	31.2	39.7	19.6	12.0	2.6	2.4	7.6	156.5
2013-14	~	~	~	~	~	~	~	~	155.0
2014-15	-	-	-	-	-	-	-	-	-
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-

(a) State allocations for 2013-14 are yet to be finalised.

The Commonwealth is providing funding for the *National Partnership on homelessness*. One component of this National Partnership is the *A Place to Call Home* initiative, a joint initiative by the Commonwealth and the States to build 600 new homes for individuals and families experiencing homelessness. The Commonwealth's contribution to the initiative has been \$150 million over the five years to 2012-13, with the States matching this funding.

A new National Partnership agreement for 2013-14 is being negotiated with the States. This transitional agreement will be in place while the Commonwealth and States work together towards a longer term solution for homelessness.

The agreements focus on three key strategies to reduce homelessness:

- prevention and early intervention to stop people becoming homeless;
- breaking the cycle of homelessness; and
- improving and expanding the service response to homelessness.

There are over 180 activities being undertaken across the States to reduce homelessness under this National Partnership.

A new spending measure associated with the *National Partnership on homelessness* is discussed in Budget Paper No. 2: *Budget Measures 2013-14*.

National Partnership on Remote Indigenous Housing

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	18.5	2.5	96.9	55.4	5.7	2.8	-	121.5	303.2
2013-14	44.8	2.5	177.5	191.3	36.4	2.9	-	85.7	541.1
2014-15	60.7	2.5	155.6	165.6	27.8	2.5	-	71.0	485.6
2015-16	16.3	2.5	137.3	124.3	18.7	2.5	-	66.6	368.2
2016-17	15.5	2.5	128.3	97.4	14.4	2.7	-	151.0	411.7

The Commonwealth is providing funding for the *National Partnership on Remote Indigenous Housing*. This National Partnership was established to facilitate significant reform in the provision of housing for Indigenous people in remote communities and to address overcrowding, homelessness, poor housing conditions and severe housing shortages.

National Partnership on Stronger Futures in the Northern Territory

The Commonwealth is providing funding to the Northern Territory Government through the *National Partnership on Stronger Futures in the Northern Territory*.

The *Stronger Futures in the Northern Territory* initiative is described further in the Community Services section of this Part.

Housing component

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	-	-	-	-	-	-	-	27.3	27.3
2013-14	-	-	-	-	-	-	-	51.2	51.2
2014-15	-	-	-	-	-	-	-	55.8	55.8
2015-16	-	-	-	-	-	-	-	52.2	52.2
2016-17	-	-	-	-	-	-	-	46.2	46.2

The Commonwealth is supporting the provision of safe and healthy houses for Indigenous Australians. This includes funding towards asbestos removal in homes and other buildings.

The Commonwealth is also providing funding to improve remote Indigenous housing in the Northern Territory. This funding complements the funding provided under the *National Partnership on Remote Indigenous Housing*.

INFRASTRUCTURE

In 2013-14, the Commonwealth will provide funding of \$5.0 billion to support state infrastructure services, as detailed in Table 2.9.

Table 2.9: Payments to support state infrastructure services

\$million	2012-13	2013-14	2014-15	2015-16	2016-17
National Partnership payments					
Abt Railway	6.0	-	-	-	-
Centenary of Canberra 2013 – a gift to the national capital	-	-	10.0	-	-
Community Infrastructure Grants – Glenbrook Precinct Upgrade	1.8	0.8	-	-	-
East Kimberley Development Package – other infrastructure projects	0.6	-	-	-	-
Interstate road transport	77.7	80.8	84.1	87.4	90.9
Liveable cities	13.0	7.0	nfp	nfp	nfp
Local Government and Regional Development – infrastructure employment projects	4.6	-	-	-	-
Managed motorways	10.0	24.4	-	-	-
Nation Building Plan for the Future					
Building Australia Fund					
Rail	567.4	891.0	500.0	732.1	-
Road	323.0	58.0	64.5	20.0	-
Major cities					
Rail	101.2	-	-	-	-
Nation Building Program					
Black spot projects	63.8	64.5	60.0	60.0	60.0
Heavy vehicle safety and productivity	2.3	40.0	48.0	40.0	40.0
Improving local roads	1.0	-	-	-	-
Improving the national network	0.8	0.8	-	-	-
Investment					
Rail	110.4	297.8	387.7	133.0	23.5
Road	1,520.3	2,722.7	2,147.5	2,079.2	2,070.6
Off-network projects					
Rail	200.0	170.6	458.1	470.4	288.0
Road	141.2	116.3	423.8	11.5	240.4
Supplementary	8.5	-	-	-	-
Roads to Recovery	349.8	373.2	349.8	349.8	349.8
National transport regulator reforms					
National Heavy Vehicles Regulator	14.9	-	-	-	-
National Rail Safety Regulator	8.0	-	-	-	-
Parliament House Walk	0.1	-	-	-	-
Regional Infrastructure Fund	105.3	163.3	613.8	648.6	775.4
Townsville Convention and Entertainment Centre	10.0	15.0	10.0	17.0	-
Total	3,641.7	5,026.3	5,177.3	4,669.1	3,958.6

Table 2.9: Payments to support state infrastructure services (continued)

\$million	2012-13	2013-14	2014-15	2015-16	2016-17
<i>Memorandum item – payments direct to local governments included in payments above</i>					
East Kimberley Development Package –					
other infrastructure projects	0.6	-	-	-	-
Liveable cities	9.1	3.8	nfp	nfp	nfp
Local Government and Regional Development –					
infrastructure employment projects	2.6	-	-	-	-
Nation Building Program					
Off-network projects					
Rail	2.0	2.3	-	-	-
Road	4.0	4.2	-	-	-
Supplementary	8.5	-	-	-	-
Roads to Recovery	335.2	359.6	331.5	331.5	331.5
Townsville Convention and Entertainment Centre	10.0	15.0	10.0	17.0	-
Total	372.0	384.9	351.5	358.5	341.5

National Partnership payments for infrastructure

Abt Railway

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	-	-	-	-	-	6.0	-	-	6.0
2013-14	-	-	-	-	-	-	-	-	-
2014-15	-	-	-	-	-	-	-	-	-
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-

The Government will provide \$6.0 million as a contribution to support capital works on the Abt Railway, including restoring the line to an appropriate safety standard. The measure will provide support to the tourism industry and jobs in the region. The funding is contingent on the Tasmanian Government finding an operator for the line and underwriting its ongoing operational costs for the next four years.

Funding for the Abt Railway will be a new spending measure in the 2013-14 Budget. This measure is discussed in Budget Paper No. 2: *Budget Measures 2013-14*.

Centenary of Canberra 2013 — a gift to the national capital

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	-	-	-	-	-	-	-	-	-
2013-14	-	-	-	-	-	-	-	-	-
2014-15	-	-	-	-	-	-	10.0	-	10.0
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-

The Commonwealth is providing funding for the *National Partnership on the Centenary of Canberra 2013*. A contribution was provided toward the development of the National Arboretum Canberra, which opened in February 2013. A contribution will be provided

for the redevelopment of Constitution Avenue, including a dedicated cycle lane and shared commuter paths.

Further details of Commonwealth funding provided for the Centenary of Canberra 2013 can be found in the Other section of this Part.

Community Infrastructure Grants — Glenbrook Precinct Upgrade

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	1.8	-	-	-	-	-	-	-	1.8
2013-14	0.8	-	-	-	-	-	-	-	0.8
2014-15	-	-	-	-	-	-	-	-	-
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-

The Commonwealth is providing funding to improve facilities for visitors in the Glenbrook precinct of the Blue Mountains National Park, which is a major gateway to the Greater Blue Mountains World Heritage Area.

National Partnership on the East Kimberley Development Package — other infrastructure projects^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	-	-	-	0.6	-	-	-	-	0.6
2013-14	-	-	-	-	-	-	-	-	-
2014-15	-	-	-	-	-	-	-	-	-
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-

(a) All payments are made direct to local governments.

The Commonwealth is providing funding to the Western Australian government, the Wyndham Shire and associated Indigenous organisations in the East Kimberley region of Western Australia for transport and community infrastructure projects. Investment in transport and community infrastructure projects will help in building a 'sense of place' within the community, as well as improving liveability and economic growth in the East Kimberley region. This project is expected to be completed in 2012-13.

Interstate road transport

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	35.8	20.9	7.4	3.1	9.4	0.4	0.4	0.4	77.7
2013-14	37.3	21.7	7.7	3.2	9.8	0.4	0.4	0.4	80.8
2014-15	38.8	22.6	8.0	3.3	10.2	0.4	0.4	0.4	84.1
2015-16	40.3	23.5	8.3	3.5	10.6	0.4	0.4	0.4	87.4
2016-17	41.9	24.4	8.6	3.6	11.0	0.5	0.5	0.5	90.9

The Commonwealth is providing funding to the States under the *Interstate Road Transport Act 1985* that is equal to total revenue received from registrations made under the Federal Interstate Registration Scheme for each respective State.

National Partnership on liveable cities^{(a)(b)}

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	6.1	1.8	1.2	2.1	0.7	0.7	0.4	0.1	13.0
2013-14	2.5	0.9	0.3	2.2	0.7	0.1	0.2	0.2	7.0
2014-15	nfp	nfp	nfp	nfp	nfp	nfp	nfp	nfp	nfp
2015-16	nfp	nfp	nfp	nfp	nfp	nfp	nfp	nfp	nfp
2016-17	nfp	nfp	nfp	nfp	nfp	nfp	nfp	nfp	nfp

(a) These figures include payments direct to local governments.

(b) Amounts from 2014-15 onwards remain unallocated. These amounts have been allocated on an equal per capita basis to all States.

The Commonwealth is providing funding to help improve the planning and design of capital cities and major regional centres that are experiencing population growth pressures and housing and transport affordability cost pressures.

National Partnership on Local Government and Regional Development — infrastructure employment projects^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	-	0.7	1.9	-	-	2.0	-	-	4.6
2013-14	-	-	-	-	-	-	-	-	-
2014-15	-	-	-	-	-	-	-	-	-
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-

(a) These figures include payments direct to local governments.

The Commonwealth is providing funding for infrastructure employment projects under the *National Partnership on Local Government and Regional Development*. The program will generate jobs and increase skills by supporting key infrastructure projects in areas of need in local communities.

Further details of funding being provided under the *National Partnership on Local Government and Regional Development* can be found in the Other section of this Part.

National Partnership on managed motorways

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	2.1	2.5	4.9	0.5	-	-	-	-	10.0
2013-14	2.0	9.5	12.4	0.5	-	-	-	-	24.4
2014-15	-	-	-	-	-	-	-	-	-
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-

The Commonwealth is providing funding for smart infrastructure technologies to reduce congestion and improve both traffic demand management and the overall efficiency of the transport network in major cities. Managed motorways integrate data collection sensors and control tools to improve real time management of motorways to secure a higher and more consistent level of motorway performance.

National Partnership on the Nation Building Plan for the Future

Three components are included in the *National Partnership on the Nation Building Plan for the Future*.

Building Australia Fund — rail component

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	-	542.0	-	-	25.4	-	-	-	567.4
2013-14	-	858.0	-	-	33.0	-	-	-	891.0
2014-15	-	500.0	-	-	-	-	-	-	500.0
2015-16	-	500.0	-	-	232.1	-	-	-	732.1
2016-17	-	-	-	-	-	-	-	-	-

Building Australia Fund — road component

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	323.0	-	-	-	-	-	-	-	323.0
2013-14	8.0	-	-	-	-	-	50.0	-	58.0
2014-15	-	-	-	-	-	-	64.5	-	64.5
2015-16	-	-	-	-	-	-	20.0	-	20.0
2016-17	-	-	-	-	-	-	-	-	-

Major Cities — rail component

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	-	-	-	101.2	-	-	-	-	101.2
2013-14	-	-	-	-	-	-	-	-	-
2014-15	-	-	-	-	-	-	-	-	-
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-

The Major Cities and the Building Australia Fund components are supporting future economic growth by improving the quality and efficiency of Australia's transport networks with the intention of increasing city liveability and sustainability in the context of a growing population.

National Partnership on the Nation Building Program

The Commonwealth is providing funding for road and rail infrastructure through the *National Partnership on the Nation Building Program*. The program assists economic and social development regionally and nationally by providing funding to improve the performance of land transport infrastructure.

The *National Partnership on the Nation Building Program* comprises several components that are detailed in the tables below.

The measures taken in the 2013-14 Budget as part of this program are discussed in Budget Paper No. 2: *Budget Measures 2013-14*.

National Partnership on the Nation Building Program — black spot projects^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	20.1	15.7	12.4	7.4	4.7	1.7	0.9	0.8	63.8
2013-14	20.2	16.1	12.5	7.5	4.7	1.8	0.9	0.8	64.5
2014-15	19.3	13.7	12.2	6.5	4.7	1.6	1.0	1.0	60.0
2015-16	19.3	13.7	12.2	6.5	4.7	1.6	1.0	1.0	60.0
2016-17	19.3	13.7	12.2	6.5	4.7	1.6	1.0	1.0	60.0

(a) Figures in 2014-15 onwards remain unallocated. These amounts have been allocated on an equal per capita basis to all States.

Black spot projects improve the safety of road sites which have been identified as high risk areas for serious crashes. Most funding goes to projects to treat sites that have a record of at least three accidents involving casualties over a five year period and can demonstrate a robust benefit to cost ratio of at least 2:1.

National Partnership on the Nation Building Program — heavy vehicle safety and productivity^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	0.7	0.6	0.5	0.2	0.2	0.1	0.1	..	2.3
2013-14	12.2	4.6	3.6	3.7	2.9	1.8	4.9	6.3	40.0
2014-15	15.1	10.7	8.7	5.3	3.5	1.4	0.8	2.4	48.0
2015-16	12.6	10.0	8.1	4.5	2.8	0.8	0.7	0.4	40.0
2016-17	12.6	10.0	8.1	4.5	2.8	0.8	0.7	0.4	40.0

(a) Some amounts in 2014-15 onwards remain unallocated. These amounts have been allocated on an equal per capita basis to all States.

The heavy vehicle safety and productivity program addresses the safety of drivers of heavy vehicles through the construction of rest stops and parking bays, upgrading the capacity of roads (including bridges) and technology trials which will improve heavy vehicle productivity. The projects eligible for assistance have been extended to include livestock transport industry projects.

The measure taken in the 2013-14 Budget as part of this program is discussed in Budget Paper No. 2: *Budget Measures 2013-14*.

National Partnership on the Nation Building Program — improving local roads^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	-	-	-	-	1.0	-	-	-	1.0
2013-14	-	-	-	-	-	-	-	-	-
2014-15	-	-	-	-	-	-	-	-	-
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-

(a) Figures in this table represent expenses against prepayments made to the States in 2005-06.

The Commonwealth has provided additional funding through the improving local roads program as a supplement to the Roads to Recovery program. Funding of \$307.5 million was advanced in June 2006 as part of the 2006-07 Budget.

National Partnership on the Nation Building Program — improving the national network^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	-	-	-	-	0.8	-	-	-	0.8
2013-14	-	-	-	-	0.8	-	-	-	0.8
2014-15	-	-	-	-	-	-	-	-	-
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-

(a) Figures in this table represent expenses against prepayments made to the States in 2005-06.

The Commonwealth provided a one-off supplementary payment of \$1.8 billion in 2005-06 to the States to complete major works packages. Works include the Pacific and Hume highways in New South Wales, the Bruce Highway in Queensland, the Eyre, Great Eastern and Great Northern highways in Western Australia, the Sturt Highway in South Australia, the East Tamar Highway in Tasmania and the Victoria Highway in the Northern Territory. The table above provides a profile of State expenditure against this supplementary payment.

National Partnership on the Nation Building Program — investment**Rail component**

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	70.5	-	-	3.6	0.5	35.7	-	-	110.4
2013-14	238.6	1.3	-	22.8	0.9	34.3	-	-	297.8
2014-15	365.2	-	-	-	-	22.5	-	-	387.7
2015-16	109.8	-	-	-	-	23.2	-	-	133.0
2016-17	-	-	-	-	-	23.5	-	-	23.5

Road component^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	510.2	156.2	474.3	211.6	92.0	12.1	0.5	63.5	1,520.3
2013-14	1,261.3	299.5	677.8	339.7	67.6	8.6	0.4	67.8	2,722.7
2014-15	1,029.4	407.7	457.6	117.5	72.2	45.2	0.4	17.6	2,147.5
2015-16	1,027.9	326.1	454.7	89.5	101.4	61.7	0.4	17.6	2,079.2
2016-17	550.2	403.9	753.3	75.8	179.7	68.7	21.5	17.6	2,070.6

(a) The amount of \$21.5 million in 2016-17 for ACT includes an unallocated amount of \$21.0 million.

The investment component of the Nation Building Program targets nationally significant projects. These projects will improve the efficiency and safety of the national land transport network. Funding is provided for road and rail construction projects and network maintenance, including transport development, innovation projects and grants to land transport research entities.

In the 2013-14 Budget, the Commonwealth is contributing \$400.0 million to fund the F3 to M2 tunnel in Sydney.

National Partnership on the Nation Building Program — off-network projects**Rail component^(a)**

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	4.6	5.2	121.0	62.9	-	6.2	-	-	200.0
2013-14	20.9	3.5	124.0	22.2	-	-	-	-	170.6
2014-15	-	38.0	380.0	25.0	15.1	-	-	-	458.1
2015-16	-	25.0	404.0	25.0	16.4	-	-	-	470.4
2016-17	-	50.0	188.0	50.0	-	-	-	-	288.0

(a) These figures include payments direct to local governments.

Road component^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	30.4	57.9	6.1	41.2	-	2.1	-	3.6	141.2
2013-14	33.4	34.6	4.2	11.9	-	28.2	-	4.1	116.3
2014-15	18.0	2.0	400.0	-	-	3.5	0.3	-	423.8
2015-16	-	4.0	-	-	-	7.5	-	-	11.5
2016-17	26.8	3.1	-	40.0	-	10.5	-	160.0	240.4

(a) These figures include payments direct to local governments.

Supplementary component^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	-	0.2	-	8.3	-	-	-	-	8.5
2013-14	-	-	-	-	-	-	-	-	-
2014-15	-	-	-	-	-	-	-	-	-
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-

(a) The supplementary component of the off-network projects represents expenses against prepayments made to local governments in 2006-07.

The off-network projects program is designed to improve rail and road infrastructure not included on the national land transport network. It improves safety, assists industry development and supports job creation in local communities.

In the 2013-14 Budget, the Commonwealth is investing in two key urban passenger rail projects, providing \$715.0 million to fund the Brisbane Cross River Rail project and \$3.0 billion to the Melbourne Metro rail project.

National Partnership on the Nation Building Program — Roads to Recovery^{(a)(b)}

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	99.2	72.2	71.2	52.2	31.5	11.4	1.9	10.2	349.8
2013-14	119.7	74.6	66.8	54.6	31.1	12.9	-	13.4	373.2
2014-15	97.5	71.2	71.2	51.2	31.5	11.4	5.6	10.2	349.8
2015-16	97.5	71.2	71.2	51.2	31.5	11.4	5.6	10.2	349.8
2016-17	97.5	71.2	71.2	51.2	31.5	11.4	5.6	10.2	349.8

(a) These figures include payments direct to local governments.

(b) Payments to South Australia include funding in 2012-13 and 2013-14 paid to local government through the State.

The Commonwealth is providing funding for the Roads to Recovery program for road construction and maintenance projects at a local level. Decisions on projects to be funded are made locally and reported to the Commonwealth.

National transport regulator reforms

In August 2011, COAG committed to the implementation of national safety regulatory systems through the signing of new Intergovernmental Agreements on heavy vehicles, rail and maritime safety.

National Heavy Vehicles Regulator component

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	-	-	14.9	-	-	-	-	-	14.9
2013-14	-	-	-	-	-	-	-	-	-
2014-15	-	-	-	-	-	-	-	-	-
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-

The Commonwealth is providing funding in 2012-13 to meet the establishment costs of the National Heavy Vehicle Regulator, established in Queensland on 21 January 2013. The Commonwealth is also providing funding for the project implementation team.

