

BUDGET

2015-16

Budget Measures
Budget Paper No. 2
2015-16

Circulated by

The Honourable J. B. Hockey MP
Treasurer of the Commonwealth of Australia

and

Senator the Honourable Mathias Cormann
Minister for Finance of the Commonwealth of Australia

For the information of honourable members
on the occasion of the Budget 2015-16

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FOREWORD

Budget Paper No. 2, *Budget Measures 2015-16* ensures that the Budget Papers provide comprehensive information on all Government decisions that involve changes to its revenue, expense and investing activities since the *Mid-Year Economic and Fiscal Outlook 2014-15*.

Budget Paper No. 2 comprises three parts:

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

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

Expense measures are defined as those measures that affect expenses (on a Government Finance Statistics basis).

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

Notes

- (a) The following definitions are used in this Budget Paper:
- ‘real’ means adjusted for the effect of inflation;
 - real growth in expenses is calculated using the Consumer Price Index (CPI) as the deflator;
 - the Budget year refers to 2015-16, while the forward years refer to 2016-17, 2017-18 and 2018-19; and
 - one billion is equal to one thousand million.
- (b) Figures in tables and generally in the text have been rounded. Discrepancies in tables between totals and sums of components are due to rounding.
- estimates under \$100,000 are rounded to the nearest thousand;
 - estimates \$100,000 and over are generally rounded to the nearest tenth of a million; and
 - estimates midway between rounding points are rounded up.

(c) For the budget balance, a negative sign indicates a deficit while no sign indicates a surplus.

(d) The following notations are used:

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| nfp | not for publication |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

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

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

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

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

Budget Paper No. 2, *Budget Measures 2015-16* is one of a series of Budget Papers that provides information to supplement the Budget Speech. A full list of the series is printed on the inside cover of this paper.

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Part 1: Revenue Measures

Table 1: Revenue measures since the 2014-15 MYEFO^(a)

| Page | | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|---|--|------------|-------------|-------------|-------------|-------------|
| | | \$m | \$m | \$m | \$m | \$m |
| AGRICULTURE | | | | | | |
| <i>Department of Agriculture</i> | | | | | | |
| 6 | Biosecurity services for international mail — additional cost recovery | - | - | 3.5 | 6.9 | 7.1 |
| 6 | Changes to agricultural production levies | 0.2 | 3.4 | 3.4 | 3.4 | 3.4 |
| 55 | Managing Biosecurity Risks — expanded surveillance and offshore audits(b) | nfp | nfp | nfp | nfp | nfp |
| 58 | Supporting Drought Affected Communities — Immediate Assistance(b) | - | 5.6 | 7.6 | 7.6 | 7.6 |
| Portfolio total | | 0.2 | 8.9 | 14.5 | 17.9 | 18.1 |
| ATTORNEY-GENERAL'S | | | | | | |
| <i>Australian Transaction Reports and Analysis Centre</i> | | | | | | |
| 116 | Strengthening the Integrity of Welfare Payments(b) | - | 1.7 | 3.8 | 4.4 | 4.9 |
| <i>Family Court and Federal Circuit Court</i> | | | | | | |
| 66 | Streamlining and improving the sustainability of Courts(b) | - | 16.1 | 17.2 | 17.5 | 18.8 |
| <i>Federal Court of Australia</i> | | | | | | |
| 66 | Streamlining and improving the sustainability of Courts(b) | - | 4.3 | 4.3 | 4.4 | 4.8 |
| Portfolio total | | - | 22.1 | 25.4 | 26.4 | 28.4 |
| CROSS PORTFOLIO | | | | | | |
| <i>Various Agencies</i> | | | | | | |
| 70 | Administered Programme Indexation Pause — two year extension(b) | - | - | - | .. | -0.1 |
| 8 | Commonwealth penalty units — increase in value to reflect inflation | - | 5.0 | 10.0 | 10.0 | 20.0 |
| Portfolio total | | - | 5.0 | 10.0 | 10.0 | 19.9 |
| DEFENCE | | | | | | |
| <i>Department of Defence</i> | | | | | | |
| 71 | Operation Accordion — extension(b) | - | 3.1 | - | - | - |
| 71 | Operation Highroad(b) | - | 0.6 | - | - | - |
| 73 | Operation Okra — continued support(b) | - | 11.0 | - | - | - |
| Portfolio total | | - | 14.6 | - | - | - |
| EDUCATION AND TRAINING | | | | | | |
| <i>Department of Education and Training</i> | | | | | | |
| 9 | Higher Education Loan Programme — recovery of repayments from overseas debtors | - | 2.4 | 6.3 | 8.6 | 11.1 |
| Portfolio total | | - | 2.4 | 6.3 | 8.6 | 11.1 |