National Rail Safety Regulator component

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	-	-	-	-	8.0	-	-	-	8.0
2013-14	-	-	-	-	-	-	-	-	-
2014-15	-	-	-	-	-	-	-	-	-
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-

The Commonwealth has provided funding to meet the establishment costs of the National Rail Safety Regulator, which commenced operations in New South Wales, South Australia, Tasmania and the Northern Territory on 20 January 2013. The Commonwealth has also provided funding for the project implementation team.

National Partnership on the Parliament House Walk

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	-	-	-	-	-	-	0.1	-	0.1
2013-14	-	-	-	-	-	-	-	-	-
2014-15	-	-	-	-	-	-	-	-	-
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-

The Government will provide funding to the ACT Government as a contribution toward the cost of constructing the Parliament House Walk between the Civic Centre and Parliament House in Canberra.

This measure is discussed in Budget Paper No. 2: *Budget Measures 2013-14*.

Regional Infrastructure Fund

The Commonwealth remains committed to supporting the infrastructure needs of Australia's regions through the Regional Infrastructure Fund (RIF), which runs for 11 years to 2020-21.

Projects from the RIF will be delivered in three streams. Streams 1 and 2 are payments to the States and are reported below. Stream 3 provides funding for the Regional Development Australia Fund, which is made direct to eligible local governments and not-for-profit organisations for local projects identified by Regional Development Australia committees. Funding for Stream 3 was previously reported in Budget Paper No. 3 but is now reported under the Department of Regional Australia, Local Government, Arts and Sport portfolio.

Stream 1 and 2^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	1.7	1.2	75.7	25.8	0.7	0.1	0.1	0.1	105.3
2013-14	15.0	-	95.0	53.3	-	-	-	-	163.3
2014-15	38.2	10.4	340.4	214.8	8.0	0.9	0.7	0.4	613.8
2015-16	38.6	1.2	253.0	340.2	15.4	0.1	0.1	0.1	648.6
2016-17	64.0	1.7	194.4	489.6	25.5	0.1	0.1	0.1	775.4

(a) Some amounts from 2014-15 onwards remain unallocated. These amounts have been allocated on an equal per capita basis to all States.

Stream 1 provides funding for projects committed to by the Government in the 2010 election.

Stream 2 provides funding over nine years to support ongoing investment in economic infrastructure. Projects that are eligible for consideration for funding include rail, roads, ports, airports, energy, communications, water and other critical infrastructure, as well as project development work. Stream 2 also includes \$10.0 million for regional infrastructure plans.

The measure taken in the 2013-14 Budget as part of this program is discussed in Budget Paper No. 2: *Budget Measures 2013-14*.

Townsville Convention and Entertainment Centre^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	-	-	10.0	-	-	-	-	-	10.0
2013-14	-	-	15.0	-	-	-	-	-	15.0
2014-15	-	-	10.0	-	-	-	-	-	10.0
2015-16	-	-	17.0	-	-	-	-	-	17.0
2016-17	-	-	-	-	-	-	-	-	-

(a) All payments are made direct to local governments.

The Commonwealth is providing funding for the construction of the Townsville Convention and Entertainment Centre to deliver on a commitment made as part of the 2010 election.

ENVIRONMENT

In 2013-14, the Commonwealth will provide funding of \$561.6 million to support state environment services, as detailed in Table 2.10.

Table 2.10: Payments to support state environment services

\$million	2012-13	2013-14	2014-15	2015-16	2016-17
National Partnership payments					
Caring for our Country	144.7	-	-	-	-
Coal seam gas and large coal mining development	6.5	20.0	-	-	-
Environmental management of the former Rum Jungle mine site	1.5	-	-	-	-
Great Artesian Basin Sustainability Initiative	10.0	16.8	-	-	-
Implementation of the National Insurance Affordability Initiative	-	50.0	50.0	-	-
Implementing Water Reform in the Murray-Darling Basin	6.0	13.5	20.0	20.0	20.0
Natural Disaster Recovery and Rebuilding – donation to Queensland flood appeal	1.0	-	-	-	-
Natural disaster resilience	24.0	30.7	26.1	26.1	26.1
Northern Australia Sustainable Futures	0.3	-	-	-	-
Pest and Disease Preparedness and Response Programs					
Animal and plant pest and disease eradication	10.0	12.9	12.9	12.9	13.2
Exotic Disease Preparedness Program	0.4	0.4	0.4	0.4	0.4
Sustainable Australia – sustainable regional development	0.8	0.8	0.4	-	-
Tasmanian Forests Intergovernmental Agreement Implementation of the Intergovernmental Agreement	37.7	11.3	13.0	12.7	10.0
Economic diversification projects	3.0	-	-	-	-
Water for the Future					
National Urban Water and Desalination Plan	51.9	6.5	7.1	2.1	-
National Water Security Plan for Cities and Towns	44.0	24.8	8.9	2.9	-
Sustainable Rural Water Use and Infrastructure	202.9	373.8	427.9	343.0	262.6
Total	544.8	561.6	566.7	420.2	332.3
<i>Memorandum item – payments direct to local governments included in payments above</i>					
Sustainable Australia – Sustainable regional development	0.8	0.8	0.4	-	-
Water for the Future					
National Urban Water and Desalination Plan	1.0	1.0	5.5	2.1	-
National Water Security Plan for Cities and Towns	13.9	4.3	-	-	-
Sustainable Rural Water Use and Infrastructure	3.4	-	-	-	-
Total	19.0	6.0	5.9	2.1	-

National Partnership payments for the environment

National Partnership on Caring for our Country

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	35.3	27.5	23.0	24.1	17.3	12.4	1.4	3.7	144.7
2013-14	-	-	-	-	-	-	-	-	-
2014-15	-	-	-	-	-	-	-	-	-
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-

The Commonwealth is providing funding for the *National Partnership on Caring for our Country*. Caring for our Country is the Commonwealth's natural resource management initiative, and aims to integrate delivery of the Commonwealth's natural resource management activities.

National Partnership on coal seam gas and large coal mining development

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	-	2.0	3.7	-	0.6	-	-	0.2	6.5
2013-14	7.0	4.1	7.4	-	1.3	-	-	0.3	20.0
2014-15	-	-	-	-	-	-	-	-	-
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-

The Commonwealth is providing funding for the *National Partnership on coal seam gas and large coal mining development*. This National Partnership will strengthen the regulation of coal seam gas and large coal mining development by ensuring that future decisions are informed by substantially improved science and independent expert advice.

National Partnership on the environmental management of the former Rum Jungle mine site

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	-	-	-	-	-	-	-	1.5	1.5
2013-14	-	-	-	-	-	-	-	-	-
2014-15	-	-	-	-	-	-	-	-	-
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-

The Commonwealth is providing funding for the *National Partnership on the environmental management of the former Rum Jungle mine site*. This National Partnership was established to improve the daily management of the site. It is also supporting studies and environmental monitoring to inform site management and rehabilitation strategies. These strategies are being developed in partnership with stakeholders, including the site's traditional owners.

National Partnership on the Great Artesian Basin Sustainability Initiative

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	4.0	-	5.0	-	1.0	-	-	-	10.0
2013-14	5.5	-	10.8	-	0.4	-	-	-	16.8
2014-15	-	-	-	-	-	-	-	-	-
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-

The Commonwealth is providing funding for the *National Partnership on the Great Artesian Basin Sustainability Initiative* to continue work on the repair of uncontrolled artesian bores and the replacement of wasteful open earth bore drains with piped water reticulation systems through the Great Artesian Basin.

The Great Artesian Basin Sustainability Initiative is being delivered through State agencies, with the Commonwealth contributing jointly with State governments and private bore owners.

The measure taken in the 2013-14 Budget as part of this program is discussed in Budget Paper No. 2: *Budget Measures 2013-14*.

National Partnership on the implementation of the National Insurance Affordability Initiative^{(a)(b)}

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	-	-	-	-	-	-	-	-	-
2013-14	27.6	2.0	18.6	0.9	0.6	0.2	0.1	0.1	50.0
2014-15	33.0	6.2	5.1	2.8	1.8	0.5	0.4	0.3	50.0
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-

(a) The estimates for 2013-14 include \$17 million allocated to Queensland for projects in Roma and Ipswich and \$25 million allocated to NSW for the Warragamba dam. All other amounts have been allocated on an equal per capita basis to all States.

(b) The estimates for 2014-15 include \$25 million allocated to NSW for the Warragamba dam. All other amounts have been allocated on an equal per capita basis to all States.

The Commonwealth will provide funding for the *National Partnership on the implementation of the National Insurance Affordability Initiative* to reduce flood risk and bring about reductions in insurance premiums. The National Insurance Affordability Initiative will invest in targeted flood and other natural disaster mitigation measures, as well as establish a National Insurance Affordability Council (NIAC).

The NIAC will play a role in the national coordination of flood risk management, ensuring that the needs of industry and consumers of insurance are met, and make recommendations to the Government on flood and other natural disaster mitigation projects.

Funding for the *National Partnership on the implementation of the National Insurance Affordability Initiative* is a new spending measure in the 2013-14 Budget. This measure is discussed in Budget Paper No. 2: *Budget Measures 2013-14*.

National Partnership on Implementing Water Reform in the Murray-Darling Basin

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	2.8	2.0	0.6	-	0.4	-	0.1	-	6.0
2013-14	6.3	4.6	1.3	-	1.0	-	0.2	-	13.5
2014-15	9.4	6.8	2.0	-	1.5	-	0.3	-	20.0
2015-16	9.4	6.8	2.0	-	1.5	-	0.3	-	20.0
2016-17	9.4	6.8	2.0	-	1.5	-	0.3	-	20.0

The Commonwealth will provide funding for the *National Partnership on Implementing Water Reform in the Murray-Darling Basin*. This National Partnership supports the cooperative implementation of the *Intergovernmental Agreement on Implementing Water Reform in the Murray-Darling Basin*. The Agreement will ensure continuing progress in restoring the Basin's rivers to health and securing strong regional communities and sustainable food and fibre production.

National Partnership on Natural Disaster Recovery and Rebuilding — donation to Queensland flood appeal

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	-	-	1.0	-	-	-	-	-	1.0
2013-14	-	-	-	-	-	-	-	-	-
2014-15	-	-	-	-	-	-	-	-	-
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-

The Commonwealth has provided funding to the Queensland Premier's Disaster Relief Appeal to help people affected by natural disasters.

These relief appeal payments are separate from Commonwealth assistance to the States under the Natural Disaster Relief and Recovery Arrangements outlined in the Contingent Payments section of this Part.

The measure taken in the 2013-14 Budget as part of this program is discussed in Budget Paper No. 2: *Budget Measures 2013-14*.

National Partnership on natural disaster resilience

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	6.8	4.2	3.0	1.6	2.1	3.8	1.3	1.3	24.0
2013-14	6.8	4.2	9.0	4.7	2.1	1.3	1.3	1.3	30.7
2014-15	6.8	4.2	6.0	3.1	2.1	1.3	1.3	1.3	26.1
2015-16	6.8	4.2	6.0	3.1	2.1	1.3	1.3	1.3	26.1
2016-17	6.8	4.2	6.0	3.1	2.1	1.3	1.3	1.3	26.1

The Commonwealth is providing funding for the *National Partnership on natural disaster resilience*. This National Partnership provides funding to the States to strengthen community resilience to natural disasters through the Natural Disaster Resilience Program (NDRP).

The NDRP combines funds to allow the flexibility to address state specific priorities. This National Partnership recognises that the Commonwealth and the States have a

mutual interest in reducing the impact of, and increasing resilience to, natural disasters. It formalises their commitment to work together with other parties, such as volunteers, the private and non-government sectors and local government to achieve this outcome.

A new National Partnership agreement is currently being negotiated with the States.

National Partnership on Northern Australia Sustainable Futures

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	-	-	0.1	-	-	-	-	0.2	0.3
2013-14	-	-	-	-	-	-	-	-	-
2014-15	-	-	-	-	-	-	-	-	-
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-

The Commonwealth is providing funding for the *National Partnership on Northern Australia Sustainable Futures*. This funding will build the capacity of local governments and communities in Northern Australia to effectively manage water infrastructure maintenance and engage communities to appropriately manage community and household demand for water.

Pest and Disease Preparedness and Response Programs

The Commonwealth is providing funding for the *National Partnership on Pest and Disease Preparedness and Response Programs*. The funding contributes to a series of projects under national animal and plant pest and disease preparedness and response programs and surveillance initiatives.

Animal and plant pest and disease eradication^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	-	1.7	8.2	-	..	-	-	-	10.0
2013-14	-	2.6	10.3	-	0.1	-	-	-	12.9
2014-15	-	2.6	10.3	-	0.1	-	-	-	12.9
2015-16	-	2.6	10.2	-	0.1	-	-	-	12.9
2016-17	-	2.6	10.5	-	0.1	-	-	-	13.2

(a) Funding from 2013-14 is allocated to States based on 2012-13 data and represents indicative estimates only. This funding is conditional on agreed national responses to pest or disease incursions.

Commonwealth funding contributes to programs to eradicate exotic animal and plant pests and diseases, which if allowed to establish and spread, would have serious economic and environmental impacts.

The Commonwealth is involved due to the potential implications for interstate biodiversity, market access issues for agricultural products and the need to protect nationally significant environmental assets.

The measure taken in the 2013-14 Budget as part of this program is discussed in Budget Paper No. 2: *Budget Measures 2013-14*.

Exotic Disease Preparedness Program

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	0.2	..	..	..	..	..	..	..	0.4
2013-14	0.3	..	..	..	..	..	..	..	0.4
2014-15	0.3	..	..	..	..	..	..	..	0.4
2015-16	0.3	..	..	..	..	..	..	..	0.4
2016-17	0.3	..	..	..	..	..	..	..	0.4

The Exotic Disease Preparedness Program was established to improve Australia's preparedness for emergency and emerging diseases through funding to support the development of technologies and strategies to prevent, control or eradicate disease specifically in wildlife and feral animals, focusing on those that could threaten Australia's livestock industries.

Sustainable Australia — sustainable regional development^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	0.8	-	-	-	-	-	-	-	0.8
2013-14	0.8	-	-	-	-	-	-	-	0.8
2014-15	0.4	-	-	-	-	-	-	-	0.4
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-

(a) All payments are made direct to local governments.

The Commonwealth is providing funding for regional sustainability planning to support selected local government authorities for capacity building and other activities associated with the development and/or implementation of regional sustainability planning. This planning will help to ensure that future population change is compatible with the economic, environmental and social wellbeing of Australia.

Tasmanian Forests Intergovernmental Agreement

A number of projects are being funded as part of the *Tasmanian Forests Intergovernmental Agreement*. The measures taken in the 2013-14 Budget as part of this program are discussed in Budget Paper No. 2: *Budget Measures 2013-14*.

Implementation of the Intergovernmental Agreement component

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	-	-	-	-	-	37.7	-	-	37.7
2013-14	-	-	-	-	-	11.3	-	-	11.3
2014-15	-	-	-	-	-	13.0	-	-	13.0
2015-16	-	-	-	-	-	12.7	-	-	12.7
2016-17	-	-	-	-	-	10.0	-	-	10.0

The Commonwealth is providing funding for the *National Partnership on the implementation of the Tasmanian Forests Intergovernmental Agreement 2013*. The *Tasmanian Forests Intergovernmental Agreement 2013* is designed to support the forest industry to transition to a sustainable and diversified footing, to protect additional areas of native forest with important conservation values, and to build regional economic diversity and community resilience. Funding provided under this National Partnership will

support the implementation of the Intergovernmental Agreement as well as the ongoing management of additional native forest reserves.

Economic diversification projects component

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	-	-	-	-	-	3.0	-	-	3.0
2013-14	-	-	-	-	-	-	-	-	-
2014-15	-	-	-	-	-	-	-	-	-
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-

The Commonwealth is providing funding for the *National Partnership on economic diversification projects under the Tasmanian Forests Intergovernmental Agreement*. This program provides funding for regional development projects to support diversification of the Tasmanian economy.

Water for the Future

A number of projects are funded under the Water for the Future initiative through Implementation Plans, Project Agreements and Water Management Partnership Agreements.

National Urban Water and Desalination Plan component^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	-	4.4	-	1.0	46.6	-	-	-	51.9
2013-14	-	5.6	-	-	1.0	-	-	-	6.5
2014-15	-	1.6	-	-	5.5	-	-	-	7.1
2015-16	-	-	-	-	2.1	-	-	-	2.1
2016-17	-	-	-	-	-	-	-	-	-

(a) These figures include payments direct to local governments.

The Commonwealth is providing funding for four specific urban water management projects in large urban centres as part of the National Urban Water and Desalination Plan. These projects will help secure water supplies and reduce reliance on traditional rainfall dependent water sources.

National Water Security Plan for Cities and Towns component^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	13.9	2.0	1.3	9.8	3.5	1.1	-	12.4	44.0
2013-14	11.0	1.0	1.3	8.4	2.0	-	-	1.0	24.8
2014-15	8.0	-	-	0.9	-	-	-	-	8.9
2015-16	2.9	-	-	-	-	-	-	-	2.9
2016-17	-	-	-	-	-	-	-	-	-

(a) These figures include payments direct to local governments.

The Commonwealth is providing funding for six specific urban water management projects and 18 projects, across 17 remote communities, under the National Water Security Plan for Cities and Towns. These projects will assist implementation of the COAG Strategy for Water and Wastewater in Remote (including Indigenous) Communities.

Sustainable Rural Water Use and Infrastructure component^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	56.1	50.4	13.7	1.9	37.8	41.6	0.9	0.6	202.9
2013-14	127.0	151.2	20.6	1.4	45.4	27.5	0.3	0.6	373.8
2014-15	119.0	207.2	28.6	1.3	54.5	16.6	0.2	0.5	427.9
2015-16	91.8	185.7	22.8	0.7	34.5	7.2	0.1	0.2	343.0
2016-17	62.9	165.2	20.7	-	6.6	7.2	-	-	262.6

(a) These figures include payments direct to local governments.

The Commonwealth is providing funding for the Sustainable Rural Water Use and Infrastructure program. This funding is provided under numerous arrangements, such as the *National Partnership on Water for the Future* and Water Management Partnership Agreements relating to the *Intergovernmental Agreement on Murray-Darling Basin Reform*. The program is improving the efficiency and productivity of rural water management and usage, delivering substantial and lasting water returns to the environment and helping secure a long-term sustainable future for irrigated agriculture.

A measure taken in the 2013-14 Budget as part of this program provides funding to States to develop business cases for supply measure projects under the Sustainable Diversion Limit Adjustment Mechanism. This measure is discussed in Budget Paper No. 2: *Budget Measures 2013-14*.

CONTINGENT PAYMENTS

Contingent payments arise where the Commonwealth has committed to provide compensation when an event occurs or otherwise guarantees the States' financial position. Payments to the States will only arise if the relevant event occurs.

Table 2.11 provides information on contingent payments.

Table 2.11: Contingent payments to the States

\$million	2012-13	2013-14	2014-15	2015-16	2016-17
National Partnership payments					
Hepatitis C settlement fund	0.7	0.7	0.7	0.7	-
Natural Disaster Relief and Recovery Arrangements	1,893.3	146.8	96.7	22.4	..
Total	1,894.0	147.5	97.4	23.1	..

Hepatitis C settlement fund

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	0.5	-	-	0.1	0.1	-	0.1	0.1	0.7
2013-14	0.5	-	-	0.1	0.1	-	0.1	-	0.7
2014-15	0.5	-	-	0.1	0.1	-	0.1	-	0.7
2015-16	0.5	-	-	0.1	0.1	-	0.1	-	0.7
2016-17	-	-	-	-	-	-	-	-	-

The Commonwealth is contributing to the participating States' schemes for out-of-court settlement costs for eligible individuals who contracted Hepatitis C through the blood supply service between 1985 and 1991.

Natural Disaster Relief and Recovery Arrangements (NDRRA)

NDRRA accrual estimates

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	84.3	50.0	1,738.6	3.2	0.2	16.7	-	0.4	1,893.3
2013-14	5.9	2.6	136.6	1.2	0.1	0.4	-	-	146.8
2014-15	0.1	..	96.6	..	-	-	-	-	96.7
2015-16	-	..	22.4	-	-	-	-	-	22.4
2016-17	-	..	-	-	-	-	-	-	..