Table 1: Revenue measures since the 2014-15 MYEFO^(a) (continued)

| Page | | 2014-15 \$m | 2015-16 \$m | 2016-17 \$m | 2017-18 \$m | 2018-19 \$m |
|------|---|----------------|----------------|----------------|----------------|----------------|
| | FINANCE | | | | | |
| | <i>Department of Finance</i> | | | | | |
| | Smaller Government | | | | | |
| 10 | – Property Divestment Programme — general office accommodation Canberra | - | nfp | nfp | - | - |
| 10 | – Property Divestment Programme — Mount Macedon Property | - | - | nfp | - | - |
| | Portfolio total | - | - | - | - | - |
| | FOREIGN AFFAIRS AND TRADE | | | | | |
| | <i>Department of Foreign Affairs and Trade</i> | | | | | |
| 12 | Passport Fees and Charges — reforms | - | 1.7 | 5.0 | 5.0 | 5.4 |
| | Portfolio total | - | 1.7 | 5.0 | 5.0 | 5.4 |
| | HEALTH | | | | | |
| | <i>Department of Health</i> | | | | | |
| 107 | National Joint Replacement Levy — amendments(b) | - | 0.1 | 0.1 | 0.2 | 0.2 |
| 111 | Reducing the Burden of the Industrial Chemicals Regulatory Framework to Industry(b) | - | 2.5 | 2.5 | 1.4 | 1.8 |
| | Portfolio total | - | 2.6 | 2.6 | 1.6 | 2.0 |
| | HUMAN SERVICES | | | | | |
| | <i>Department of Human Services</i> | | | | | |
| 126 | Smaller Government — Immigration and Border Protection efficiencies(b) | - | - | - | - | - |
| | Portfolio total | - | - | - | - | - |
| | IMMIGRATION AND BORDER PROTECTION | | | | | |
| | <i>Department of Immigration and Border Protection</i> | | | | | |
| 13 | Cost Recovery — licensing and import processing | - | 14.1 | 30.3 | 31.2 | 32.1 |
| 13 | Cost Recovery of Citizenship and adjustment of Visa Application Charges | - | 103.4 | 109.2 | 111.1 | 113.4 |
| 161 | Intercountry Adoption — national support service(b) | .. | .. | .. | .. | .. |
| 120 | Migration Agents Registration Authority — deregulation(b) | - | -2.4 | -2.5 | -2.5 | -2.6 |
| 126 | Smaller Government — Immigration and Border Protection efficiencies(b) | - | - | 12.4 | 12.4 | 12.4 |
| | Portfolio total | .. | 115.1 | 149.4 | 152.2 | 155.3 |
| | INFRASTRUCTURE AND REGIONAL DEVELOPMENT | | | | | |
| | <i>Australian Transport Safety Bureau</i> | | | | | |
| 136 | Malaysia Airlines Flight MH370 — international contribution(b) | 14.4 | - | - | - | - |

Table 1: Revenue measures since the 2014-15 MYEFO^(a) (continued)

| Page | | 2014-15 \$m | 2015-16 \$m | 2016-17 \$m | 2017-18 \$m | 2018-19 \$m |
|------|--|----------------|----------------|----------------|----------------|----------------|
| | INFRASTRUCTURE AND REGIONAL DEVELOPMENT (continued) | | | | | |
| | <i>Department of Infrastructure and Regional Development</i> | | | | | |
| 136 | Malaysia Airlines Flight MH370 — international contribution(b) | 29.6 | 50.0 | - | - | - |
| 137 | Norfolk Island Reform(b) | - | - | - | 1.5 | 1.5 |
| | Portfolio total | 43.9 | 50.0 | - | 1.5 | 1.5 |
| | TREASURY | | | | | |
| | <i>Australian Bureau of Statistics</i> | | | | | |
| 172 | Australian Bureau of Statistics — business transformation(b) | -1.6 | -3.6 | -4.1 | -3.3 | - |
| | <i>Australian Prudential Regulation Authority</i> | | | | | |
| 17 | Full Cost Recovery of Superannuation Activities | - | 11.6 | 11.6 | 11.7 | 12.0 |
| | <i>Australian Securities and Investments Commission</i> | | | | | |
| 173 | Australian Securities and Investments Commission — Competition for Market Services — continuation(b) | - | 3.2 | 3.1 | 3.2 | 3.2 |
| 177 | Reversal of Banking and Life Insurance unclaimed provisions(b) | - | -119.2 | -122.2 | -125.3 | -128.4 |
| | <i>Australian Taxation Office</i> | | | | | |
| 14 | A new drought preparedness framework — accelerated depreciation for primary producers | - | - | - | -20.0 | -50.0 |
| | Combatting multinational tax avoidance | | | | | |
| 14 | – a targeted anti-avoidance law | - | * | * | * | * |
| 15 | – new transfer pricing documentation standards | - | - | * | * | * |
| 16 | – stronger penalties | - | - | * | * | * |
| 16 | Employee Share Schemes — further changes to tax treatment | - | * | * | * | * |
| | Growing Jobs and Small Business | | | | | |
| 17 | – allow immediate deductibility for professional expenses | - | - | -10.0 | -10.0 | -10.0 |
| 18 | – capital gains tax roll-over relief for changes to entity structure | - | - | - | -20.0 | -20.0 |
| 18 | – changes to the fringe benefits tax system for work-related electronic devices | - | - | * | * | * |
| 19 | – expanding accelerated depreciation for small businesses | - | -250.0 | -800.0 | -850.0 | 150.0 |
| 19 | – tax cuts for small business | - | -250.0 | -950.0 | -1,000.0 | -1,050.0 |
| | GST | | | | | |
| 20 | – applying to digital products and services imported by consumers | - | - | - | 150.0 | 200.0 |

Table 1: Revenue measures since the 2014-15 MYEFO^(a) (continued)

| Page | | 2014-15 \$m | 2015-16 \$m | 2016-17 \$m | 2017-18 \$m | 2018-19 \$m |
|------|--|----------------|----------------|----------------|----------------|----------------|
| | TREASURY (continued) | | | | | |
| | GST | | | | | |
| 21 | – compliance programme — three year extension | - | - | 625.2 | 772.5 | 863.4 |
| 22 | – not proceeding with a reverse charge for going concerns and farmland | - | * | * | * | * |
| 22 | Income tax relief for Australian Defence Force personnel deployed overseas | .. | .. | - | - | - |
| 22 | Introducing a cap for salary sacrificed meal entertainment and entertainment facility leasing expenses | - | 20.0 | 85.0 | 90.0 | 100.0 |
| 23 | Luxury car tax — exemption for cars acquired by endorsed public museums and public art galleries | - | -0.5 | -0.1 | -0.1 | -0.1 |
| 23 | Managed investment trusts — transition period to apply the new tax system | - | - | 45.0 | 20.0 | 5.0 |
| 24 | Modernising the Offshore Banking Unit regime | - | - | 12.4 | 13.6 | 15.8 |
| 137 | Norfolk Island Reform(b) | - | - | 2.0 | 9.0 | 6.0 |
| 71 | Operation Accordion — extension(b) | - | -8.1 | -4.3 | - | - |
| 71 | Operation Highroad(b) | -0.4 | -8.1 | -4.2 | - | - |
| 72 | Operation Manitou(b) | - | -6.9 | -3.6 | - | - |
| 73 | Operation Okra — continued support(b) | -2.5 | -22.8 | -10.7 | - | - |
| | Personal income tax | | | | | |
| 25 | – better targeting the Zone Tax Offset to exclude 'fly-in fly-out' and 'drive-in drive-out' workers | - | - | 105.0 | 110.0 | 110.0 |
| 26 | – changes to tax residency rules for temporary working holiday makers | - | - | 100.0 | 220.0 | 220.0 |
| 26 | – increasing the Medicare levy low-income thresholds | - | -81.0 | -50.0 | -50.0 | -50.0 |
| 27 | – modernising the methods used for calculating work-related car expense deductions | - | - | 270.0 | 280.0 | 295.0 |
| 27 | – removing an income tax exemption for government employees | - | - | 1.3 | 2.7 | 2.7 |
| | Philanthropy | | | | | |
| 28 | – specifically listing the Global Infrastructure Hub as an income tax exempt entity | - | - | - | - | - |
| 28 | – updates to the list of specifically listed deductible gift recipients | - | -0.2 | -1.2 | -1.2 | -0.9 |
| 29 | Release of superannuation for terminal medical condition — relaxing criteria | - | -0.3 | .. | .. | .. |
| 168 | Removing Double-Dipping from Parental Leave Pay(b) | - | - | -200.0 | -250.0 | -250.0 |
| 29 | Research and Development tax incentive — introducing a \$100 million expenditure cap | - | - | - | - | - |
| 30 | Serious Financial Crime taskforce — addressing financial and tax fraud | - | 31.8 | 107.9 | 141.6 | 138.4 |

Table 1: Revenue measures since the 2014-15 MYEFO^(a) (continued)

| Page | | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|------|--|-------------|---------------|---------------|--------------|----------------|
| | | \$m | \$m | \$m | \$m | \$m |
| | TREASURY (continued) | | | | | |
| 31 | Strengthening Australia's foreign investment framework | - | 115.0 | 185.0 | 215.0 | 220.0 |
| 32 | Tax administration — statutory remedial power for the Commissioner of Taxation | - | - | - | - | - |
| | <i>Department of the Treasury</i> | | | | | |
| 174 | Developing Northern Australia — Northern Australia Infrastructure Facility(b) | - | - | 61.3 | 122.3 | 182.8 |
| 21 | GST — compliance programme — three year extension | - | - | 92.6 | 88.3 | 84.6 |
| | Portfolio total | -4.5 | -569.2 | -452.9 | -80.0 | 1,049.5 |
| | Decisions taken but not yet announced | 5.2 | 184.7 | 279.2 | 319.6 | 391.2 |
| | Total impact of revenue measures(c) | 44.9 | -162.0 | 39.4 | 462.7 | 1,682.5 |

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

.. Not zero, but rounded to zero.