The Commonwealth is providing funding under the NDRRA to assist the States with relief and recovery assistance following eligible natural disasters. This includes payments to the States in response to recent and past natural disasters including the January 2013 floods and Tropical Cyclone Oswald, November 2010 to February 2011 floods, bushfires and Tropical Cyclone Yasi. Total cash payments of \$5.3 billion have been made to Queensland for assistance with natural disasters under these arrangements from 2008-09 to 2011-12.

The Commonwealth recognises a liability equal to the present value of future payments expected to be made to the States under the NDRRA. This is regardless of whether or not a State has completed eligible disaster reconstruction work or submitted an eligible claim under the NDRRA.

The estimated expenses in the table above reflect expected Commonwealth costs associated with disasters that have occurred in 2012-13 and the unwinding of the discount on the provision, which reflects the time value of money.

The estimated cash payments are presented in the table below, illustrating the estimated timing of when the Commonwealth expects to reimburse the States for costs incurred in relation to past disasters.

NDRRA cash estimates

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	289.1	-	0.7	52.6	-	7.2	-	16.3	365.9
2013-14	223.0	98.9	1,641.7	47.1	3.7	16.9	-	-	2,031.3
2014-15	2.9	0.1	2,909.1	0.1	-	-	-	-	2,912.3
2015-16	-	0.1	860.6	-	-	-	-	-	860.6
2016-17	-	..	-	-	-	-	-	-	..

OTHER NATIONAL PARTNERSHIP PAYMENTS

The Commonwealth also makes various payments to the States to support other services, including payments in respect of:

- agriculture, forestry and fishing;
- fuel and energy;
- public order and safety; and
- recreation and culture.

Table 2.12 provides information on payments to support other state services.

Table 2.12: Payments to support other services

\$million	2012-13	2013-14	2014-15	2015-16	2016-17
National Partnership payments					
2014 G20 leaders' summit security	8.5	35.0	54.0	-	-
Australian Capital Territory emergency services	4.0	4.0	-	-	-
Centenary of Canberra 2013 – joint national program	2.0	1.0	-	-	-
Digital Regions Initiative	12.1	-	-	-	-
Financial assistance grants	2,204.2	1,136.6	2,367.1	2,470.0	2,575.2
Supplementary road funding to South Australia for local roads	16.8	17.5	-	-	-
Legal assistance services	198.1	200.6	204.6	208.2	212.0
Local Government and Regional Development Local Government Reform Fund	2.0	-	-	-	-
Pilot of drought reform measures in Western Australia	7.8	1.2	-	-	-
Provision of fire services	17.7	18.4	19.0	19.7	20.3
Remote Indigenous public internet access	2.8	2.1	2.2	2.2	2.2
Seamless National Economy	64.1	130.9	-	-	-
Victorian Local Hospital Networks	107.0	-	-	-	-
Sinking fund on State debt	..	..	..	..	..
Total	2,647.1	1,547.1	2,646.8	2,700.1	2,809.8

National Partnership on the 2014 G20 leaders' summit security

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	-	-	8.5	-	-	-	-	-	8.5
2013-14	-	-	35.0	-	-	-	-	-	35.0
2014-15	-	-	54.0	-	-	-	-	-	54.0
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-

The Government will provide funding for the *National Partnership on the 2014 G20 leaders' summit security* to upgrade Queensland's policing capacity to support the

G20 leaders' summit in Brisbane and the finance ministers' and central bank governors' meeting in Cairns.

Funding for the *National Partnership on the 2014 G20 leaders' summit security* is a new spending measure in the 2013-14 Budget. This measure is discussed in Budget Paper No. 2: *Budget Measures 2013-14*.

National Partnership on Australian Capital Territory emergency services

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	-	-	-	-	-	-	4.0	-	4.0
2013-14	-	-	-	-	-	-	4.0	-	4.0
2014-15	-	-	-	-	-	-	-	-	-
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-

The Commonwealth is providing funding for the *National Partnership on Australian Capital Territory emergency services*. This funding will be used to assist in the operation of the ACT Rural Fire Service, as well as to support the ACT State Emergency Service and the Emergency Management, Risk and Spatial Services program.

National Partnership on the Centenary of Canberra 2013 — joint national program

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	-	-	-	-	-	-	2.0	-	2.0
2013-14	-	-	-	-	-	-	1.0	-	1.0
2014-15	-	-	-	-	-	-	-	-	-
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-

The Commonwealth is providing funding for the *National Partnership on the Centenary of Canberra 2013 – joint national program* 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.

Further details of Commonwealth funding provided for the Centenary of Canberra 2013 are provided in the Infrastructure section of this Part.

National Partnership on the Digital Regions Initiative^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	4.0	1.0	2.2	0.4	1.4	1.8	-	1.3	12.1
2013-14	-	-	-	-	-	-	-	-	-
2014-15	-	-	-	-	-	-	-	-	-
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-

(a) These figures include payments to local governments made through the States.

The Commonwealth is providing funding for the *National Partnership on the Digital Regions Initiative*. This National Partnership co-funds innovative digital enablement

projects to support improved education, health and emergency services in regional, rural and remote communities.

Financial assistance grants to local government

Financial assistance grants component

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13									
General purpose financial assistance	490.9	378.6	306.9	163.5	111.3	34.5	25.2	15.8	1,526.7
Untied local roads grants	196.6	139.7	126.9	103.6	37.2	35.9	21.7	15.9	677.5
Total financial assistance grants	687.5	518.3	433.8	267.1	148.5	70.4	46.9	31.7	2,204.2
2013-14									
General purpose financial assistance	252.5	195.3	158.5	85.0	57.2	17.6	13.0	8.1	787.3
Untied local roads grants	101.4	72.0	65.5	53.4	19.2	18.5	11.2	8.2	349.3
Total financial assistance grants	353.9	267.3	223.9	138.4	76.4	36.2	24.2	16.3	1,136.6
2014-15									
General purpose financial assistance	523.8	407.2	330.6	179.2	118.4	36.3	27.2	16.9	1,639.5
Untied local roads grants	211.1	150.0	136.3	111.2	40.0	38.6	23.3	17.0	727.5
Total financial assistance grants	734.8	557.1	466.9	290.5	158.4	74.8	50.5	33.9	2,367.1
2015-16									
General purpose financial assistance	544.4	425.4	345.6	189.4	122.8	37.3	28.5	17.5	1,710.9
Untied local roads grants	220.3	156.5	142.2	116.1	41.7	40.2	24.3	17.8	759.2
Total financial assistance grants	764.6	581.9	487.8	305.5	164.5	77.6	52.8	35.3	2,470.0
2016-17									
General purpose financial assistance	565.4	444.0	360.9	199.9	127.3	38.4	29.8	18.1	1,783.7
Untied local roads grants	229.6	163.2	148.3	121.0	43.5	41.9	25.4	18.5	791.5
Total financial assistance grants	795.0	607.2	509.2	320.9	170.8	80.3	55.2	36.7	2,575.2

The Commonwealth is providing a financial contribution through State governments for the provision of local government services to the community. In 2013-14, payments for local government services will total \$1.1 billion, recognising a decision by the Commonwealth for \$1.1 billion to be brought forward from 2013-14 to be paid in 2012-13.

Current arrangements for financial assistance grants are made up of general purpose assistance and untied local roads grants. General purpose assistance is the larger of the two components of the financial assistance grants and is distributed between the States on a per capita basis, while untied local roads grants are paid on the basis of 1991-92 interstate road shares.

The financial assistance grants are adjusted annually, based on an escalation factor that the Treasurer determines with reference to population growth and the Consumer Price Index.

Financial assistance grants are paid to State and Territory governments, after which State grants commissions determine the intrastate distribution of the grants between local governments. Both forms of funding are untied and can be spent according to each local government's own priorities.

Since 2008-09, the Commonwealth has brought forward payments from the next financial year to provide local governments with additional flexibility and assist them in responding to emerging local pressures. Similarly, the Commonwealth will pay the two quarterly instalments of the expected 2013-14 allocation in 2012-13 so that local governments can have immediate use of the funds.

The decision to bring forward funding is a new measure in the 2013-14 Budget. This measure is discussed in Budget Paper No. 2: *Budget Measures 2013-14*.

Supplementary road funding to South Australia for local roads component

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	-	-	-	-	16.8	-	-	-	16.8
2013-14	-	-	-	-	17.5	-	-	-	17.5
2014-15	-	-	-	-	-	-	-	-	-
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-

Additionally, the Commonwealth is providing supplementary funding to South Australia for local roads. South Australia will receive \$17.5 million for this purpose in 2013-14.

National Partnership on legal assistance services

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	62.6	44.4	41.2	19.9	15.7	5.9	4.4	3.9	198.1
2013-14	63.4	44.9	41.7	20.2	15.9	6.0	4.5	4.0	200.6
2014-15	64.7	45.8	42.5	20.6	16.2	6.1	4.6	4.0	204.6
2015-16	65.9	46.7	43.3	20.9	16.5	6.2	4.6	4.1	208.2
2016-17	67.1	47.5	44.1	21.3	16.8	6.4	4.7	4.2	212.0

The Commonwealth is providing funding for the *National Partnership on legal assistance services* to the States so they can provide legal assistance to disadvantaged persons in accordance with Commonwealth policy priorities.

National Partnership on Local Government and Regional Development

Local Government Reform Fund component

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	-	-	0.2	1.3	0.1	0.2	-	0.2	2.0
2013-14	-	-	-	-	-	-	-	-	-
2014-15	-	-	-	-	-	-	-	-	-
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-

The Commonwealth is providing funding to the States for projects that support the implementation of nationally consistent frameworks for local government asset and financial management and/or improve collaboration in the local government sector. The Local Government Reform Fund encourages collaboration between councils and helps to improve their capacity to serve local communities.

Further details of funding provided under the *National Partnership on Local Government and Regional Development* can be found in the Infrastructure section of this Part.

National Partnership on the pilot of drought reform measures in Western Australia

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	-	-	-	7.8	-	-	-	-	7.8
2013-14	-	-	-	1.2	-	-	-	-	1.2
2014-15	-	-	-	-	-	-	-	-	-
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-

The Commonwealth is providing funding for the *National Partnership on the pilot of drought reform measures in Western Australia*. This National Partnership was established to trial a package of new measures developed in response to the national review of drought policy, including assistance for farm business planning, on farm projects and capacity building and community activities, as well as support for farm households and communities.

The pilot trialled a package of measures directed at helping farmers to move from a crisis management approach to risk management. The aim of the pilot was to better support farmers, their families and rural communities in preparing for future challenges, rather than waiting until they are in crisis. The pilot, which concluded on 30 June 2012, was always limited in its timeframe. Payments to approved applicants under the Building Farm Business measure of pilot will continue until 30 June 2014.

National Partnership on provision of fire services

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	3.8	2.7	2.7	1.2	0.9	0.2	4.6	1.5	17.7
2013-14	4.0	2.8	2.8	1.3	0.9	0.2	4.8	1.5	18.4
2014-15	4.1	2.9	2.9	1.3	1.0	0.3	4.9	1.6	19.0
2015-16	4.3	3.0	3.0	1.4	1.0	0.3	5.1	1.6	19.7
2016-17	4.4	3.1	3.1	1.4	1.0	0.3	5.3	1.7	20.3

The *National Partnership on provision of fire services* provides the States with equitable payment arrangements for the fire protection of Commonwealth-owned buildings.

National Partnership on remote Indigenous public internet access

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	0.3	-	0.4	0.9	0.3	-	-	0.8	2.8
2013-14	0.2	-	0.4	0.7	0.2	-	-	0.7	2.1
2014-15	0.2	-	0.4	0.7	0.2	-	-	0.7	2.2
2015-16	0.2	-	0.4	0.8	0.2	-	-	0.8	2.2
2016-17	0.2	-	0.4	0.8	0.2	-	-	0.8	2.2

The Commonwealth is providing funding for the *National Partnership on remote Indigenous public internet access* under the Closing the Gap framework. This National Partnership was established to improve public internet access facilities and provide related computer training in remote Indigenous communities. This funding also covers maintenance of facilities installed in previous years under this arrangement.

National Partnership to Deliver a Seamless National Economy

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	26.6	6.9	17.2	2.9	6.1	1.9	1.6	0.9	64.1
2013-14	53.3	-	34.4	23.1	12.2	3.7	2.4	1.7	130.9
2014-15	-	-	-	-	-	-	-	-	-
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-

The Commonwealth has set aside reward funding for the delivery by the States of regulatory reforms under the *National Partnership Agreement to Deliver a Seamless National Economy*, aimed at reducing inefficient and costly regulation. The allocation of reward payment funding across 2012-13 and 2013-14 reflects current and expected delivery of these reforms. Final payments to jurisdictions will be dependent on the achievement of agreed reform outcomes as specified in the National Partnership.

Facilitation payments of \$100 million and reward payments of \$200 million were provided to jurisdictions as part of this National Partnership in 2008-09 and 2011-12 respectively. The Commonwealth has redirected \$55.1 million in payments from Victoria's allocation of reward funding in 2013-14 to provide funding direct to Victorian Local Hospital Networks in 2012-13.

Victorian Local Hospital Networks

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	-	107.0	-	-	-	-	-	-	107.0
2013-14	-	-	-	-	-	-	-	-	-
2014-15	-	-	-	-	-	-	-	-	-
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-

The Commonwealth has provided funding directly to Victorian Local Hospital Networks to support the ongoing provision of public hospital services.

Funding for Local Hospital Networks is a new spending measure in the 2013-14 Budget. This measure is discussed in Budget Paper 2: *Budget Measures 2013-14*.

Sinking Fund on State Debt

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	-	-	-	-	-	-	..
2013-14	-	-	-	-	-	-	..
2014-15	-	-	-	-	-	-	..
2015-16	-	-	-	-	-	-	..
2016-17	-	-	-	-	-	-	..

The Commonwealth is contributing to the Debt Retirement Reserve Trust Account on behalf of New South Wales, Victoria and South Australia in accordance with the *Financial Agreement Act 1994*.

PART 3: GENERAL REVENUE ASSISTANCE

General revenue assistance is a broad category of payments. This assistance is provided to the States without conditions, to spend according to their own budget priorities. The main form of general revenue assistance is the Goods and Services Tax (GST). Other general revenue assistance includes payments to the Australian Capital Territory for municipal services, royalties, and Snowy Hydro Limited tax compensation. These payments are discussed in this Part.

OVERVIEW OF PAYMENTS

In 2013-14, the States will receive \$51.2 billion from the Commonwealth in total general revenue assistance – \$50.3 billion for GST and \$1.0 billion for other general revenue assistance. This represents a 5.3 per cent increase in GST compared to the \$47.7 billion the States are expected to receive in 2012-13. In 2013-14, total general revenue assistance to the States will represent 12.9 per cent of total Commonwealth expenditure. Total general revenue assistance the Commonwealth provides to the States is shown in Table 3.1 and Table 3.2 shows a breakdown by State.

Table 3.1: General revenue assistance

\$million	2012-13	2013-14	2014-15	2015-16	2016-17
GST entitlement	47,700.0	50,250.0	52,820.0	55,800.0	58,670.0
Other Payments					
ACT municipal services	36.8	37.5	38.2	38.9	39.6
Reduced royalties	63.1	41.7	45.6	49.3	46.2
Royalties	1,060.7	830.2	826.3	815.5	816.6
Snowy Hydro Ltd tax compensation	74.4	74.4	74.4	74.4	74.4
Total	48,935.0	51,233.8	53,804.5	56,778.1	59,646.8

Table 3.2: General revenue assistance by State^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	14,666.4	10,947.3	9,477.9	2,907.2	4,463.1	1,694.2	984.0	2,734.1	48,935.0
2013-14	15,607.5	11,345.1	10,740.9	2,499.3	4,595.0	1,800.5	1,059.3	2,756.0	51,233.8
2014-15	16,652.1	11,817.3	11,558.5	2,100.7	4,754.3	1,964.8	1,163.1	2,967.5	53,804.5
2015-16	17,681.5	12,636.4	11,974.4	2,354.1	4,839.4	2,150.3	1,244.7	3,081.8	56,778.1
2016-17	18,544.8	13,357.2	12,605.5	2,622.2	5,040.1	2,205.0	1,304.5	3,150.7	59,646.8

(a) State splits for royalties are not published due to commercial sensitivities; therefore total general revenue assistance will not equal the sum of the state splits above.

GST ENTITLEMENT TO THE STATES

Under the *Intergovernmental Agreement on Federal Financial Relations*, the States are entitled to receive payments from the Commonwealth equivalent to the revenue received from the GST. GST revenue refers to the amount of GST recognised by the Australian Taxation Office (ATO), less the amount not remitted to the ATO as at

30 June of each financial year. GST entitlement refers to the amount of GST which is entitled to be distributed to the States. GST payments reflect the GST entitlement which is distributed to the States adjusted for any balancing amount from the prior financial year.

Table 3.3 provides a reconciliation of the GST revenue estimates since the 2012-13 Budget and 2012-13 MYEFO. The reconciliation accounts for policy decisions and parameter and other variations. GST revenue in 2013-14 has been revised down by \$650 million since the 2012-13 MYEFO. This reflects weakness in current year collections and slightly lower growth in consumption subject to GST. This lower growth in consumption reflects weaker domestic prices.

Table 3.3: Reconciliation of GST revenue estimates since the 2012-13 Budget and 2012-13 MYEFO

\$million	2012-13	2013-14	2014-15	2015-16
GST revenue at 2012-13 Budget	50,486	53,234	56,056	58,730
Changes between 2012-13 Budget and MYEFO				
Effect of policy decisions	8	39	74	74
Effect of parameter and other variations	296	457	460	626
Total variations	304	496	534	700
GST revenue at 2012-13 MYEFO	50,790	53,730	56,590	59,430
Changes between 2012-13 MYEFO and Budget				
Effect of policy decisions	-1	-1	9	29
Effect of parameter and other variations	-569	-649	-839	-539
Total variations	-570	-650	-830	-510
GST revenue at 2013-14 Budget	50,220	53,080	55,760	58,920

Specific policy decisions taken since MYEFO that affect GST revenue are shown in Table 3.4. These decisions increase the amount of GST revenue by \$66.0 million over five years to 2016-17. The impact on GST revenue of policy decisions since MYEFO is also included in Table 3.3.

Detailed information on policy decisions since the 2012-13 MYEFO is included in *Budget Paper No. 2: Budget Measures 2013-14*.

Table 3.4: Policy decisions since MYEFO that affect GST revenue

\$million	2012-13	2013-14	2014-15	2015-16	2016-17
Later start date and conclusion of transitional arrangements for better targeting of not-for-profit concessions	-1.0	-1.0	9.0	29.0	30.0
DisabilityCare Australia – Transition to Full Scheme	-	..	..	..	..
Excise and excise-equivalent customs duty – index tobacco excise to average weekly ordinary time earnings	-	nfp	nfp	nfp	nfp
GST – allowing businesses in a net refund position to continue to use the GST instalments system	-	-	-	-	-
Not-for-profit sector reforms – introducing a statutory definition of 'charity' – later start date	-	*	*	*	*
Tax laws – privileges and immunities for the International Committee of the Red Cross	-	..	..	..	-
Verifying the export of liquids, aerosols and gels sold under the sealed bag scheme	-	-	-	-	-
Total GST revenue policy decisions	-1.0	-1.0	9.0	29.0	30.0

GST revenue for a financial year varies from the amount of GST paid to the States for that year because of:

- GST revenues which are recognised on a Commonwealth whole of government basis, but not remitted to the ATO by 30 June of each financial year, as the revenues will not be remitted until the following financial year;
- penalties, other than general interest charge (GIC) penalties, which are not included in the definition in the *Federal Financial Relations Act 2009* of GST to be paid to the States;
- the GST component of sales by Commonwealth agencies which has been collected by those agencies but which, as at 30 June in each year, has not been remitted to the ATO, because it is not due to be paid until the next Business Activity Statement is lodged; and
- adjustments to account for any variation in the previous financial year between the Treasurer's final outcome determination, and GST payment advances made during that financial year.