- Nil.

nfp not for publication.

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

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

(c) Measures may not add due to rounding.

AGRICULTURE

Biosecurity services for international mail — additional cost recovery

| Revenue (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|---------------------------|---------|---------|---------|---------|---------|
| Department of Agriculture | - | - | 3.5 | 6.9 | 7.1 |

The Government will move to full cost recovery of services provided to Australia Post to manage the biosecurity risk associated with international mail items.

The move to full cost recovery will be implemented through a staged increase to the biosecurity fee charged to Australia Post, with the fee increasing on 1 July 2016 before reaching full cost recovery from 1 July 2017.

This measure will put Australia Post on a level playing field with other commercial operators, which are already charged full market rates for similar biosecurity services.

Changes to agricultural production levies

| Revenue (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|----------------------------------|------------|------------|------------|------------|------------|
| Department of Agriculture | 0.2 | 3.4 | 3.4 | 3.4 | 3.4 |
| <i>Related expense (\$m)</i> | | | | | |
| <i>Department of Agriculture</i> | <i>0.2</i> | <i>3.4</i> | <i>3.4</i> | <i>3.4</i> | <i>3.4</i> |

The Government has adjusted the rate of the following agricultural production levies and export charges:

- Banana levy: activation of the Emergency Plant Pest Response levy set at 0.75 cents per kilogram, commencing on 1 July 2015. This levy has been increased at the request of the Australian Banana Growers' Council to facilitate repayment of the banana industry's liability associated with an emergency response to eradicate banana freckle.
- Honey levy and export charge: changes have been introduced at the request of the Australian Honey Bee Industry Council to provide for the industry's ongoing biosecurity obligations and priorities.
 - The Emergency Animal Disease Response levy has been reduced from 0.7 cents per kilogram to zero commencing 1 April 2015.
 - A Plant Health Australia (PHA) subscription levy and charge has been set at 0.1 cents per kilogram commencing 1 April 2015.
 - A PHA Emergency Plant Pest Response levy and charge has been set at 2.9 cents per kilogram commencing 1 April 2015.

- The threshold at which the levy and export charge applies to the use of honey in production and the retail sale of honey for producers has been increased from 600 kilograms per annum to 1,500 kilograms per annum, commencing 1 April 2015.
- Laying chickens and meat chicken levy: the levy has been increased to include an Emergency Animal Disease Response component set at 0.03 cents per day-old chick for meat chickens and 1.4 cents per day-old chick for laying chickens, commencing 1 April 2015.
 - This levy has been activated at the request of the Australian Chicken Meat Federation and the Australian Egg Corporation Limited to facilitate repayment of the laying chicken and chicken meat industries' liabilities associated with an emergency response to eradicate avian influenza.

CROSS PORTFOLIO

Commonwealth penalty units — increase in value to reflect inflation

| Revenue (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|------------------|---------|---------|---------|---------|---------|
| Various Agencies | - | 5.0 | 10.0 | 10.0 | 20.0 |

The Government will increase the value of all Commonwealth penalty units from \$170 to \$180, with effect from 31 July 2015. This increase is broadly consistent with inflation since the value was last adjusted in December 2012. The Government will also introduce ongoing indexation of penalty units based on the Consumer Price Index. Indexation will occur on 1 July every three years, with the first indexation occurring on 1 July 2018. This measure is estimated to have a gain to revenue of \$45.0 million over the forward estimates period.

Penalty units are used to describe the amount payable for fines under Commonwealth laws. Commonwealth penalties are generally expressed in terms of penalty units (rather than specific values) to assist in the consistent adjustment of penalties across the Commonwealth statute book. This measure will ensure that financial penalties for Commonwealth offences keep pace with inflation and continue to remain effective in deterring unlawful behaviour.

EDUCATION AND TRAINING**Higher Education Loan Programme — recovery of repayments from overseas debtors**

| Revenue (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|--|---------|---------|---------|---------|---------|
| Department of Education and Training | - | 2.4 | 6.3 | 8.6 | 11.1 |
| <i>Related expense (\$m)</i> | | | | | |
| <i>Australian Taxation Office</i> | - | 0.7 | 0.4 | 0.2 | 0.2 |
| <i>Department of Education and Training</i> | - | 0.2 | 0.2 | 0.2 | .. |
| <i>Department of Immigration and Border Protection</i> | - | 0.1 | .. | .. | .. |
| <i>Total — Expense</i> | - | 0.9 | 0.6 | 0.3 | 0.1 |
| <i>Related capital (\$m)</i> | | | | | |
| <i>Australian Taxation Office</i> | - | - | 0.9 | - | - |

The Government will extend the *Higher Education Loan Programme* (HELP) repayment framework to debtors residing overseas. From 2016-17, HELP debtors residing overseas for six months or more will be required to make repayments of their HELP debt if their worldwide income exceeds the minimum repayment threshold at the same repayment rates as debtors in Australia. This is estimated to recover \$26.0 million over four years from 2015-16.

This change is fair to individuals and taxpayers, and is expected to improve the Government's Balance Sheet by more than \$140 million over the next 10 years.

Further information can be found in the press release of 2 May 2015 issued by the Minister for Education and Training.

FINANCE

Smaller Government — Property Divestment Programme — general office accommodation Canberra

| Revenue (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|------------------------------|---------|---------|---------|---------|---------|
| Department of Finance | - | nfp | nfp | - | - |
| <i>Related expense (\$m)</i> | | | | | |
| <i>Department of Finance</i> | - | 4.4 | 0.4 | - | - |

The Government will provide \$4.8 million over two years from 2015-16 to the Department of Finance to implement the divestment of four general office accommodation buildings (East Block, West Block, ANZAC Park East and ANZAC Park West) in Canberra. The decision is subject to the sale process validating the assumptions underpinning the recommendation of the Scoping Study.

The Government will also continue to review Commonwealth property leases in the ACT to ensure surplus vacant office space is filled by agencies with similar requirements and upcoming lease expiry dates.

Further information can be found in the joint press release of 13 February 2015 by the Minister for Finance and the Parliamentary Secretary to the Minister for Finance.

For commercial confidentiality reasons, the overall positive financial impact of this measure is not for publication (nfp) at this time.

The proceeds from this measure will be redirected by the Government to repair the Budget and fund policy priorities.

Smaller Government — Property Divestment Programme — Mount Macedon Property

| Revenue (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|------------------------------|---------|---------|---------|---------|---------|
| Department of Finance | - | - | nfp | - | - |
| <i>Related expense (\$m)</i> | | | | | |
| <i>Department of Finance</i> | - | 0.3 | 0.2 | - | - |

The Government will provide \$0.5 million over two years from 2015-16 to the Department of Finance for the divestment of the property used by the Australian Emergency Management Institute.

Final proceeds will be subject to further due diligence, market conditions and arrangements permitting continued access to part of the property by local community groups.

For commercial confidentiality reasons, the financial impact of this measure is not for publication (nfp) at this time.

The proceeds from this measure will be redirected by the Government to repair the Budget and fund policy priorities.

See also the related 2014-15 Budget measure titled *Australian Emergency Management Institute – establish as a Virtual Institute*.

FOREIGN AFFAIRS AND TRADE

Passport Fees and Charges — reforms

| Revenue (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|--|---------|---------|---------|---------|---------|
| Department of Foreign Affairs and Trade | - | 1.7 | 5.0 | 5.0 | 5.4 |
| <i>Related expense (\$m)</i> | | | | | |
| <i>Department of Foreign Affairs and Trade</i> | - | - | - | .. | .. |

The Government will raise \$17.1 million over four years from 2015-16 through reforms to passport fees and charges. The reforms will:

- enable persons aged 16 and 17 to be issued a 10 year validity passport instead of the current five year validity passport;
- create a separate fee category for emergency passports;
- increase the priority processing fee and provide an option for eligible individuals to replace lost, stolen or damaged passports instead of purchasing a new full validity passport; and
- remove the additional fee to replace a lost or stolen passport.

In line with existing passport fees and charges, all fees and charges will be indexed annually by the Consumer Price Index.

IMMIGRATION AND BORDER PROTECTION

Cost Recovery — licensing and import processing

| Revenue (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|---|---------|---------|---------|---------|---------|
| Department of Immigration and Border Protection | - | 14.1 | 30.3 | 31.2 | 32.1 |

The Government will restructure the Import Processing Charge (IPC) and import-related licence charges, resulting in additional revenue of \$107.6 million over four years from 2015-16.

The IPC will be restructured to recover the cost of cargo and trade-related reform activities, remove the differential charges for post, air and sea cargo declarations, and introduce higher charges for manual documentary declarations.

Licence charges will be restructured for brokers, depots and warehouses, including introducing warehouse and broker licence application charges, increasing the broker licence renewal charge and introducing a warehouse licence variation charge.

The new charges will come into effect on 1 January 2016.

Cost Recovery of Citizenship and adjustment of Visa Application Charges

| Revenue (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|---|---------|---------|---------|---------|---------|
| Department of Immigration and Border Protection | - | 103.4 | 109.2 | 111.1 | 113.4 |

The Government will raise \$437.1 million in revenue over four years by adjusting the visa application charge (VAC) for a range of visas from 1 July 2015 and by moving to full cost recovery for citizenship costs from 1 January 2016.