States receive monthly advances of GST throughout the year based on the Commonwealth estimate of the GST entitlement. The Treasurer makes a determination of the amount of GST revenue collected in the financial year upon receipt of the final outcome after the close of the financial year. Any variation between GST advances and the final outcome as determined by the Treasurer is settled in the following financial year.

In 2012-13, an amount of \$440.1 million was added to the States' 2012-13 GST entitlement as a balancing adjustment for the difference between the final amount determined by the Treasurer and advances made during the 2011-12 financial year.

A reconciliation of GST revenue, GST entitlement and GST payments to the States is provided in Table 3.5. Compared to the 2012-13 MYEFO estimate, the GST entitlement for 2013-14 is \$750 million lower.

Table 3.5: Reconciling GST revenue, GST entitlement and GST payments to the States

\$million	2012-13	2013-14	2014-15	2015-16	2016-17
GST revenue	50,220	53,080	55,760	58,920	61,830
<i>less</i> change in GST receivables(a)	2,302	2,637	2,741	2,911	2,940
GST receipts	47,918	50,443	53,019	56,009	58,890
<i>less</i> non-GIC penalties collected(b)	180	190	200	210	220
<i>less</i> GST collected by Commonwealth agencies but not yet remitted to the ATO(c)	38	3	-1	-1	0
GST entitlement	47,700	50,250	52,820	55,800	58,670
<i>plus</i> prior year balancing adjustment(d)	440				
GST payments to the States	48,140	50,250	52,820	55,800	58,670

(a) GST revenue which is recognised on a Commonwealth whole of government basis, but not remitted to the ATO as at 30 June of each financial year.

(b) While GST related non-GIC penalties are recognised in the Commonwealth's GST revenue, non-GIC penalties are not defined in the *Federal Financial Relations Act 2009* as being a part of the GST revenue that is paid to the States.

(c) This is the GST component of sales by Commonwealth agencies which has been collected by those agencies but which, as at 30 June in each year, will not have been remitted to the ATO, because it is not due to be paid until the next Business Activity Statement is lodged (typically on 21 July in the following financial year).

(d) Advance GST payments made in 2011-12 were \$440.1 million lower than the final outcome determined by the Treasurer. This amount was added to payments in 2012-13.

Distribution of GST entitlement among the States

The Commonwealth distributes GST among the States in accordance with the principle of horizontal fiscal equalisation and having regard to the recommendations of the Commonwealth Grants Commission (the Commission).

The Commission recommends GST revenue sharing relativities to be used in calculating each State's entitlement of the GST pool. The relativities determine how much GST each State receives compared with an equal per capita share and are determined such that, if each State made the same effort to raise revenue from its own sources and operated at the same level of efficiency, each State would have the capacity to provide services and the associated infrastructure at the same standard.

This does not necessarily result in the same standard of government services being delivered – just the equalisation of each State's capacity to provide the same standard of services. In calculating GST relativities, the Commission takes into account differences in the States' capacities to raise revenues and differences in the costs the

States would incur in providing the same standard of government services, including through acquiring the infrastructure used to deliver those services.

Table 3.6 identifies the relativities recommended by the Commission for 2012-13 and 2013-14, and the Commonwealth projected relativities for distributing GST for 2014-15 to 2016-17. The Commission does not provide projected relativities.

The Commonwealth's projections assume that the States' fiscal capacities will be broadly consistent with the relative assessed differences in the Commission's *Report on GST Revenue Sharing Relativities – 2013 Update*.

The Commonwealth's projections only make technical adjustments for estimated changes in the size of the GST pool, State population shares and the distribution of National SPPs. The National SPPs adjustment ensures the projections reflect that, in accordance with the *Intergovernmental Agreement on Federal Financial Relations*, National SPPs are progressively shifting towards an equal per capita share. The projections do not take into account any other major changes in Commonwealth-State financial relations.

Consistent with the Commission's approach, the projected relativity for an individual year is the average of relativities for three assessment years. For example, the 2014-15 projected relativity is based on the average of assessed relativities for 2010-11, 2011-12 and 2012-13.

Table 3.6: GST relativities

	NSW	VIC	QLD	WA	SA	TAS	ACT	NT
2012-13	0.95312	0.92106	0.98477	0.55105	1.28472	1.58088	1.19757	5.52818
2013-14	0.96576	0.90398	1.05624	0.44581	1.26167	1.61454	1.22083	5.31414
2014-15(a)	0.98311	0.89364	1.07816	0.34982	1.24777	1.69697	1.27297	5.46857
2015-16(a)	0.99124	0.90273	1.05466	0.36650	1.20828	1.78072	1.28644	5.40256
2016-17(a)	0.99149	0.90550	1.05311	0.38454	1.20235	1.75850	1.27828	5.27724

(a) Treasury projection.

Box 3.1: The effect of horizontal fiscal equalisation

It is usual for individual States within a federation to have different capacities to raise revenue or deliver services. The practice of equalising revenue capacities and/or expenditure capacities between the States in a federation is common. Australia has had various forms of fiscal equalisation since 1901.

One way to view the effect of horizontal fiscal equalisation is to compare each State’s share of the GST payments using the GST relativities, with a notional distribution on an equal per capita basis. In 2013-14, around \$4.7 billion (or 9.3 per cent) of the GST payments will be redistributed among the States, compared with an equal per capita distribution (Table A).

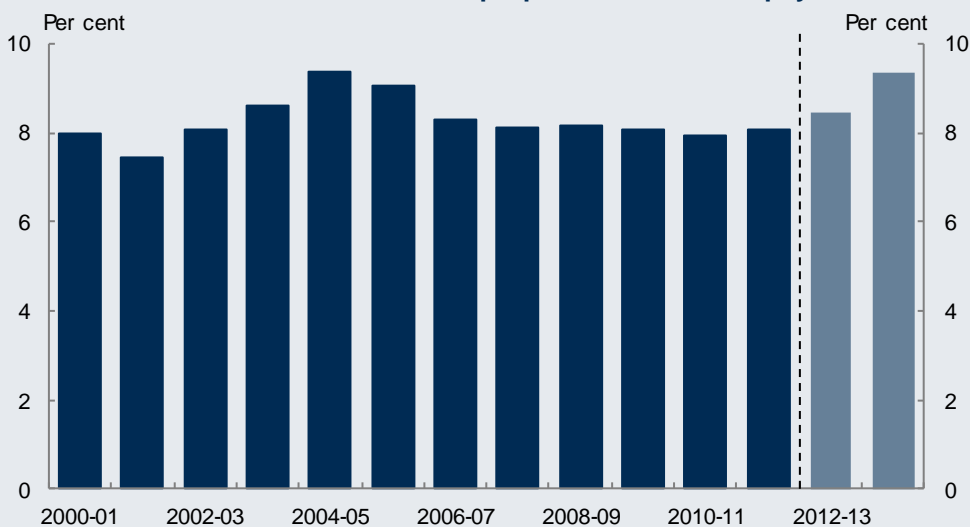
Table A: Difference from equal per capita distribution, 2013-14

	GST distribution 2013-14 Budget \$million	Equal per capita distribution of GST \$million	Redistribution(a) \$million	Projected population '000	Per capita redistribution \$
NSW	15,557.9	16,053.1	-495.2	7,426	-66.7
VIC	11,320.3	12,478.9	-1,158.6	5,773	-200.7
QLD	10,740.9	10,133.4	607.5	4,688	129.6
WA	2,457.5	5,493.2	-3,035.7	2,541	-1,194.6
SA	4,595.0	3,629.2	965.7	1,679	575.2
TAS	1,800.5	1,111.3	689.2	514	1,340.7
ACT	1,021.8	834.0	187.8	386	486.6
NT	2,756.0	516.8	2,239.2	239	9,366.3
Total	50,250.0	50,250.0	4,689.5	23,246	

The total redistribution of \$4,689.5 million is the sum of positive items in that column.

Chart A below shows the proportion of GST payments being redistributed in 2013-14 and since the GST commenced.

Chart A: GST redistributed as a proportion of the GST payments



Box 3.1: The effect of horizontal fiscal equalisation (continued)

A State's GST relativity is not a complete measure of its share of Commonwealth funding. In 2013-14, payments for specific purposes (National SPPs, National Health Reform funding, National Education Reform funding and National Partnership payments) will also provide a substantial source of revenue for the States. There are also other general revenue assistance payments made to the States. Given this, a more accurate measure of Commonwealth support for a specific State would include this funding.

This analysis is shown in the implied relativity line in Table B below. A ratio of one would indicate that a State has received its population share of total Commonwealth payments.

Using this broader measure, total payments to the States are generally closer to an equal per capita share than GST payments, as shown in Table B.

Table B: Implied relativity of expected total Commonwealth payments, 2013-14

	NSW	VIC	QLD	WA	SA	TAS	ACT	NT
Implied relativity	0.96	0.94	1.03	0.79	1.10	1.33	1.11	3.79
CGC determined GST relativity	0.97	0.90	1.06	0.45	1.26	1.61	1.22	5.31

Note: Unallocated payments have been excluded. Figures for the forward estimates have not been provided as they would need to rely, in part, on future GST relativities which are projections only.

Distribution of the GST entitlement pool

To determine the allocation of GST amongst the States, the estimated state populations are first multiplied by the GST relativities in order to determine an adjusted population for each State. Each State receives its adjusted population share of the GST entitlement. The detailed calculation for the distribution of the GST in 2012-13 and 2013-14 is shown in Table 3.7 and Table 3.9.

Table 3.7: Calculation of GST entitlements^(a)

	Estimated 31 December population (1)	GST relativities (2)	Adjusted population (1) x (2) (3)	Share of adjusted population % (4)	Share of GST pool \$million (5)
2012-13					
NSW	7,332,335	0.95312	6,988,595	30.6%	14,616.8
VIC	5,669,882	0.92106	5,222,302	22.9%	10,922.5
QLD	4,601,689	0.98477	4,531,605	19.9%	9,477.9
WA	2,467,751	0.55105	1,359,854	6.0%	2,844.2
SA	1,661,002	1.28472	2,133,922	9.4%	4,463.1
TAS	512,383	1.58088	810,016	3.6%	1,694.2
ACT	378,143	1.19757	452,853	2.0%	947.2
NT	236,470	5.52818	1,307,249	5.7%	2,734.1
Total	22,859,655	na	22,806,396	100.0%	47,700.0
2013-14					
NSW	7,426,127	0.96576	7,171,856	31.0%	15,557.9
VIC	5,772,721	0.90398	5,218,424	22.5%	11,320.3
QLD	4,687,686	1.05624	4,951,321	21.4%	10,740.9
WA	2,541,159	0.44581	1,132,874	4.9%	2,457.5
SA	1,678,873	1.26167	2,118,184	9.1%	4,595.0
TAS	514,073	1.61454	829,991	3.6%	1,800.5
ACT	385,829	1.22083	471,032	2.0%	1,021.8
NT	239,073	5.31414	1,270,467	5.5%	2,756.0
Total	23,245,541	na	23,164,150	100.0%	50,250.0

(a) Amounts shown in 2012-13 are based on estimates of each jurisdiction's GST entitlement based on the estimated total GST pool. These amounts do not take into account the prior year balancing adjustment for underpayments made in 2011-12, totalling \$440.1 million.

Table 3.8 shows the distribution of the prior year balancing adjustment which was paid in 2012-13. The balancing adjustment is the difference between the GST advances paid to the States in 2011-12 and the States' final GST entitlement determined by the Treasurer. The final GST entitlement for 2011-12 is based on the final 2011-12 GST revenue, 2011-12 GST relativities and 31 December 2011 population as determined by the Australian Statistician.

Table 3.8: Distribution of the prior year balancing adjustment

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	127.0	66.9	-8.4	91.1	46.6	34.7	23.5	58.6	440.1

Table 3.9: Distribution of GST entitlements over budget year and forward estimates^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	14,616.8	10,922.5	9,477.9	2,844.2	4,463.1	1,694.2	947.2	2,734.1	47,700.0
2013-14	15,557.9	11,320.3	10,740.9	2,457.5	4,595.0	1,800.5	1,021.8	2,756.0	50,250.0
2014-15	16,602.5	11,792.5	11,558.5	2,055.1	4,754.3	1,964.8	1,124.9	2,967.5	52,820.0
2015-16	17,631.9	12,611.6	11,974.4	2,304.8	4,839.4	2,150.3	1,205.7	3,081.8	55,800.0
2016-17	18,495.2	13,332.4	12,605.5	2,576.1	5,040.1	2,205.0	1,264.9	3,150.7	58,670.0

(a) Amounts shown in 2012-13 are based on estimates of each jurisdiction's GST entitlement based on the estimated total GST pool. These amounts do not take into account the prior year balancing adjustment for underpayments made in 2011-12, totalling \$440.1 million.

GST administration

States compensate the Commonwealth for the agreed costs incurred by the ATO in administering the GST, including costs incurred by the Australian Customs Service. On 3 April 2013, the Standing Council on Federal Financial Relations endorsed a preliminary GST administration budget for the ATO of \$698.6 million for 2013-14, as shown in Table 3.10.

Table 3.10: Reconciliation of the GST administration budget

\$million	2012-13	2013-14	2014-15	2015-16	2016-17
Administration budget at 2012-13 Budget	680.9	681.9	688.3	695.3	na
Changes from 2012-13 Budget to MYEFO					
Parameter variations	-	-	-	-	-
Total variations	-	-	-	-	-
Administration budget at 2012-13 MYEFO	680.9	681.9	688.3	695.3	na
Changes from MYEFO to 2013-14 Budget					
Parameter variations	-	-2.7	-4.0	-5.4	-
Other variations	13.5	19.4	30.8	35.6	-
Total variations	13.5	16.7	26.7	30.1	592.4
Administration budget at 2013-14 Budget	694.4	698.6	715.0	725.4	592.4

In 2011-12, the GST administration payments made by the States were \$13.7 million less than the combination of the total final audited GST administration cost for 2011-12 and the States' 2010-11 overpayment. This net underpayment was added to the estimated administration costs of \$694.4 million for 2012-13.

OTHER GENERAL REVENUE ASSISTANCE

The Commonwealth makes payments of other general revenue assistance to the States, including:

- payments to the Australian Capital Territory for municipal services;
- reduced royalties;
- royalties; and

- Snowy Hydro Limited tax compensation.

Similar to GST, other general revenue assistance is provided to the States without conditions, to spend according to their own budget priorities.

Table 3.11: Other general revenue assistance

\$million	2012-13	2013-14	2014-15	2015-16	2016-17
ACT municipal services	36.8	37.5	38.2	38.9	39.6
Reduced royalties	63.1	41.7	45.6	49.3	46.2
Royalties	1,060.7	830.2	826.3	815.5	816.6
Snowy Hydro Ltd tax compensation	74.4	74.4	74.4	74.4	74.4
Total other general revenue assistance	1,235.0	983.8	984.5	978.1	976.8

Payments in respect of Australian Capital Territory municipal services

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	-	-	-	-	-	-	36.8	-	36.8
2013-14	-	-	-	-	-	-	37.5	-	37.5
2014-15	-	-	-	-	-	-	38.2	-	38.2
2015-16	-	-	-	-	-	-	38.9	-	38.9
2016-17	-	-	-	-	-	-	39.6	-	39.6

The Commonwealth provides general revenue assistance to the Australian Capital Territory to:

- assist in meeting the additional municipal costs which arise from Canberra’s role as the national capital; and
- compensate the Australian Capital Territory for additional costs resulting from the national capital planning influences on the provision of water and sewerage services.

The level of funding is based upon the findings of the Commonwealth Grants Commission, in its second and third reports on financing for the Australian Capital Territory, prior to the move to self-government in 1989.

Reduced royalties

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	-	-	-	63.1	-	-	-	-	63.1
2013-14	-	-	-	41.7	-	-	-	-	41.7
2014-15	-	-	-	45.6	-	-	-	-	45.6
2015-16	-	-	-	49.3	-	-	-	-	49.3
2016-17	-	-	-	46.2	-	-	-	-	46.2

The Commonwealth provides general revenue assistance to compensate Western Australia for the loss of royalty revenue resulting from the removal of the exemption of condensate from crude oil excise in the 2009-10 Budget.

Royalties^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	-	-	-	~	-	-	-	~	1,060.7
2013-14	-	-	-	~	-	-	-	~	830.2
2014-15	-	-	-	~	-	-	-	~	826.3
2015-16	-	-	-	~	-	-	-	~	815.5
2016-17	-	-	-	~	-	-	-	~	816.6

(a) State splits for royalties are not published due to commercial sensitivities.

Royalty payments to Western Australia

The Commonwealth provides general revenue assistance to Western Australia from royalties collected under the *Offshore Petroleum (Royalty) Act 2006* in respect of the North West Shelf oil and gas project off the coast of Western Australia. The Commonwealth collects these royalties because it has jurisdiction over offshore areas.

These royalties are shared between the Commonwealth (approximately one third) and Western Australia (approximately two thirds). These payment arrangements are in accordance with the revenue sharing arrangements in section 75 of the *Offshore Petroleum and Greenhouse Gas Storage Act 2006*.

Royalty payments to the Northern Territory

The Commonwealth provides general revenue assistance to the Northern Territory in lieu of royalties on uranium mining in the Ranger Project Area due to the Commonwealth's ownership of uranium in the Northern Territory.

General revenue assistance is payable biannually at the royalty rate of 1.25 per cent of the net proceeds of sales. These royalties are paid under a continuing agreement, established under the 1978 Memorandum of Understanding between the Commonwealth and the Northern Territory.

Snowy Hydro Limited tax compensation

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13	49.6	24.8	-	-	-	-	-	-	74.4
2013-14	49.6	24.8	-	-	-	-	-	-	74.4
2014-15	49.6	24.8	-	-	-	-	-	-	74.4
2015-16	49.6	24.8	-	-	-	-	-	-	74.4
2016-17	49.6	24.8	-	-	-	-	-	-	74.4

On 28 June 2002, the Snowy Mountains Hydro Electric Authority was corporatised. The assets and business of the Authority were transferred to Snowy Hydro Limited, a company jointly owned by the Commonwealth, New South Wales and Victoria (with 13 per cent, 58 per cent and 29 per cent shareholdings respectively).

The Commonwealth provides compensation payments to New South Wales and Victoria, in the form of general revenue assistance, for Commonwealth taxes paid by Snowy Hydro Limited in proportion to the States' shareholdings.

Payments are made in accordance with the Snowy Hydro Tax Compensation Deed between the Commonwealth, New South Wales and Victoria. These taxes would have previously been payable to the States through tax equivalence regime payments.

MIRROR TAX ARRANGEMENTS

The Commonwealth introduced mirror tax arrangements in 1998 to ensure that the States were not financially disadvantaged by the High Court decision in *Allders International Pty Ltd v Commissioner of State Revenue (Victoria)*, which invalidated state taxes on Commonwealth places. These arrangements mirror certain state taxes, including payroll taxes, land taxes and stamp duties, with respect to Commonwealth places. The States collect these mirror taxes on behalf of the Commonwealth and bear the administrative costs of collection. All mirror tax revenues are credited to the Commonwealth and simultaneously appropriated to the States. Hence, mirror taxes are recorded as both a Commonwealth revenue and expense, with no net impact on the Commonwealth's budget position.

Table 3.12: Mirror taxes accrued on behalf of the States

\$million	2012-13	2013-14	2014-15	2015-16	2016-17
Mirror taxes	484.6	512.6	543.3	576.5	602.1
less Payments to State governments	484.6	512.6	543.3	576.5	602.1
Commonwealth Budget impact	-	-	-	-	-

PART 4: DEVELOPMENTS IN THE CONSOLIDATED NON-FINANCIAL PUBLIC SECTOR

The consolidated public sector fiscal position is expected to improve over the forward estimates, although both the consolidated fiscal and cash balances are expected to remain in deficit throughout this period.

The Commonwealth general government fiscal balance is expected to be in surplus by 2015-16. In aggregate, the States are expecting their net operating position to return to surplus by 2014-15, although their fiscal balance will remain in deficit, albeit narrowing. At both levels of Government, expenses as a proportion of GDP will moderate over the forward estimates.

The varied pace at which different States are anticipating a return to surplus reflects the role that State-specific factors are playing in their relative fiscal positions. Some States are anticipating surpluses sooner than others, with Victoria, Western Australia and Tasmania expecting operating surpluses in each of the forecast years.

INTRODUCTION

This Part provides a perspective on the financial position of all levels of government in Australia.

It discusses trends in key fiscal indicators including the net operating balance, fiscal balance, cash balance, net debt and net interest payments, at the Commonwealth level, State and local level, and the consolidated level.

The Part focuses on trends in the non-financial public sector (NFPS) which comprises the general government sector and the public non-financial corporations (PNFC) sector. The general government sector provides non-market goods and services such as policing, health and education. The PNFC sector comprises government controlled corporations engaged in providing market goods such as electricity and public transport, but not financial services.

For further information on the fiscal indicators and the institutional structure of the public sectors see Budget Paper No. 1, Statement 9.

State estimates in this Part come from their most recent publicly available financial reports. Victoria's are based on their 2013-14 Budget, while the remaining jurisdictions are drawn from their mid-year financial reports. Aggregate State data are only available to 2015-16, so references to the forward estimates in this Part relate to the period 2013-14 to 2015-16.

Additional data tables can be found in Appendix C.

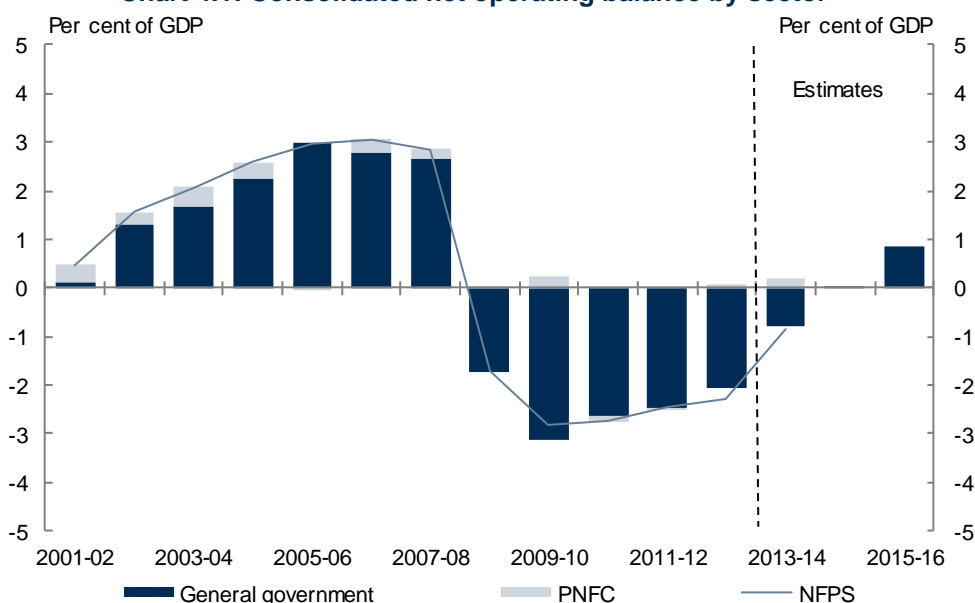
NET OPERATING BALANCE

The net operating balance measures in accrual terms the gap between recurrent expenses and revenue for a given period. This is the headline budget measure used by most States to provide an indication of the medium term sustainability of the existing level of government services. The Commonwealth does not use net operating balance as a headline fiscal indicator.

In aggregate, the States are expecting the general government sector to record a slim net operating deficit in 2013-14 (-0.1 per cent of GDP), improving to a surplus of 0.5 per cent of GDP in 2015-16.

Victoria, Western Australia and Tasmania are expecting surpluses in 2013-14 and each of their forecast years. The ACT is expecting deficits (although narrowing as a proportion of GDP) in each year. The remaining jurisdictions are expecting deficits in 2013-14 but surpluses by 2015-16 at the latest.

Chart 4.1: Consolidated net operating balance by sector^(a)



(a) Data for the PNFC sector (and therefore NFPS) are not available beyond 2013-14.

In aggregate, on average across the forecast period, the States are expecting revenue as a proportion of GDP to be 0.7 percentage points below the pre-GFC 10 year average. Both tax and non-tax revenues account for this. The return to surplus reflects a moderation in State expenses as a proportion of GDP.

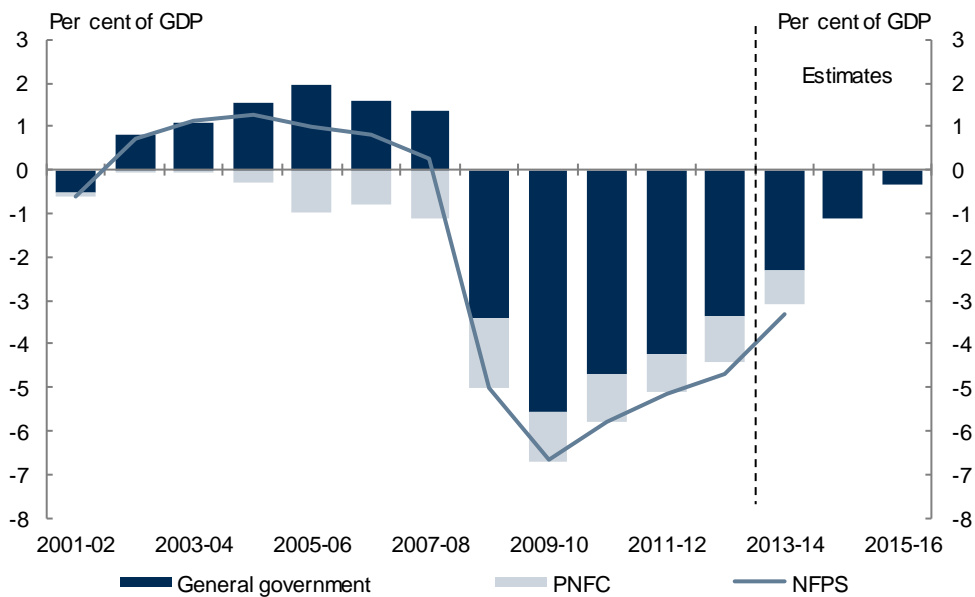
As shown in Chart 4.1, the consolidated general government sector is expected to record a net operating deficit of 0.8 per cent of GDP in 2013-14, but improve to a surplus of 0.8 per cent of GDP in 2015-16.

FISCAL AND CASH BALANCES

A fiscal surplus indicates that a government is saving more than enough to finance all of its investment spending and is therefore not contributing directly to the current account deficit. A fiscal deficit indicates that a government needs to borrow or liquidate financial assets in order to fund its capital and/or recurrent expenditures.

As the fiscal balance includes capital transfers and investment in non-financial assets, which are not included in the net operating balance, the difference between the fiscal balance and the net operating balance is the effect of investment in infrastructure.

Chart 4.2: Consolidated fiscal balance by sector^(a)



(a) Data for the PNFC sector (and therefore the NFPS) are not available beyond 2013-14.

The fiscal balance of the Commonwealth general government sector is expected to improve over the forward estimates and return to surplus in 2015-16.

Aggregate State net capital investment is forecast to decline from 0.8 per cent of GDP in 2013-14 to a low of 0.5 per cent of GDP in 2014-15. Despite this decline and improvements in forecast general government State net operating balances over the forward estimates, the aggregate State fiscal balance is expected to remain in deficit across the period.

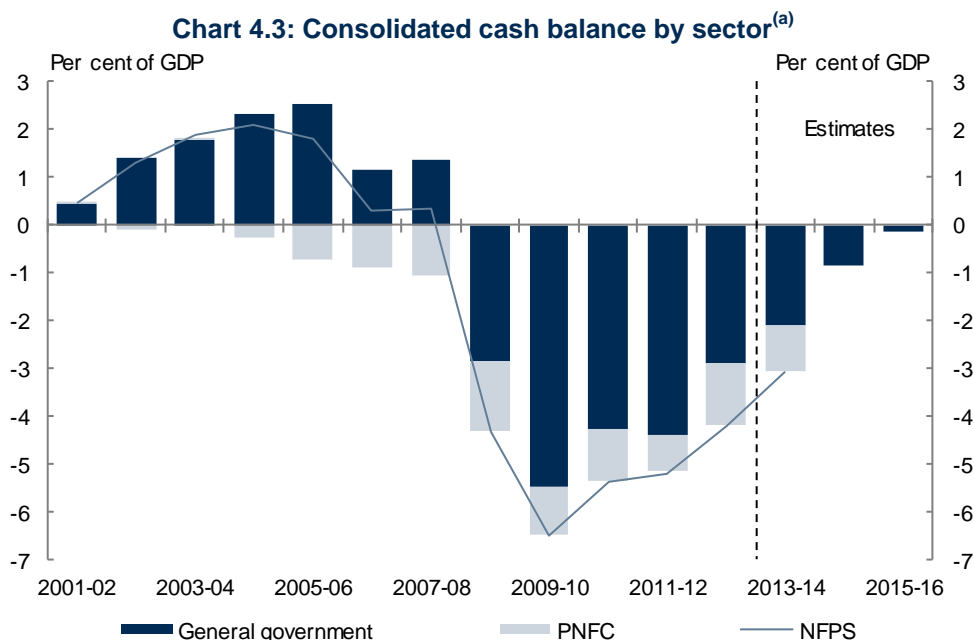
At the consolidated level, the general government sector fiscal balance is expected to remain in deficit across the forward estimates, although the deficit is expected to

narrow from 2.3 per cent of GDP in 2013-14 to 0.3 per cent of GDP by 2015-16. A fiscal deficit of 0.8 per cent of GDP is expected in the PNFC sector for 2013-14, leading to an NFPS deficit of 3.3 per cent of GDP in 2013-14.

The cash balance is the equivalent of a fiscal balance measured on a non-accrual basis, that is, capturing payments and receipts as they occur. It therefore reflects the extent to which cash is available to a government.

The same trends as discussed above in relation to the fiscal balance are reflected in the cash balance at both the Commonwealth and State levels.

As shown in Chart 4.3, the consolidated general government sector cash balance is expected to be a deficit of 2.1 per cent of GDP in 2013-14, before improving to a deficit of 0.1 per cent of GDP in 2015-16. A cash deficit of 1.0 per cent of GDP is also expected in the PNFC sector in 2013-14, leading to an NFPS deficit of 3.1 per cent of GDP in 2013-14.



(a) Data for the PNFC sector (and therefore the NFPS) are not available beyond 2013-14.

NET DEBT

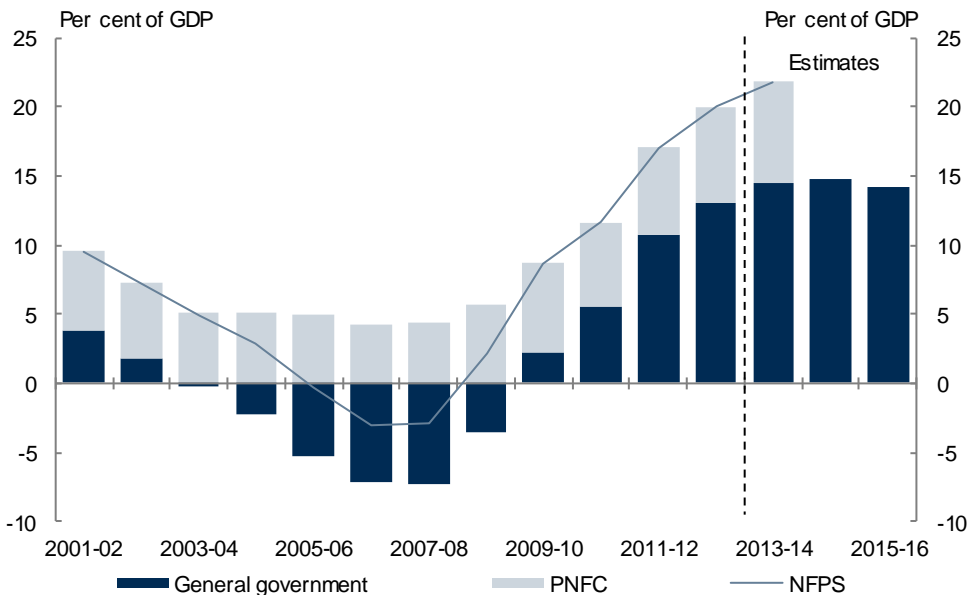
Net debt is the sum of selected financial liabilities (deposits held, advances received, government securities, loans and other borrowing) less the sum of selected financial assets (cash and deposits, advances paid, investments, loans and placements). Net debt does not include superannuation related liabilities.

Consolidated general government sector net debt is expected to peak at 14.9 per cent of GDP in 2014-15.

General government sector net debt as a proportion of GDP for the Commonwealth is expected to peak at 11.4 per cent in 2014-15. State net debt as a proportion of GDP is also expected to peak in 2014-15, before declining marginally in 2015-16, reflecting the faster rate at which GDP is growing relative to growth in aggregate State net debt in that year.

Commonwealth net debt is expected to continue to make up the bulk of consolidated net debt.

Chart 4.4: Consolidated net debt by sector
(as at end of financial year)^(a)



(a) Data for the PNFC sector (and therefore the NFPS) are not available beyond 2013-14.

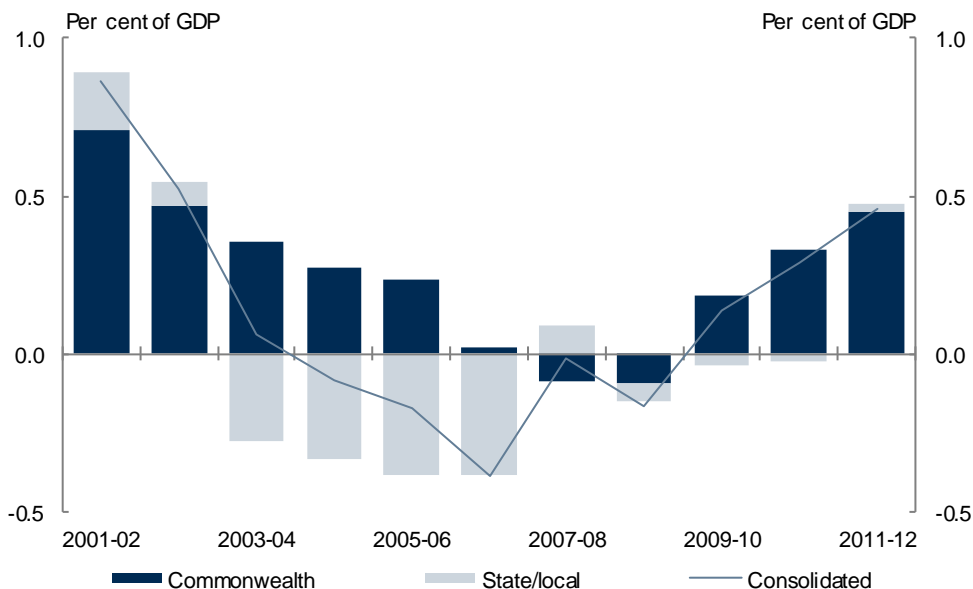
NET INTEREST PAYMENTS

Net interest payments reflect the cost of servicing debt. The higher the net debt of a government, the greater the call that will be imposed on that government's future revenue flows to service the debt.

Consolidated general government sector net interest payments reached a low in 2006-07, as the Commonwealth and State/local general government sectors recorded sustained budget surpluses, which were used, in part, to pay down debt.

Budget deficits and rising net debt associated with the global slowdown have caused net interest payments to rise. In 2011-12, consolidated general government sector net interest payments rose by 0.2 percentage points of GDP.

Chart 4.5: General government sector net interest payments



THE AUSTRALIAN LOAN COUNCIL

The Australian Loan Council (Loan Council) is a Commonwealth-State standing council that coordinates public sector borrowing. It consists of the Prime Minister of Australia and the Premier/Chief Minister of each State and Territory. In practice, each member is represented by a nominee, usually the Treasurer of that jurisdiction, with the Commonwealth Treasurer as Chair.

Current Loan Council arrangements operate on a voluntary basis and emphasise transparency of public sector financing rather than adherence to strict borrowing limits. These arrangements are designed to enhance financial market scrutiny of public sector borrowing and facilitate informed judgments about each government’s financial performance.

The Loan Council traditionally meets annually around March or April to consider jurisdictions’ nominated borrowings for the forthcoming year. As part of the agreed arrangements, the Loan Council considers these nominations, having regard to each jurisdiction’s fiscal position and the macroeconomic implications of the aggregate figure.

Since 2009-10, the role of the Loan Council has included reporting on the macroeconomic implications of proposed expenditure from the Building Australia Fund, the Health and Hospitals Fund and the Education Investment Fund.

Outcome of the 2013 Loan Council meeting

The Loan Council met on 3 April 2013 to consider Loan Council Allocation nominations for 2013-14. The Loan Council approved each jurisdiction's nominated allocation. In aggregate, the nominations represent a deficit of \$38.8 billion (Table 4.1). The States nominated a deficit of \$28.5 billion and the Commonwealth nominated a deficit of \$10.3 billion.

The Loan Council considered the macroeconomic implications of infrastructure spending from the three nation building funds. Given the size and likely timing profile of any spending on new projects, the Loan Council determined that the drawdown of the remaining balances in the funds is not likely to have a material impact on the economy.

In addition, given that the withdrawal of fiscal stimulus is now complete, the main objective of reporting on macroeconomic implications of infrastructure spending has now passed. In light of this, Loan Council members agreed that this year's report be the final report that is presented to the Loan Council.

Developments since the 2013 Loan Council meeting

As part of the Loan Council arrangements, all jurisdictions are required to update their Loan Council Allocation to reflect their Budget and to provide an explanation to the Loan Council if they are likely to exceed the tolerance limit.

2013-14 Loan Council Allocation budget updates will be available in the States' 2013-14 Budgets. Since the Loan Council meeting on 3 April 2013, Victoria has released its 2013-14 Budget.

The Commonwealth's 2013-14 Loan Council Allocation budget update is available in Budget Paper No. 1, Statement 9, Appendix B.

Table 4.1: Loan Council Allocation nominations for 2013-14^(a)

	NSW \$m	VIC \$m	QLD \$m	WA \$m	SA \$m	TAS \$m	ACT \$m	NT \$m	C'with \$m	Total \$m
Nominated 2013-14 LCAs										
General government sector cash surplus(-)/deficit(+)	3,400	1,631	4,368	2,194	1,597	-103	356	250	-4,835	
PNFC sector cash surplus(-)/deficit(+)	4,056	2,228	1,747	1,265	11	157	46	61	2,884	
Non-financial public sector cash surplus(-)/deficit(+)(b)	7,458	3,856	6,114	3,459	1,607	54	402	311	-1,951	
<i>plus</i> Acquisitions under finance leases and similar arrangements	929	0	159	682	0	0	0	521	470	
<i>equals</i> ABS GFS cash surplus(-)/deficit(+)	8,386	3,856	6,274	4,141	1,607	54	402	832	-1,481	
<i>minus</i> Net cash flows from investments in financial assets for policy purposes(c)	-37	-124	0	0	11	-8	2	-2	-12,732	
<i>plus</i> Memorandum items(d)	1,687	605	1,382	-451	-463	26	27	0	-985	
Loan Council Allocations	10,110	4,585	7,656	3,690	1,133	88	427	834	10,265	38,789
2013-14 tolerance limit(e)	1,579	1,099	1,124	868	330	185	98	118	7,982	

- (a) Loan Council Allocation (LCA) nominations for 2013-14 reflect best estimates of cash surpluses/deficits. Nominations have been provided on the basis of policies announced up to and included in jurisdictions' mid-year financial reports. Each jurisdiction will publish an updated LCA estimate as part of its budget documentation.
- (b) The sum of the general government and PNFC sector balances may not equal the non-financial public sector (NFPS) balance due to intersectoral transfers.
- (c) Net cash flows from investments in financial assets for policy purposes comprise net lending by governments with the aim of achieving government policy as well as net equity sales and net lending to other sectors or jurisdictions. Such transactions involve the transfer or exchange of a financial asset and are not included within the cash deficit. However, these flows have implications for a government's call on financial markets. Net cash flows from investments in financial assets for policy purposes are displayed with the same sign as reported in cash flow statements.
- (d) Memorandum items are used to adjust the NFPS surplus/deficit to include in LCAs certain transactions — such as operating leases — that have many of the characteristics of public sector borrowings but do not constitute formal borrowings. They are also used, where appropriate, to deduct from the NFPS surplus/deficit certain transactions that the Loan Council has agreed should not be included in LCAs, for example, the funding of more than employers' emerging costs under public sector superannuation schemes, or borrowings by entities such as statutory marketing authorities. Where relevant, memorandum items include an amount for gross new borrowings of government home finance schemes.
- (e) Tolerance limits are designed, inter alia, to accommodate changes to LCAs resulting from changes in policy. Tolerance limits apply between jurisdictions' LCA nominations and budget estimates, and again between budget estimates and outcomes. They are calculated as two per cent of NFPS cash receipts from operating activities in each jurisdiction.