VACs for all visa applications made overseas will increase to align them with application charges in Australia, with the exception of Child Visas, for which domestic VACs will be reduced to match overseas VACs. This measure will also increase VACs for a range of visas.

Moving to full cost recovery for citizenship costs is consistent with the Australian Government Cost Recovery Guidelines and is underpinned by the principle that cost recovery promotes equity where the recipients of a government service, rather than the general public, bear its costs.

TREASURY

A new drought preparedness framework — accelerated depreciation for primary producers

| Revenue (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|----------------------------|---------|---------|---------|---------|---------|
| Australian Taxation Office | - | - | - | -20.0 | -50.0 |

The Government will allow all primary producers to immediately deduct capital expenditure on fencing and water facilities such as dams, tanks, bores, irrigation channels, pumps, water towers and windmills.

The Government will also allow primary producers to depreciate over three years all capital expenditure on fodder storage assets such as silos and tanks used to store grain and other animal feed.

These changes will be for income years commencing on or after 1 July 2016. Currently, the effective life for fences is up to 30 years, water facilities is three years and fodder storage assets is up to 50 years.

This measure is estimated to have a cost to revenue of \$70.0 million over the forward estimates period.

This measure will improve resilience for those primary producers who face drought, assist with cash flow and reduce red tape by removing the need for primary producers to track expenditure over time.

This measure will form part of the Government's White Paper on Agricultural Competitiveness.

Combatting multinational tax avoidance — a targeted anti-avoidance law

| Revenue (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|----------------------------|---------|---------|---------|---------|---------|
| Australian Taxation Office | - | * | * | * | * |

The Government will introduce a new targeted anti-avoidance law in Part IVA of the *Income Tax Assessment Act 1936* aimed at multinationals that artificially avoid having a taxable presence in Australia. The new law will apply to tax benefits obtained from 1 January 2016 (under both new and existing schemes). This measure is estimated to have an unquantifiable gain to revenue over the forward estimates period.

The new law will target approximately 30 companies where:

- the activities of an Australian company or other entity are integral to an Australian customer's decision to enter into a contract;

- the contract is formally entered into with a foreign related party to that entity; and
- the profit from the Australian sales is booked overseas and subject to no or low global tax.

Where such arrangements are entered into for a principal purpose of avoiding tax, this measure will ensure that the profits from Australian sales are taxed in Australia.

This measure will apply to companies with global revenue of \$1 billion or more.

Combatting multinational tax avoidance — new transfer pricing documentation standards

| Revenue (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|------------------------------|---------|---------|---------|---------|---------|
| Australian Taxation Office | - | - | * | * | * |
| <i>Related expense (\$m)</i> | | | | | |
| Australian Taxation Office | - | 0.9 | 3.3 | 1.5 | 1.2 |
| <i>Related capital (\$m)</i> | | | | | |
| Australian Taxation Office | - | - | 4.4 | - | - |

The Government will implement the Organisation for Economic Co-operation and Development's new transfer pricing documentation standards from 1 January 2016. The Government will provide the Australian Taxation Office (ATO) with \$11.3 million over the forward estimates period to implement the new standards. This measure is estimated to have an unquantifiable gain to revenue over the forward estimates period.

Under the new documentation standards, the ATO will receive the following information on large companies that operate in Australia:

- a Country-by-Country Report showing information on the global activities of the multinational, including the location of its income and taxes paid;
- a master file containing an overview of the multinational's global business, its organisational structure and its transfer pricing policies; and
- a local file that provides detailed information about the local taxpayer's intercompany transactions.

Together these reports will provide the ATO with a global picture of how multinational entities operate, assisting it to identify multinational tax avoidance.

This measure will apply to companies with global revenue of \$1 billion or more.

Combatting multinational tax avoidance — stronger penalties

| Revenue (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|----------------------------|---------|---------|---------|---------|---------|
| Australian Taxation Office | - | - | * | * | * |

The Government will double the maximum administrative penalties that can be applied by the Commissioner of Taxation to large companies that enter into tax avoidance and profit shifting schemes. The increased penalties, under Schedule 1 to the *Taxation Administration Act 1953*, will help to deter tax avoidance and will apply for income years commencing on or after 1 July 2015. This measure is estimated to have an unquantifiable gain to revenue over the forward estimates period.

Penalties will not change for taxpayers who have a ‘reasonably arguable’ tax position, as defined under Schedule 1.

This measure will apply to companies with global revenue of \$1 billion or more.

Employee Share Schemes — further changes to tax treatment

| Revenue (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|----------------------------|---------|---------|---------|---------|---------|
| Australian Taxation Office | - | * | * | * | * |

Consultations on draft legislation to implement changes to the taxation of the employee share schemes announced in the *Mid-Year Economic and Fiscal Outlook 2014-15* (MYEFO) identified some minor technical changes that could be made to the legislation. This measure addresses these issues by:

- excluding eligible venture capital investments from the aggregated turnover test and grouping rules (for the start-up concession);
- providing the capital gains tax discount to employee share scheme interests that are subject to the start-up concession, where options are converted into shares and the resulting shares are sold within 12 months of exercise; and
- allowing the Commissioner of Taxation to exercise discretion in relation to the minimum three-year holding period where there are circumstances outside the employee’s control that make it impossible for them to meet this criterion.