APPENDIX A: PARAMETERS AND FURTHER INFORMATION

This appendix provides information on the parameters used in producing this Budget Paper.

Budget Paper No. 1: *Budget Strategy and Outlook 2013-14*, Statement 2: *Economic Outlook*, provides information on the forecasting approach used in the 2013-14 Budget.

POPULATION

Population data are used to distribute funding between the States and in the calculation of annual growth factors.

Estimates of State populations

Table A.1 sets out the State population series used in this Budget Paper.

Table A.1: Population by State, at 31 December

million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012	7.332	5.670	4.602	2.468	1.661	0.512	0.378	0.236	22.860
2013	7.426	5.773	4.688	2.541	1.679	0.514	0.386	0.239	23.246
2014	7.523	5.878	4.776	2.617	1.697	0.516	0.394	0.242	23.643
2015	7.622	5.986	4.865	2.695	1.716	0.517	0.402	0.244	24.048
2016	7.722	6.095	4.955	2.773	1.735	0.519	0.410	0.247	24.457

The State populations for 2012-13 to 2016-17 are Treasury estimates of the population of each State on 31 December in the respective year. They are constructed using the latest demographic data available from the Australian Bureau of Statistics (ABS) and Treasury assumptions. These assumptions are in respect of fertility, mortality, net overseas migration and interstate migration.

Fertility

In the *2010 Intergenerational Report*, it was assumed that the total fertility rate (TFR) would fall to exactly 1.9 by 2013 and stay at that level for the remainder of the projection period. Consistent with the latest published births data, a TFR of 1.87 is assumed for 2013. This is slightly below the long term TFR of 1.9 assumed in the *2010 Intergenerational Report*. The Treasury fertility assumption for the 2013-14 Budget is that the TFR will fall to 1.85 babies per woman by 2015 and then stay at that level for the remainder of the projection period. This is consistent with the fertility assumption in the 2012-13 Budget.

Mortality

These are based on the medium assumptions used in the *ABS Population Projections, 2006-2101* (cat. no. 3222.0). In these assumptions, a continuing decline in mortality rates across Australia, with state differentials persisting, is assumed. Overall, mortality

is assumed to decline to the year 2015, at the rate observed over the period 1971-2005, from the level observed in the latest death registration data for 2011.

Net overseas migration

Net overseas migration decreased significantly from its peak of 316,000 in the year ending December 2008 to its trough of 167,000 in the year ending March 2011. Since then, net overseas migration has been increasing reaching 208,000 in the year ended June 2012, and is expected to be 220,000 in the year ending December 2012. The Department of Immigration and Citizenship (DIAC) in their publication, *The Outlook for Net Overseas Migration, September 2012*, is forecasting net overseas migration to increase to 244,400 in the year ending December 2015. The DIAC forecasts take into consideration current government policy. Currently, the migration program is 214,000 places, 194,000 places under the permanent migration program and 20,000 places under the humanitarian migration program.

As a consequence of the Knight Review of the Student Visa Program, DIAC is forecasting a short term increase in net overseas migration due to an increase in the number of higher education students coming to Australia. In addition, DIAC is also forecasting an increase in net overseas migration from Australian and New Zealand citizens who do not need a visa to enter or leave Australia.

Table A.2 shows the net overseas migration assumptions used in this Budget Paper.

Table A.2: Net overseas migration

	2012	2013	2014	2015	2016
Net overseas migration, Australia	220,000	228,600	237,900	244,400	244,400

State shares of net overseas migration are estimated by using a weighted average of the three most recent observed years – 2010, 2011 and 2012 – with weights of 1, 2 and 4 respectively.

The 2013-14 Budget population projections and related estimates include a correction made to the distribution of State shares of net overseas migration used at the *Mid-Year Economic and Fiscal Outlook 2012-13* (MYEFO) which contained an error in ABS data. The error resulted from a minor methodological inconsistency, where instead of using recent net overseas migration history (as per the agreed method), recent total migration history (the net total of interstate and overseas migration) was inadvertently used to calculate each State’s share of net overseas migration. This error influenced the State shares of population-based estimates. The 2013-14 Budget estimates correct for the error.

Interstate migration

Similar to State shares of net overseas migration, the Treasury's estimates of net interstate migration are based on a weighted average of the three most recent observed years – 2010, 2011 and 2012 – with weights of 1, 2 and 4 respectively. Due to data lags, the 2012 observation includes an assumption for the December quarter based on weighted averages of arrivals and departures for December quarters 2009 to 2011.

Table A.3: Net interstate migration

	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013	-16,350	2,200	10,400	8,900	-2,600	-1,700	900	-1,750	0
2014	-16,350	2,200	10,400	8,900	-2,600	-1,700	900	-1,750	0
2015	-16,350	2,200	10,400	8,900	-2,600	-1,700	900	-1,750	0
2016	-16,350	2,200	10,400	8,900	-2,600	-1,700	900	-1,750	0

AGE/GENDER WEIGHTED POPULATIONS

The Treasury's estimates of State population have been used to calculate the population weighted for hospital utilisation for different age/gender cohorts. The weighted hospital utilisation forms part of the growth factor for the National Healthcare Specific Purpose Payment.

Table A.4: Age/gender weighted population

million	2012	2013	2014	2015	2016
Weighted population, Australia	23.338	23.839	24.357	24.894	25.449

SCHOOL ENROLMENTS

Student enrolment projections are based on a grade progression ratio model, which incorporates student movements between government and non-government sectors. These projections do not take into account future economic, migration or social policy changes, however, do take into account the proposals by Queensland and Western Australia to transfer the Year 7 primary program to their secondary program, starting from 2015. These figures only include students funded by the Australian Government.

Table A.5: School enrolments

million	2012	2013	2014	2015	2016
FTE enrolments, government schools(a)	2.317	2.349	na	na	na

(a) These figures are relevant for the National Schools SPP until 31 December 2013. It is proposed that from 1 January 2014, National Education Reform funding will replace the National Schools SPP.

WAGE AND COST INDICES

Table A.6 shows the wage and cost indices used in this Budget Paper, rounded to the nearest quarter.

Table A.6: Wage and cost indices

per cent	2012-13	2013-14	2014-15	2015-16	2016-17
Average government schools					
recurrent costs(a)	3 3/4	5 1/2	na	na	na
Health specific price index	2 1/4	2 1/4	2 1/4	2 1/4	2 1/4
Health technology index	1 1/4	1 1/4	1 1/4	1 1/4	1 1/4
Wage cost index - 1	1 3/4	1 1/2	2	1 3/4	1 3/4
Wage cost index - 6	2 1/4	1 3/4	2	2	2

(a) These figures are relevant for the National Schools SPP until 31 December 2013. It is proposed that from 1 January 2014, National Education Reform funding will replace the National Schools SPP. AGSRC for 2013 has yet to be finalised.

DATA SOURCES

The information in Part 4, Appendix B and Appendix C of this Budget Paper is consistent with the ABS Government Finance Statistics reporting framework for the public sector.

Commonwealth data are sourced from the Commonwealth Government Final Budget Outcomes, ABS, and Commonwealth Government Consolidated Financial Statements. See *Budget Paper No. 1: Budget Strategy and Outlook 2013-14, Statement 10: Historical Australian Government Data*, for more information.

State data for 2012-13 onwards are sourced from States' 2012-13 mid-year financial reports, with the exception of Victoria which is sourced from the 2013-14 Victorian Budget.

Commonwealth Government budget aggregates have been backcast to 2000-2001 (where applicable) for recent accounting clarification changes that require revisions to the historic series, ensuring that data are consistent across the period.

The 2013-14 Budget also includes revisions to Commonwealth Government budget aggregates that improve the accuracy and comparability of the data through time. See *Budget Paper No. 1: Budget Strategy and Outlook 2013-14, Statement 10: Historical Australian Government Data*, for more information on these revisions.

FURTHER INFORMATION

Several publications of the ABS also provide information that is relevant to analysing federal financial relations, including:

- *Australian Demographic Statistics* (cat. no. 3101.0);
- *Population Projections, 2006-2101* (cat. no. 3222.0);
- *Taxation Revenue, Australia* (cat. no. 5506.0);
- *Government Finance Statistics, Australia* (cat. no. 5512. 0);
- *Australian System of Government Finance Statistics – Concepts, Sources and Methods* (cat. no. 5514.0);
- *Information Paper: Developments in Government Finance Statistics* (cat. no. 5516.0); and
- *Information Paper: Accruals Based Government Finance Statistics* (cat. no. 5517.0).

Several publications by the Commonwealth Grants Commission can also provide information relevant to the analysis of federal financial relations relating to the distribution of GST revenue. In relation to the 2013-14 financial year, the relevant publication is *Report on GST Revenue Sharing Relativities – 2013 Update*.

APPENDIX B: TOTAL PAYMENTS TO THE STATES BY GOVERNMENT FINANCE STATISTICS (GFS) FUNCTION

Table B.1: Total payments to the States by GFS function

\$'000	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total(a)
2012-13									
General public services	26,638	6,883	17,194	2,891	6,105	1,874	1,610	860	64,055
Public order and safety	69,232	48,055	52,872	21,389	16,846	6,174	13,032	27,125	254,725
Education	4,799,368	3,722,905	3,069,315	1,542,034	1,153,800	346,766	258,276	246,389	15,138,853
Health	4,780,339	3,733,411	3,101,420	1,538,687	1,133,127	351,293	232,339	214,878	15,085,494
Social security and welfare	602,934	744,828	350,967	311,209	175,393	58,562	25,140	46,624	2,315,657
Housing and community amenities	536,149	380,237	435,087	244,153	133,376	56,005	29,204	193,955	2,008,166
Recreation and culture	-	-	-	-	-	6,000	2,040	-	8,040
Fuel and energy	4,882	1,230	5,661	1,310	3,619	1,252	1,194	1,704	20,852
Agriculture, forestry and fishing	77,044	60,506	28,855	20,493	89,288	83,468	991	13,081	373,726
Mining, manufacturing and construction	-	-	-	-	-	-	-	-	-
Transport and communication	1,102,577	875,512	790,954	519,430	175,883	71,513	3,829	80,772	3,620,470
Other economic affairs	824	3,478	4,153	2,729	1,397	252	474	693	14,000
Other purposes	15,438,199	11,515,577	11,651,596	3,178,830	4,628,855	1,781,382	1,030,922	2,766,327	53,052,403
Total payments to the States	27,438,186	21,092,622	19,508,074	7,383,155	7,517,689	2,764,541	1,599,051	3,592,408	91,956,441
<i>less</i> payments 'through' the States	2,686,900	2,321,687	1,775,562	881,365	692,661	181,292	163,716	136,692	8,839,875
<i>less</i> financial assistance grants for local government	687,459	518,285	433,849	267,091	148,543	70,378	46,940	31,656	2,204,201
<i>less</i> payments direct 'to' local government	142,847	84,446	94,687	70,758	27,735	13,700	293	6,290	440,756
<i>equals</i> total payments 'to' the States for own-purpose expenses	23,920,980	18,168,204	17,203,976	6,163,941	6,648,750	2,499,171	1,388,102	3,417,770	80,471,609

(a) Total column may not equal sum of State totals. There is no basis on which to estimate State allocations for a number of payments, which are not reflected in State totals.

Table B.1: Total payments to the States by GFS function (continued)

\$'000	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total(a)
2013-14									
General public services	80,828	1,987	53,001	24,005	12,789	3,924	2,549	1,802	180,885
Public order and safety	69,645	49,723	79,961	21,704	16,897	6,256	13,242	45,820	303,248
Education	4,991,666	3,977,556	3,324,925	1,673,781	1,204,702	369,311	277,400	292,692	16,112,033
Health	5,008,967	3,964,840	3,263,651	1,779,028	1,089,939	368,119	267,811	236,562	15,978,917
Social security and welfare	627,066	809,208	376,726	353,213	204,976	47,943	32,974	78,120	2,530,226
Housing and community amenities	513,387	325,418	469,611	339,393	134,817	34,291	24,073	178,653	2,174,613
Recreation and culture	-	-	-	-	-	-	991	-	991
Fuel and energy	2,383	5,437	4,552	3,412	924	246	382	615	17,951
Agriculture, forestry and fishing	150,146	164,960	44,366	11,063	49,837	38,800	490	1,581	461,243
Mining, manufacturing and construction	-	-	-	-	-	-	-	-	-
Transport and communication	1,768,811	1,323,414	1,004,373	520,055	150,953	87,871	56,609	93,481	5,005,567
Other economic affairs	-	-	-	-	-	-	-	-	-
Other purposes	15,967,283	11,614,992	11,101,412	2,638,915	4,688,963	1,837,101	1,083,529	2,772,351	52,534,753
Total payments to the States	29,180,182	22,237,535	19,722,578	7,364,569	7,554,797	2,793,862	1,760,050	3,701,677	95,300,427
<i>less</i> payments 'through' the States	3,633,048	2,940,327	2,481,896	1,220,740	913,063	265,241	208,967	208,856	11,872,138
<i>less</i> financial assistance grants for local government	353,868	267,282	223,928	138,399	76,399	36,158	24,225	16,326	1,136,585
<i>less</i> payments direct 'to' local government	170,308	82,109	91,896	58,694	25,578	13,271	7	10,029	451,892
<i>equals</i> total payments 'to' the States for own-purpose expenses	25,022,958	18,947,817	16,924,858	5,946,736	6,539,757	2,479,192	1,526,851	3,466,466	81,839,812

(a) Total column may not equal sum of State totals. There is no basis on which to estimate State allocations for a number of payments, which are not reflected in State totals.

Table B.1: Total payments to the States by GFS function (continued)

\$'000	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total(a)
2014-15									
General public services	32,955	6,216	5,050	2,767	1,795	545	416	256	50,000
Public order and safety	68,821	48,745	99,445	21,872	17,183	6,385	9,499	40,521	312,471
Education	5,060,602	4,112,969	3,526,858	1,751,855	1,222,716	393,390	282,340	322,992	16,673,722
Health	5,384,273	4,202,182	3,401,718	1,894,543	1,137,623	365,495	299,344	257,622	16,942,800
Social security and welfare	629,819	448,146	387,132	191,329	212,271	48,854	30,702	61,036	2,009,289
Housing and community amenities	490,080	336,635	439,658	315,700	125,113	32,713	33,402	162,608	1,935,909
Recreation and culture	-	-	-	-	-	-	-	-	-
Fuel and energy	-	-	-	-	-	-	-	-	-
Agriculture, forestry and fishing	136,663	218,178	40,864	2,276	61,584	29,558	548	525	490,196
Mining, manufacturing and construction	-	-	-	-	-	-	-	-	-
Transport and communication	1,621,631	1,076,159	1,678,497	424,402	145,320	86,909	73,733	32,786	5,139,437
Other economic affairs	-	-	-	-	-	-	-	-	-
Other purposes	17,387,016	12,374,474	12,121,991	2,391,143	4,912,675	2,039,567	1,213,686	3,001,404	56,268,244
Total payments to the States	30,811,860	22,823,704	21,701,213	6,995,887	7,836,280	3,003,416	1,943,670	3,879,750	99,822,068
<i>less</i> payments 'through' the States	4,488,142	3,659,585	3,158,860	1,551,298	1,096,017	353,493	257,852	266,066	14,831,313
<i>less</i> financial assistance grants for local government	734,849	557,145	466,938	290,469	158,396	74,811	50,540	33,904	2,367,052
<i>less</i> payments direct 'to' local government	100,370	73,688	83,223	52,321	30,354	11,615	167	5,702	357,440
<i>equals</i> total payments 'to' the States for own-purpose expenses	25,488,499	18,533,286	17,992,192	5,101,799	6,551,513	2,563,497	1,635,111	3,574,078	82,266,263

(a) Total column may not equal sum of State totals. There is no basis on which to estimate State allocations for a number of payments, which are not reflected in State totals.

Table B.1: Total payments to the States by GFS function (continued)

\$'000	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total(a)
2015-16									
General public services	-	-	-	-	-	-	-	-	-
Public order and safety	70,130	49,671	46,314	22,289	17,508	6,503	9,755	41,383	263,553
Education	5,306,680	4,386,725	3,822,853	1,870,408	1,271,803	413,986	292,923	342,255	17,707,633
Health	5,855,363	4,511,468	3,658,355	2,042,195	1,265,510	436,622	336,167	263,441	18,369,121
Social security and welfare	694,714	500,371	412,178	215,165	234,217	53,946	35,990	62,579	2,209,160
Housing and community amenities	451,176	342,889	433,504	278,756	117,190	32,897	23,861	155,224	1,835,497
Recreation and culture	-	-	-	-	-	-	-	-	-
Fuel and energy	-	-	-	-	-	-	-	-	-
Agriculture, forestry and fishing	104,437	195,078	35,077	708	38,210	19,956	417	255	394,138
Mining, manufacturing and construction	-	-	-	-	-	-	-	-	-
Transport and communication	1,346,128	974,633	1,211,852	521,177	415,018	106,784	28,205	30,444	4,634,241
Other economic affairs	-	-	-	-	-	-	-	-	-
Other purposes	18,446,199	13,218,259	12,484,646	2,659,537	5,003,966	2,227,889	1,297,497	3,117,096	59,270,561
Total payments to the States	32,274,827	24,179,094	22,104,779	7,610,235	8,363,422	3,298,583	2,024,815	4,012,677	104,683,904
<i>less</i> payments 'through' the States	4,721,699	3,950,841	3,466,496	1,676,849	1,150,772	376,368	268,919	285,030	15,896,974
<i>less</i> financial assistance grants for local government	764,645	581,896	487,825	305,450	164,545	77,553	52,829	35,276	2,470,019
<i>less</i> payments direct 'to' local government	99,957	73,693	90,226	52,334	26,950	11,612	167	5,701	360,640
<i>equals</i> total payments 'to' the States for own-purpose expenses	26,688,526	19,572,664	18,060,232	5,575,602	7,021,155	2,833,050	1,702,900	3,686,670	85,956,271

(a) Total column may not equal sum of State totals. There is no basis on which to estimate State allocations for a number of payments, which are not reflected in State totals.