A number of other amendments accompany these changes to make employee share schemes more accessible for Australian businesses and their employees.

These changes will take effect with the remainder of the enabling legislation from 1 July 2015 and are estimated to have a small but unquantifiable cost to revenue over the forward estimates period.

In the 2014-15 MYEFO, the Government announced changes to the taxation of employee share schemes. These changes were designed to make employee share schemes more attractive and accessible for all companies in Australia, and provide additional tax assistance to eligible companies through a start-up concession.

Further information can be found in the media release of 25 March 2015 issued by the Minister for Small Business.

Full Cost Recovery of Superannuation Activities

| Revenue (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|--|---------|---------|---------|---------|---------|
| Australian Prudential Regulation Authority | - | 11.6 | 11.6 | 11.7 | 12.0 |

The Government will raise additional revenue of \$46.9 million over four years from 2015-16 by increasing the supervisory levies paid by financial institutions. This will fully recover the cost of superannuation activities undertaken by the Australian Taxation Office and the Department of Human Services, consistent with the Government's cost recovery guidelines.

Growing Jobs and Small Business — allow immediate deductibility for professional expenses

| Revenue (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|----------------------------|---------|---------|---------|---------|---------|
| Australian Taxation Office | - | - | -10.0 | -10.0 | -10.0 |

The Government will allow businesses to immediately deduct a range of professional expenses associated with starting a new business, such as professional, legal and accounting advice. This measure will be available to businesses from the 2015-16 income year. This measure is estimated to have a cost to revenue of \$30.0 million over the forward estimates period.

Currently, some professional costs associated with a new business start-up are deducted over a five year period. Allowing start-ups to immediately deduct these expenses will provide much needed cash flow for these new businesses.

Growing Jobs and Small Business — capital gains tax roll-over relief for changes to entity structure

| Revenue (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|----------------------------|---------|---------|---------|---------|---------|
| Australian Taxation Office | - | - | - | -20.0 | -20.0 |

The Government will allow small businesses with an aggregated annual turnover of less than \$2 million to change legal structure without attracting a capital gains tax (CGT) liability at that point. This measure will be available for businesses that change entity type from the 2016-17 income year. This measure is estimated to have a cost to revenue of \$40.0 million over the forward estimates period.

CGT roll-over relief is currently available for individuals who incorporate but all other entity type changes have the potential to trigger a CGT liability. This measure recognises that new small businesses might choose an initial legal structure that they later find does not suit them when the business is more established.

Growing Jobs and Small Business — changes to the fringe benefits tax system for work-related electronic devices

| Revenue (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|----------------------------|---------|---------|---------|---------|---------|
| Australian Taxation Office | - | - | * | * | * |

The Government will allow a fringe benefits tax (FBT) exemption from 1 April 2016 for small businesses with an aggregated annual turnover of less than \$2 million that provide employees with more than one qualifying work-related portable electronic device, even where the items have substantially similar functions. This measure is estimated to have a small but unquantifiable cost to revenue over the forward estimates period.

Currently, an FBT exemption can apply to more than one portable electronic device used primarily for work purposes, but only where the devices perform substantially different functions.

Removing the restriction that a tax exemption is only provided for one work-related portable electronic device of each type will remove confusion where there is a function overlap between different products (such as between a tablet and a laptop).

Growing Jobs and Small Business — expanding accelerated depreciation for small businesses

| Revenue (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|----------------------------|---------|---------|---------|---------|---------|
| Australian Taxation Office | - | -250.0 | -800.0 | -850.0 | 150.0 |

The Government will significantly expand accelerated depreciation for small businesses by allowing small businesses with aggregate annual turnover of less than \$2 million to immediately deduct assets they start to use or install ready for use, provided the asset costs less than \$20,000. This will apply for assets acquired and installed ready for use between 7.30pm (AEST) 12 May 2015 and 30 June 2017. Assets valued at \$20,000 or more (which cannot be immediately deducted) can continue to be placed in the small business simplified depreciation pool (the pool) and depreciated at 15 per cent in the first income year and 30 per cent each income year thereafter. The pool can also be immediately deducted if the balance is less than \$20,000 over this period (including existing pools).

The Government will also suspend the current 'lock out' laws for the simplified depreciation rules (these prevent small businesses from re-entering the simplified depreciation regime for five years if they opt out) until 30 June 2017.

These changes will improve cash flow for small businesses and provide a boost to small business activity and investment.