Table B.1: Total payments to the States by GFS function (continued)

\$'000	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total(a)
2016-17									
General public services	-	-	-	-	-	-	-	-	-
Public order and safety	71,465	50,616	47,199	22,713	17,840	6,624	10,017	40,527	267,001
Education	5,863,499	4,852,395	4,272,080	2,051,567	1,373,877	452,193	314,555	363,036	19,543,202
Health	6,265,143	4,912,999	4,031,156	2,274,080	1,382,906	407,122	383,839	266,275	19,923,520
Social security and welfare	764,312	556,320	474,218	240,748	257,737	58,715	45,586	65,120	2,462,756
Housing and community amenities	456,308	349,241	412,758	256,421	113,991	33,165	24,326	234,208	1,880,418
Recreation and culture	-	-	-	-	-	-	-	-	-
Fuel and energy	-	-	-	-	-	-	-	-	-
Agriculture, forestry and fishing	72,621	174,559	33,264	37	8,127	17,193	347	15	306,163
Mining, manufacturing and construction	-	-	-	-	-	-	-	-	-
Transport and communication	812,477	577,945	1,236,138	722,025	255,365	117,138	29,303	190,495	3,940,886
Other economic affairs	-	-	-	-	-	-	-	-	-
Other purposes	19,339,871	13,964,415	13,114,687	2,943,106	5,210,924	2,285,371	1,359,681	3,187,398	62,222,059
Total payments to the States	33,645,696	25,438,490	23,621,500	8,510,697	8,620,767	3,377,521	2,167,654	4,347,074	110,546,005
<i>less</i> payments 'through' the States	5,189,889	4,352,400	3,858,848	1,826,892	1,233,147	408,454	286,286	309,113	17,465,029
<i>less</i> financial assistance grants for local government	795,001	607,212	509,165	320,898	170,799	80,325	55,170	36,672	2,575,242
<i>less</i> payments direct 'to' local government	99,957	73,693	73,226	52,334	24,850	11,612	167	5,701	341,540
<i>equals</i> total payments 'to' the States for own-purpose expenses	27,560,849	20,405,185	19,180,261	6,310,573	7,191,971	2,877,130	1,826,031	3,995,588	90,164,194

(a) Total column may not equal sum of State totals. There is no basis on which to estimate State allocations for a number of payments, which are not reflected in State totals.

APPENDIX C: SUPPLEMENTARY TABLES

The tables in this Appendix provide information on key fiscal indicators at the Commonwealth and State and local levels, and together at the consolidated level.

Table C.1: General government cash balance by level of government as a percentage of GDP

	Commonwealth(a)			State/local			Consolidated(b)		
	Receipts	Payments	Cash balance(c)	Receipts	Payments	Cash balance	Receipts	Payments	Cash balance(c)
2000-01	25.9	25.1	0.8	16.6	16.0	0.5	36.3	35.0	1.2
2001-02	24.8	25.0	-0.1	16.5	15.8	0.6	34.9	34.4	0.4
2002-03	25.5	24.6	0.9	16.6	16.0	0.6	35.9	34.5	1.4
2003-04	25.3	24.4	0.9	16.9	16.0	0.9	36.2	34.4	1.8
2004-05	25.6	24.1	1.5	16.9	16.0	0.9	36.5	34.1	2.3
2005-06	25.7	24.1	1.6	17.1	16.1	1.0	36.7	34.2	2.5
2006-07	25.2	23.4	1.6	16.6	16.9	-0.3	36.0	34.6	1.2
2007-08	25.1	23.1	1.7	16.1	16.4	-0.3	35.4	33.8	1.4
2008-09	23.3	25.2	-2.2	16.3	16.8	-0.6	33.6	36.1	-2.8
2009-10	22.0	26.1	-4.2	17.6	18.6	-1.0	32.5	37.8	-5.5
2010-11	21.5	24.7	-3.4	16.6	17.5	-0.9	31.8	35.8	-4.3
2011-12	22.4	25.2	-2.9	16.7	17.7	-1.0	32.8	37.0	-4.4
2012-13(e)	23.0	24.2	-1.3	15.8	17.3	-1.5	33.0	35.8	-2.9
2013-14(e)	23.5	24.5	-1.1	15.8	16.7	-0.9	33.7	35.6	-2.1
2014-15(e)	23.9	24.4	-0.6	15.9	16.0	-0.1	34.2	34.8	-0.8
2015-16(p)	24.3	24.0	0.0	15.8	15.9	-0.1	34.4	34.3	-0.1

(a) Commonwealth data have been revised in the 2013-14 Budget to improve accuracy and comparability through time. See Budget Paper No.1, Statement 10.

(b) The consolidated level comprises the Australian, State, Territory and Local governments.

(c) The cash balance is equal to the ABS GFS cash surplus/deficit less net Future Fund earnings. Net Future Fund earnings are not shown in the table.

(e) Estimates.

(p) Projections.

Table C.2: Public non-financial corporations sector cash balance by level of government as a percentage of GDP

	Commonwealth(a)			State/local			Consolidated(b)		
	Receipts	Payments	Cash balance	Receipts	Payments	Cash balance	Receipts	Payments	Cash balance
2000-01	na	na	0.1	5.7	5.8	-0.1	na	na	0.0
2001-02	na	na	0.2	5.1	5.3	-0.1	na	na	0.0
2002-03	3.4	3.3	0.2	4.9	5.2	-0.3	8.4	8.5	-0.1
2003-04	3.2	3.0	0.2	4.9	5.0	-0.2	8.2	8.1	0.0
2004-05	3.2	3.0	0.2	4.7	5.1	-0.4	8.0	8.2	-0.2
2005-06	3.1	3.2	-0.1	4.8	5.4	-0.6	8.0	8.7	-0.7
2006-07	1.6	1.7	-0.2	4.8	5.5	-0.7	6.5	7.3	-0.9
2007-08	0.7	0.7	0.0	4.8	5.8	-1.0	5.5	6.5	-1.0
2008-09	0.6	0.7	-0.1	4.8	6.1	-1.4	5.5	7.0	-1.5
2009-10	0.7	0.7	-0.1	5.4	6.4	-0.9	6.2	7.2	-1.0
2010-11	0.6	0.7	-0.1	5.0	6.0	-1.0	5.7	6.8	-1.1
2011-12	0.6	0.7	-0.1	4.8	5.5	-0.6	5.5	6.3	-0.8
2012-13(e)	0.7	0.9	-0.2	4.8	5.9	-1.1	5.5	6.8	-1.3
2013-14(e)	0.7	1.0	-0.3	4.9	5.5	-0.7	5.6	6.6	-1.0
2014-15(e)	na	na	na	4.8	5.3	-0.5	na	na	na
2015-16(p)	na	na	na	4.7	5.1	-0.4	na	na	na

(a) Commonwealth data have been revised in the 2013-14 Budget to improve accuracy and comparability through time. See Budget Paper No.1, Statement 10.

(b) The consolidated level comprises the Australian, State, Territory and Local governments.

(e) Estimates.

(p) Projections.

na Comparable data are not available.

Table C.3: Non-Financial Public Sector cash balance by level of government as a percentage of GDP

	Commonwealth(a)			State/local			Consolidated(b)		
	Receipts	Payments	Cash balance(c)	Receipts	Payments	Cash balance	Receipts	Payments	Cash balance(c)
2000-01	na	na	0.9	20.5	20.1	0.4	na	na	1.1
2001-02	na	na	0.0	20.0	19.5	0.5	na	na	0.5
2002-03	na	na	1.1	20.0	19.7	0.4	na	na	1.3
2003-04	27.7	26.4	1.1	20.2	19.4	0.8	41.9	39.8	1.9
2004-05	28.0	26.2	1.6	20.0	19.5	0.5	42.0	39.8	2.1
2005-06	28.0	26.5	1.5	20.3	19.9	0.4	42.2	40.3	1.8
2006-07	26.3	24.7	1.4	19.7	20.8	-1.0	40.4	39.9	0.3
2007-08	25.6	23.6	1.6	19.4	20.6	-1.3	39.2	38.5	0.4
2008-09	23.7	25.7	-2.2	19.4	21.4	-2.0	37.1	41.2	-4.3
2009-10	22.5	26.6	-4.3	21.1	23.0	-1.9	36.5	42.8	-6.5
2010-11	22.0	25.2	-3.5	19.9	21.8	-1.9	35.7	40.8	-5.3
2011-12	22.8	25.7	-3.1	19.8	21.5	-1.7	36.4	41.5	-5.2
2012-13(e)	23.6	24.9	-1.5	18.9	21.6	-2.7	36.8	40.8	-4.2
2013-14(e)	24.1	25.4	-1.4	19.0	20.6	-1.6	37.5	40.4	-3.1
2014-15(e)	na	na	na	19.0	19.7	-0.7	na	na	na
2015-16(p)	na	na	na	18.9	19.4	-0.5	na	na	na

(a) Commonwealth data have been revised in the 2013-14 Budget to improve accuracy and comparability through time. See Budget Paper No.1, Statement 10.

(b) The consolidated level comprises the Australian, State, Territory and Local governments.

(c) The cash balance is equal to the ABS GFS cash surplus/deficit less net Future Fund earnings. Net Future Fund earnings are not shown in this table.

(e) Estimates.

(p) Projections.

na Comparable data are not available.

Table C.4: General government sector fiscal balance by level of government as a percentage of GDP

	Commonwealth(a)			State/local			Consolidated(b)		
	Revenue	Expenses	Fiscal balance(c)	Revenue	Expenses	Fiscal balance(c)	Revenue	Expenses	Fiscal balance(c)
2000-01	26.3	25.5	0.8	16.3	15.9	-0.2	36.4	35.2	0.5
2001-02	25.2	25.6	-0.4	16.1	15.7	-0.1	34.9	34.7	-0.5
2002-03	25.8	25.1	0.7	16.2	15.5	0.2	35.8	34.4	0.8
2003-04	25.8	25.1	0.7	16.4	15.4	0.5	36.1	34.5	1.1
2004-05	26.3	24.9	1.3	16.3	15.4	0.4	36.5	34.2	1.5
2005-06	26.3	24.4	1.6	16.3	15.3	0.4	36.6	33.6	2.0
2006-07	25.7	23.9	1.6	16.2	15.2	0.2	36.2	33.4	1.6
2007-08	25.8	23.8	1.8	15.7	15.0	-0.3	35.7	33.0	1.4
2008-09	23.8	25.9	-2.4	15.9	15.5	-0.8	33.6	35.3	-3.4
2009-10	22.7	26.3	-4.2	17.1	16.4	-1.2	32.6	35.7	-5.6
2010-11	22.1	25.4	-3.7	16.2	15.7	-1.1	32.0	34.6	-4.7
2011-12	22.9	25.6	-3.0	16.2	15.7	-0.8	32.9	35.4	-4.2
2012-13(e)	23.7	25.1	-1.3	15.3	15.7	-1.6	33.3	35.0	-3.4
2013-14(e)	24.3	24.9	-0.8	15.5	15.4	-1.1	34.2	34.6	-2.3
2014-15(e)	24.5	24.8	-0.4	15.6	15.1	-0.3	34.6	34.2	-1.1
2015-16(p)	24.8	24.4	0.3	15.5	14.8	-0.3	34.7	33.6	-0.3

(a) Commonwealth data have been revised in the 2013-14 Budget to improve accuracy and comparability through time. See Budget Paper No.1, Statement 10.

(b) The consolidated level comprises the Australian, State, Territory and Local governments.

(c) The fiscal balance is equal to revenue less expenditure less net capital investment; net capital investment is not shown in this table.

(e) Estimates.

(p) Projections.

Table C.5: Public non-financial corporations sector fiscal balance by level of government as a percentage of GDP

	Commonwealth(a)			State/local			Consolidated(b)		
	Revenue	Expenses	Fiscal balance(c)	Revenue	Expenses	Fiscal balance(c)	Revenue	Expenses	Fiscal balance(c)
2000-01	3.7	3.5	-0.1	5.4	5.1	0.2	9.1	8.6	0.1
2001-02	3.5	3.4	0.1	4.7	4.5	-0.2	8.2	7.9	-0.1
2002-03	3.0	2.9	0.2	4.5	4.4	-0.3	7.6	7.3	-0.1
2003-04	3.0	2.7	0.2	4.5	4.3	-0.3	7.5	7.1	0.0
2004-05	2.9	2.7	0.2	4.3	4.1	-0.4	7.3	6.9	-0.3
2005-06	2.8	3.0	-0.2	4.3	4.3	-0.7	7.2	7.3	-1.0
2006-07	1.4	1.5	-0.2	4.5	4.1	-0.6	6.0	5.7	-0.8
2007-08	0.6	0.6	0.0	4.2	4.0	-1.1	4.8	4.7	-1.1
2008-09	0.6	0.6	-0.1	4.3	4.2	-1.5	4.9	4.9	-1.6
2009-10	0.6	0.6	-0.1	4.9	4.7	-1.1	5.6	5.3	-1.2
2010-11	0.5	0.6	-0.1	4.7	4.8	-0.9	5.4	5.5	-1.1
2011-12	0.5	0.6	-0.1	4.5	4.5	-0.7	5.1	5.1	-0.9
2012-13(e)	0.6	0.6	-0.2	4.6	4.4	-0.8	5.2	5.1	-1.0
2013-14(e)	0.6	0.7	-0.3	4.6	4.3	-0.4	5.1	5.1	-0.8
2014-15(e)	na	na	na	4.6	4.3	-0.3	na	na	na
2015-16(p)	na	na	na	4.5	4.3	-0.1	na	na	na

(a) Commonwealth data have been revised in the 2013-14 Budget to improve accuracy and comparability through time. See Budget Paper No.1, Statement 10.

(b) The consolidated level comprises the Australian, State, Territory and Local governments.

(c) The fiscal balance is equal to revenue less expenses less net capital investment; net capital investment is not shown in this table.

(e) Estimates.

(p) Projections.

na Comparable data are not available.

Table C.6: Non-financial public sector fiscal balance by level of government as a percentage of GDP

	Commonwealth(a)			State/local			Consolidated(b)		
	Revenue	Expenses	Fiscal balance(c)	Revenue	Expenses	Fiscal balance(c)	Revenue	Expenses	Fiscal balance(c)
2000-01	29.3	28.3	0.7	19.9	19.3	0.0	43.0	41.4	0.6
2001-02	28.2	28.3	-0.3	19.1	18.5	-0.3	40.7	40.2	-0.6
2002-03	28.2	27.4	0.9	19.1	18.3	-0.1	41.1	39.5	0.7
2003-04	28.1	27.1	1.0	19.1	18.1	0.3	41.2	39.1	1.1
2004-05	28.6	27.0	1.5	19.0	17.9	-0.1	41.5	38.9	1.3
2005-06	28.4	26.6	1.4	19.0	17.8	-0.4	41.4	38.4	1.0
2006-07	26.8	25.1	1.4	19.1	17.6	-0.5	40.1	37.0	0.8
2007-08	26.3	24.3	1.7	18.4	17.5	-1.4	38.8	35.9	0.3
2008-09	24.2	26.3	-2.5	18.6	18.1	-2.3	36.6	38.3	-5.0
2009-10	23.1	26.7	-4.2	20.2	19.3	-2.3	36.1	38.9	-6.7
2010-11	22.5	25.8	-3.8	19.3	18.9	-2.1	35.5	38.2	-5.8
2011-12	23.4	26.1	-3.2	19.1	18.7	-1.6	36.2	38.7	-5.2
2012-13(e)	24.1	25.6	-1.5	18.2	18.7	-2.8	36.1	38.4	-4.7
2013-14(e)	24.8	25.6	-1.2	18.4	18.2	-1.8	37.0	37.8	-3.3
2014-15(e)	na	na	na	18.4	17.9	-0.9	na	na	na
2015-16(p)	na	na	na	18.4	17.7	-0.6	na	na	na

(a) Commonwealth data have been revised in the 2013-14 Budget to improve accuracy and comparability through time. See Budget Paper No.1, Statement 10.

(b) The consolidated level comprises the Australian, State, Territory and Local governments.

(c) The fiscal balance is equal to revenue less expenses less net capital investment; net capital investment is not shown in this table.

(e) Estimates.

(p) Projections.

na Comparable data are not available.

Table C.7: Gross fixed capital formation by sector

	General Government				PNFCs				NFPS			
	Commonwealth		State(a)		Commonwealth		State(a)		Commonwealth		State(a)	
	\$m	Per cent of GDP	\$m	Per cent of GDP	\$m	Per cent of GDP	\$m	Per cent of GDP	\$m	Per cent of GDP	\$m	Per cent of GDP
2000-01	3,535	0.5	7,927	1.1	3,413	0.5	5,311	0.8	6,949	1.0	13,238	1.9
2001-02	3,832	0.5	8,671	1.1	3,015	0.4	6,808	0.9	6,846	0.9	15,479	2.1
2002-03	5,224	0.7	8,073	1.0	2,530	0.3	7,936	1.0	7,755	1.0	16,018	2.0
2003-04	4,144	0.5	8,152	0.9	2,941	0.3	8,764	1.0	7,086	0.8	16,507	1.9
2004-05	5,085	0.6	9,078	1.0	3,658	0.4	10,009	1.1	8,743	0.9	19,042	2.1
2005-06	6,440	0.6	10,691	1.1	4,411	0.4	12,894	1.3	10,851	1.1	23,357	2.3
2006-07	6,879	0.6	13,173	1.2	2,774	0.3	16,056	1.5	9,654	0.9	29,175	2.7
2007-08	7,040	0.6	15,069	1.3	1,011	0.1	19,775	1.7	8,051	0.7	34,607	2.9
2008-09	8,956	0.7	18,421	1.5	1,298	0.1	25,076	2.0	10,254	0.8	43,448	3.5
2009-10	10,080	0.8	25,659	2.0	1,460	0.1	24,797	1.9	11,539	0.9	50,393	3.9
2010-11	9,154	0.7	25,930	1.8	1,563	0.1	20,618	1.5	10,716	0.8	46,938	3.3
2011-12	9,402	0.6	23,424	1.6	2,403	0.2	19,539	1.3	11,804	0.8	43,657	3.0
2012-13(e)	3,867	0.3	23,403	1.5	2,452	0.2	18,641	1.2	6,318	0.4	41,818	2.7
2013-14(e)	8,410	0.5	25,051	1.6	4,361	0.3	18,971	1.2	12,771	0.8	43,938	2.8
2014-15(e)	7,457	0.4	22,241	1.3	na	na	17,906	1.1	na	na	40,058	2.4
2015-16(p)	8,222	0.5	22,520	1.3	na	na	16,000	0.9	na	na	38,420	2.2

(a) This table excludes Local government gross fixed capital formation.

(e) Estimates.

(p) Projections.

na Comparable data are not available.

Table C.8: Net debt by sector (as at end of financial year)

	General Government						PNFCs		NFPS	
	Commonwealth(a)		State/local		Consolidated(b)		Consolidated(b)		Consolidated(b)	
	\$m	Per cent of GDP	\$m	Per cent of GDP	\$m	Per cent of GDP	\$m	Per cent of GDP	\$m	Per cent of GDP
2000-01	42,719	6.0	1,362	0.2	39,322	5.6	43,883	6.2	83,205	11.8
2001-02	38,180	5.1	-4,990	-0.7	29,100	3.9	43,195	5.7	72,294	9.6
2002-03	29,047	3.6	-10,295	-1.3	14,051	1.8	44,099	5.5	58,150	7.3
2003-04	22,639	2.6	-17,444	-2.0	-1,658	-0.2	44,244	5.1	42,587	5.0
2004-05	10,741	1.2	-24,905	-2.7	-20,364	-2.2	47,308	5.1	26,945	2.9
2005-06	-4,531	-0.5	-35,867	-3.6	-52,896	-5.3	49,952	5.0	-2,944	-0.3
2006-07	-29,150	-2.7	-31,968	-3.0	-78,163	-7.2	45,517	4.2	-32,646	-3.0
2007-08	-44,820	-3.8	-26,507	-2.3	-86,221	-7.3	52,110	4.4	-34,110	-2.9
2008-09	-16,148	-1.3	-18,188	-1.5	-44,484	-3.5	72,051	5.7	27,567	2.2
2009-10	42,283	3.3	-5,246	-0.4	29,522	2.3	82,755	6.4	112,276	8.7
2010-11	84,551	6.0	827	0.1	77,250	5.5	86,427	6.2	163,677	11.7
2011-12	147,334	10.0	16,197	1.1	157,642	10.7	93,645	6.4	251,287	17.0
2012-13(e)	161,603	10.6	42,653	2.8	197,961	13.0	106,684	7.0	304,641	20.0
2013-14(e)	178,104	11.1	58,214	3.6	230,996	14.5	117,455	7.4	348,449	21.8
2014-15(e)	191,552	11.4	61,891	3.7	249,142	14.9	na	na	na	na
2015-16(p)	191,172	10.8	63,767	3.6	251,715	14.2	na	na	na	na

(a) Commonwealth data have been revised in the 2013-14 Budget to improve accuracy and comparability through time. See Budget Paper No.1, Statement 10.

(b) The consolidated level comprises the Australian, State, Territory and Local governments.

(e) Estimates.

(p) Projections.

na Comparable data are not available.

Table C.9: General government sector net financial worth by level of government (as at end of financial year)

	Commonwealth(a)		State/local		Consolidated(b)	
	\$b	Per cent	\$b	Per cent	\$b	Per cent
		of GDP		of GDP		of GDP	of GDP
2000-01	-71.9	-10.2	61.4	8.7	-8.0	-1.1
2001-02	-78.0	-10.3	61.1	8.1	-16.0	-2.1
2002-03	-82.9	-10.4	78.2	9.8	-3.7	-0.5
2003-04	-72.4	-8.4	96.8	11.3	25.9	3.0
2004-05	-58.9	-6.4	111.0	12.0	53.8	5.8
2005-06	-59.8	-6.0	110.1	11.1	51.9	5.2
2006-07	-35.7	-3.3	130.1	12.0	96.8	8.9
2007-08	-14.7	-1.2	132.7	11.3	120.8	10.3
2008-09	-71.5	-5.7	124.6	9.9	54.4	4.3
2009-10	-144.5	-11.2	115.3	8.9	-25.3	-2.0
2010-11	-198.8	-14.2	128.2	9.1	-66.4	-4.7
2011-12	-355.8	-24.1	57.3	3.9	-295.2	-20.0
2012-13(e)	-271.4	-17.8	49.2	3.2	-218.8	-14.4
2013-14(e)	-286.1	-17.9	52.0	3.3	-230.5	-14.4
2014-15(e)	-290.9	-17.3	66.7	4.0	-220.5	-13.1
2015-16(p)	-285.1	-16.1	77.3	4.4	-203.8	-11.5

(a) Commonwealth data have been revised in the 2013-14 Budget to improve accuracy and comparability through time. See Budget Paper No.1, Statement 10.

(b) The consolidated level comprises the Australian, State, Territory and Local governments.

(e) Estimates.

(p) Projections.

Table C.10: General government sector net worth by level of government (as at end of financial year)

	Commonwealth(a)		State/local		Consolidated(b)	
	\$b	Per cent	\$b	Per cent	\$b	Per cent
		of GDP		of GDP		of GDP
2000-01	-6.6	-0.9	405.2	57.3	418.7	59.2
2001-02	-11.7	-1.5	428.2	56.7	437.7	58.0
2002-03	-15.3	-1.9	470.2	58.7	476.9	59.5
2003-04	-1.2	-0.1	515.3	59.9	537.6	62.5
2004-05	14.6	1.6	572.9	62.2	612.6	66.5
2005-06	18.0	1.8	609.1	61.2	653.4	65.7
2006-07	46.4	4.3	678.5	62.6	754.1	69.6
2007-08	70.9	6.0	785.7	66.8	888.5	75.6
2008-09	19.4	1.5	878.3	70.0	930.4	74.2
2009-10	-45.9	-3.6	938.5	72.6	928.5	71.8
2010-11	-95.4	-6.8	966.9	68.9	909.8	64.8
2011-12	-247.2	-16.8	935.3	63.4	727.4	49.3
2012-13(e)	-161.1	-10.6	965.4	63.5	844.8	55.6
2013-14(e)	-173.5	-10.9	1,008.0	63.1	877.1	54.9
2014-15(e)	-175.9	-10.5	1,055.7	62.9	924.5	55.1
2015-16(p)	-168.2	-9.5	1,102.1	62.3	981.1	55.5

(a) Commonwealth data have been revised in the 2013-14 Budget to improve accuracy and comparability through time. See Budget Paper No.1, Statement 10.

(b) The consolidated level comprises the Australian, State, Territory and Local governments.

(e) Estimates.

(p) Projections.

Table C.11: General government net interest payments by level of government

	Commonwealth(a)		State/local		Consolidated(b)	
	\$m	Per cent of GDP	\$m	Per cent of GDP	\$m	Per cent of GDP
2000-01	6,195	0.9	70	0.0	6,026	0.9
2001-02	5,352	0.7	1,369	0.2	6,508	0.9
2002-03	3,758	0.5	582	0.1	4,184	0.5
2003-04	3,040	0.4	-2,364	-0.3	521	0.1
2004-05	2,502	0.3	-3,069	-0.3	-773	-0.1
2005-06	2,303	0.2	-3,822	-0.4	-1,730	-0.2
2006-07	228	0.0	-4,198	-0.4	-4,209	-0.4
2007-08	-1,015	-0.1	1,047	0.1	-174	0.0
2008-09	-1,196	-0.1	-719	-0.1	-2,134	-0.2
2009-10	2,386	0.2	-479	0.0	1,732	0.1
2010-11	4,608	0.3	-363	0.0	4,026	0.3
2011-12	6,609	0.4	393	0.0	6,775	0.5
2012-13(e)	8,238	0.5	na	na	na	na
2013-14(e)	7,835	0.5	na	na	na	na
2014-15(e)	8,405	0.5	na	na	na	na
2015-16(p)	9,752	0.6	na	na	na	na

(a) Commonwealth data have been revised in the 2013-14 Budget to improve the accuracy and comparability through time. See Budget Paper No.1, Statement 10.

(b) The consolidated level comprises the Australian, State, Territory and Local governments.

(e) Estimates.

(p) Projections.

na Comparable data are not available.

APPENDIX D: DEBT TRANSACTIONS

The Commonwealth holds a stock of around \$3.3 billion in loans advanced to the States. The States make interest payments and repayments to the Commonwealth in respect of these loans.

The Commonwealth advances the States loans under a range of agreements. These advances have often been over very long repayment periods (some in excess of 50 years), although the terms of each agreement vary considerably.

Most of the interest payments and repayments relate to housing and infrastructure. Payments are also made against loans under agreements for natural disasters and other purposes administered by various Commonwealth agencies.

Total advances, interest and repayments from the States to the Commonwealth are shown in Table D.1.

As stated in the 2012-13 Budget, from the 2013-14 Budget onwards, this Appendix shall only be available online at: www.budget.gov.au.

Table D.1: Summary of advances, interest and repayments, by year and State

\$'000	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
Outstanding loans as at 30 June 2012									
Contingent Liabilities									
Loan to NSW to assist beneficiaries of the Asbestos Injuries Compensation Fund	14,850	-	-	-	-	-	-	-	14,850
Natural disaster relief	257	-	37,330	-	-	-	-	-	37,588
Environment									
Northern Territory — water and sewerage assistance	-	-	-	-	-	-	-	11,376	11,376
Housing									
Commonwealth-State Housing Agreement loans	706,706	-	201,762	189,582	311,959	98,700	-	27,943	1,536,652
Housing for service personnel	46,131	-	25,957	4,950	2,043	-	-	-	79,081
Other housing	-	-	-	-	-	-	170,122	62,975	233,097
Infrastructure									
Railway projects	42	42	-	2,332	-	-	-	-	2,416
Sewerage	21,410	-	5,179	-	4,461	-	-	-	31,050
War service land settlement scheme	147	84	-	-	-	-	-	-	231
Other purposes									
Australian Capital Territory debt repayments	-	-	-	-	-	-	6,096	-	6,096
Loan Council — housing nominations	418,986	-	150,567	257,283	253,669	111,109	-	146,380	1,337,993

Table D.1: Summary of advances, interest and repayments, by year and State (continued)

\$'000	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13									
Advances									
Contingent Liabilities									
Loan to NSW to assist beneficiaries of the Asbestos Injuries Compensation Fund	12,500	-	-	-	-	-	-	-	12,500
Natural disaster relief	2,399	-	-	-	-	-	-	-	2,399
Repayments									
Contingent liabilities									
Natural disaster relief	-145	-	-7,282	-	-	-	-	-	-7,427
Environment									
Northern Territory — water and sewerage assistance	-	-	-	-	-	-	-	-1,450	-1,450
Housing									
Commonwealth-State Housing									
Agreement loans	-36,264	-	-9,689	-9,167	-14,123	-4,861	-	-725	-74,829
Housing for service personnel	-1,330	-	-819	-227	-42	-	-	-	-2,418
Other housing	-	-	-	-	-	-	-7,629	-2,448	-10,077
Infrastructure									
Railway projects	-9	-9	-	-365	-	-	-	-	-383
Sewerage	-6,370	-	-1,588	-	-1,043	-	-	-	-9,001
War service land settlement scheme	-147	-84	-	-	-	-	-	-	-231
Other purposes									
Australian Capital Territory debt repayments	-	-	-	-	-	-	-554	-	-554
Loan Council — housing nominations	-7,858	-	-2,891	-5,012	-4,705	-2,107	-	-2,616	-25,189

Table D.1: Summary of advances, interest and repayments, by year and State (continued)

\$'000	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2012-13									
Interest									
Contingent liabilities									
Loan to NSW to assist beneficiaries of the									
Asbestos Injuries Compensation Fund	-933	-	-	-	-	-	-	-	-933
Natural disaster relief	-5	-	-998	-	-	-	-	-	-1,003
Housing									
Commonwealth-State Housing									
Agreement loans	-37,384	-	-10,586	-9,986	-16,494	-5,195	-	-1,445	-81,090
Housing for service personnel	-2,068	-	-1,162	-221	-92	-	-	-	-3,543
Other housing	-	-	-	-	-	-	-7,655	-3,741	-11,396
Infrastructure									
Railway projects	-	-	-	-116	-	-	-	-	-116
Sewerage	-2,039	-	-574	-	-447	-	-	-	-3,060
War service land settlement scheme	-9	-5	-	-	-	-	-	-	-14
Other purposes									
Australian Capital Territory debt repayments	-	-	-	-	-	-	-766	-	-766
Loan Council — housing nominations	-21,370	-	-7,651	-13,085	-12,865	-5,641	-	-7,407	-68,019
Net Financial Flow	-101,032	-98	-43,240	-38,179	-49,811	-17,804	-16,604	-19,832	-286,600

Table D.1: Summary of advances, interest and repayments, by year and State (continued)

\$'000	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14									
Advances									
Contingent Liabilities									
Loan to NSW to assist beneficiaries of the Asbestos Injuries Compensation Fund	50,000	-	-	-	-	-	-	-	50,000
Natural disaster relief	31,764	-	68,600	-	-	-	-	-	100,364
Repayments									
Contingent liabilities									
Natural disaster relief	-102	-	-10,568	-	-	-	-	-	-10,670
Environment									
Northern Territory — water and sewerage assistance	-	-	-	-	-	-	-	-1,450	-1,450
Housing									
Commonwealth-State Housing									
Agreement loans	-36,710	-	-9,790	-9,294	-14,747	-4,945	-	-758	-76,244
Housing for service personnel	-1,413	-	-874	-238	-47	-	-	-	-2,572
Other housing	-	-	-	-	-	-	-7,619	-2,572	-10,191
Infrastructure									
Railway projects	-	-	-	-350	-	-	-	-	-350
Sewerage	-7,004	-	-1,746	-	-1,165	-	-	-	-9,915
War service land settlement scheme	-	-	-	-	-	-	-	-	-
Other purposes									
Australian Capital Territory debt repayments	-	-	-	-	-	-	-554	-	-554
Loan Council — housing nominations	-8,211	-	-3,021	-5,237	-4,917	-2,202	-	-2,733	-26,321

Table D.1: Summary of advances, interest and repayments, by year and State (continued)

\$'000	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14									
Interest									
Contingent liabilities									
Loan to NSW to assist beneficiaries of the									
Asbestos Injuries Compensation Fund	-3,060	-	-	-	-	-	-	-	-3,060
Natural disaster relief	-66	-	-875	-	-	-	-	-	-941
Housing									
Commonwealth-State Housing									
Agreement loans	-35,608	-	-10,118	-9,540	-15,815	-4,961	-	-1,414	-77,456
Housing for service personnel	-2,010	-	-1,125	-211	-90	-	-	-	-3,436
Other housing	-	-	-	-	-	-	-7,312	-3,610	-10,922
Infrastructure									
Railway projects	-	-	-	-96	-	-	-	-	-96
Sewerage	-1,404	-	-416	-	-326	-	-	-	-2,146
War service land settlement scheme	-	-	-	-	-	-	-	-	-
Other purposes									
Australian Capital Territory debt repayments	-	-	-	-	-	-	-697	-	-697
Loan Council — housing nominations	-21,054	-	-7,532	-12,879	-12,673	-5,555	-	-7,301	-66,994
Net Financial Flow	-34,878	-	22,535	-37,845	-49,780	-17,663	-16,182	-19,838	-153,651

Table D.1: Summary of advances, interest and repayments, by year and State (continued)

\$'000	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2014-15									
Advances									
Contingent Liabilities									
Loan to NSW to assist beneficiaries of the Asbestos Injuries Compensation Fund	50,000	-	-	-	-	-	-	-	50,000
Natural disaster relief	-	-	7,501	-	-	-	-	-	7,501
Repayments									
Contingent liabilities									
Natural disaster relief	-321	-	-10,567	-	-	-	-	-	-10,888
Environment									
Northern Territory — water and sewerage assistance	-	-	-	-	-	-	-	-1,450	-1,450
Housing									
Commonwealth-State Housing Agreement loans	-37,096	-	-9,920	-9,424	-15,398	-5,028	-	-792	-77,658
Housing for service personnel	-1,503	-	-915	-248	-52	-	-	-	-2,718
Other housing	-	-	-	-	-	-	-7,755	-2,703	-10,458
Infrastructure									
Railway projects	-	-	-	-324	-	-	-	-	-324
Sewerage	-7,703	-	-1,919	-	-1,037	-	-	-	-10,659
War service land settlement scheme	-	-	-	-	-	-	-	-	-
Other purposes									
Australian Capital Territory debt repayments	-	-	-	-	-	-	-555	-	-555
Loan Council — housing nominations	-8,581	-	-3,157	-5,473	-5,138	-2,301	-	-2,856	-27,506

Table D.1: Summary of advances, interest and repayments, by year and State (continued)

\$'000	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2014-15									
Interest									
Contingent liabilities									
Loan to NSW to assist beneficiaries of the									
Asbestos Injuries Compensation Fund	-5,775	-	-	-	-	-	-	-	-5,775
Natural disaster relief	-912	-	-1,854	-	-	-	-	-	-2,766
Housing									
Commonwealth-State Housing									
Agreement loans	-33,794	-	-9,643	-9,084	-15,097	-4,720	-	-1,381	-73,719
Housing for service personnel	-1,947	-	-1,087	-200	-88	-	-	-	-3,322
Other housing	-	-	-	-	-	-	-6,969	-3,473	-10,442
Infrastructure									
Railway projects	-	-	-	-76	-	-	-	-	-76
Sewerage	-705	-	-242	-	-189	-	-	-	-1,136
War service land settlement scheme	-	-	-	-	-	-	-	-	-
Other purposes									
Australian Capital Territory debt repayments	-	-	-	-	-	-	-627	-	-627
Loan Council — housing nominations	-20,720	-	-7,407	-12,661	-12,471	-5,464	-	-7,189	-65,912
Net Financial Flow	-69,057	-	-39,210	-37,490	-49,470	-17,513	-15,906	-19,844	-248,490

Table D.1: Summary of advances, interest and repayments, by year and State (continued)

\$'000	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2015-16									
Advances									
Contingent Liabilities									
Loan to NSW to assist beneficiaries of the Asbestos Injuries Compensation Fund	25,000	-	-	-	-	-	-	-	25,000
Natural disaster relief	-	-	60	-	-	-	-	-	60
Repayments									
Contingent liabilities									
Natural disaster relief	-4,270	-	-19,142	-	-	-	-	-	-23,412
Environment									
Northern Territory — water and sewerage assistance	-	-	-	-	-	-	-	-1,450	-1,450
Housing									
Commonwealth-State Housing Agreement loans	-37,130	-	-9,955	-9,543	-16,079	-5,052	-	-828	-78,587
Housing for service personnel	-1,595	-	-976	-263	-57	-	-	-	-2,891
Other housing	-	-	-	-	-	-	-7,854	-2,839	-10,693
Infrastructure									
Railway projects	-	-	-	-287	-	-	-	-	-287
Sewerage	-1,342	-	-964	-	-648	-	-	-	-2,954
War service land settlement scheme	-	-	-	-	-	-	-	-	-
Other purposes									
Australian Capital Territory debt repayments	-	-	-	-	-	-	-555	-	-555
Loan Council — housing nominations	-8,967	-	-3,299	-5,719	-5,369	-2,404	-	-2,985	-28,743

Table D.1: Summary of advances, interest and repayments, by year and State (continued)

\$'000	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2015-16									
Interest									
Contingent liabilities									
Loan to NSW to assist beneficiaries of the									
Asbestos Injuries Compensation Fund	-8,148	-	-	-	-	-	-	-	-8,148
Natural disaster relief	-904	-	-1,803	-	-	-	-	-	-2,707
Housing									
Commonwealth-State Housing									
Agreement loans	-31,943	-	-9,156	-8,618	-14,337	-4,472	-	-1,345	-69,871
Housing for service personnel	-1,881	-	-1,047	-189	-86	-	-	-	-3,203
Other housing	-	-	-	-	-	-	-6,620	-3,329	-9,949
Infrastructure									
Railway projects	-	-	-	-55	-	-	-	-	-55
Sewerage	-104	-	-71	-	-91	-	-	-	-266
War service land settlement scheme	-	-	-	-	-	-	-	-	-
Other purposes									
Australian Capital Territory debt repayments	-	-	-	-	-	-	-558	-	-558
Loan Council — housing nominations	-20,366	-	-7,273	-12,429	-12,256	-5,366	-	-7,072	-64,762
Net Financial Flow	-91,650	-	-53,626	-37,103	-48,923	-17,294	-15,587	-19,848	-284,031

Table D.1: Summary of advances, interest and repayments, by year and State (continued)

\$'000	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2016-17									
Advances									
Contingent Liabilities									
Loan to NSW to assist beneficiaries of the Asbestos Injuries Compensation Fund	-	-	-	-	-	-	-	-	-
Natural disaster relief	-	-	-	-	-	-	-	-	-
Repayments									
Contingent liabilities									
Natural disaster relief	-4,270	-	-14,190	-	-	-	-	-	-18,460
Environment									
Northern Territory — water and sewerage assistance	-	-	-	-	-	-	-	-1,200	-1,200
Housing									
Commonwealth-State Housing									
Agreement loans	-37,268	-	-10,033	-9,596	-16,790	-5,105	-	-865	-79,657
Housing for service personnel	-1,697	-	-1,037	-277	-63	-	-	-	-3,074
Other housing	-	-	-	-	-	-	-7,972	-3,119	-11,091
Infrastructure									
Railway projects	-	-	-	-224	-	-	-	-	-224
Sewerage	-	-	-50	-	-340	-	-	-	-390
War service land settlement scheme	-	-	-	-	-	-	-	-	-
Other purposes									
Australian Capital Territory debt repayments	-	-	-	-	-	-	-555	-	-555
Loan Council — housing nominations	-9,370	-	-3,447	-5,976	-5,611	-2,512	-	-3,119	-30,035

Table D.1: Summary of advances, interest and repayments, by year and State (continued)

\$'000	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2016-17									
Interest									
Contingent liabilities									
Loan to NSW to assist beneficiaries of the									
Asbestos Injuries Compensation Fund	-8,724	-	-	-	-	-	-	-	-8,724
Natural disaster relief	-790	-	-1,479	-	-	-	-	-	-2,269
Housing									
Commonwealth-State Housing									
Agreement loans	-30,078	-	-8,665	-8,142	-13,533	-5,348	-	-1,307	-67,073
Housing for service personnel	-1,810	-	-1,004	-178	-83	-	-	-	-3,075
Other housing	-	-	-	-	-	-	-6,267	-3,179	-9,446
Infrastructure									
Railway projects	-	-	-	-42	-	-	-	-	-42
Sewerage	-	-	-	-	-38	-	-	-	-38
War service land settlement scheme	-	-	-	-	-	-	-	-	-
Other purposes									
Australian Capital Territory debt repayments	-	-	-	-	-	-	-488	-	-488
Loan Council — housing nominations	-19,992	-	-7,133	-12,184	-12,028	-4,138	-	-6,946	-62,421
Net Financial Flow	-113,999	-	-47,038	-36,619	-48,486	-17,103	-15,282	-19,735	-298,262