Small businesses can access accelerated depreciation for the majority of capital asset types. Only a small number of assets are not eligible (such as horticultural plants and in-house software). In most cases specific depreciation rules apply to these assets.

From 1 July 2017, the thresholds for the immediate depreciation of assets and the value of the pool will revert back to existing arrangements.

The measure is estimated to have a cost to revenue of \$1.8 billion over the forward estimates period.

Growing Jobs and Small Business — tax cuts for small business

| Revenue (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|----------------------------|---------|---------|---------|----------|----------|
| Australian Taxation Office | - | -250.0 | -950.0 | -1,000.0 | -1,050.0 |

The Government will deliver a tax cut to all small businesses through a 1.5 percentage point tax cut for small companies and a five per cent tax discount on income from unincorporated small business activity. These tax cuts will be available from the 2015-16 income year, and are estimated to have a cost to revenue of \$3.3 billion over the forward estimates period.

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The Government will reduce the company tax rate to 28.5 per cent for companies with aggregated annual turnover less than \$2 million. Companies with an aggregated annual turnover of \$2 million or above will continue to be subject to the current 30 per cent rate on all their taxable income.

The current maximum franking credit rate for a distribution will remain unchanged at 30 per cent for all companies, maintaining the existing arrangements for investors, such as self-funded retirees.

Individual taxpayers with business income from an unincorporated business that has an aggregated annual turnover of less than \$2 million will be eligible for a small business tax discount. The discount will be five per cent of the income tax payable on the business income received from an unincorporated small business entity. The discount will be capped at \$1,000 per individual for each income year, and delivered as a tax offset.

This measure will deliver lower taxes to both incorporated and unincorporated small businesses, improving their cash flow and assisting them to grow, compete and hire new workers.

GST — applying to digital products and services imported by consumers

| Revenue (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|-----------------------------------|---------|---------|---------|---------|---------|
| Australian Taxation Office | - | - | - | 150.0 | 200.0 |
| <i>Related expense (\$m)</i> | | | | | |
| <i>Australian Taxation Office</i> | - | - | 0.7 | 0.1 | 0.1 |
| <i>Department of the Treasury</i> | - | - | - | 150.0 | 200.0 |
| <i>Total — Expense</i> | - | - | 0.7 | 150.1 | 200.1 |
| <i>Related capital (\$m)</i> | | | | | |
| <i>Australian Taxation Office</i> | - | - | 0.8 | - | - |

The application of the GST will be extended to cross border supplies of digital products and services imported by consumers from 1 July 2017. The measure is estimated to have a gain to GST revenue of \$350.0 million over the forward estimates period.

Under the current law, digital products and services imported by consumers are not subject to the GST. This results in forgone GST revenue to the States and Territories and places domestic businesses, which generally have to charge and remit GST on the digital products and services they provide, at a tax disadvantage compared to overseas businesses.

The GST was designed to apply to all products and services, except those specifically exempted, for example fresh food, health and education. This measure ensures that the GST applies to non-exempted products and services, including digital supplies purchased from overseas and from Australia.

This measure will result in Australia being an early adopter of guidelines for business-to-consumer supplies of digital products and services being developed by the Organisation for Economic Co-operation and Development (OECD) as part of the OECD/G20 base erosion and profit shifting project.

This change will require the unanimous agreement of the States and Territories prior to the enactment of legislation.

GST — compliance programme — three year extension

| Revenue (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|-----------------------------------|---------|---------|--------------|--------------|--------------|
| Australian Taxation Office | - | - | 625.2 | 772.5 | 863.4 |
| Department of the Treasury | - | - | 92.6 | 88.3 | 84.6 |
| Total — Revenue | - | - | 717.8 | 860.8 | 948.0 |
| <i>Related expense (\$m)</i> | | | | | |
| <i>Department of the Treasury</i> | - | - | 493.5 | 612.3 | 710.3 |
| <i>Australian Taxation Office</i> | - | - | 92.6 | 88.3 | 84.6 |
| Total — Expense | - | - | 586.1 | 700.6 | 794.9 |

The Government will provide \$265.5 million to the Australian Taxation Office over three years from 2016-17 to continue a range of activities to promote GST compliance.

Arrangements for funding these activities will be settled with the States and Territories in accordance with the *GST Administration Performance Agreement*.

The measure is estimated to increase revenue by \$2.5 billion and expenses by \$2.1 billion with a net improvement to the Budget of \$445.0 million in fiscal terms over the forward estimates period. The revenue includes an additional GST component of \$1.8 billion which will be paid to the States and Territories. Commonwealth tax receipts also increase as GST compliance activity leads to the increased collection of unpaid debts from income tax.

GST — not proceeding with a reverse charge for going concerns and farmland

| Revenue (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|-----------------------------------|---------|---------|---------|---------|---------|
| Australian Taxation Office | - | * | * | * | * |
| <i>Related expense (\$m)</i> | | | | | |
| <i>Department of the Treasury</i> | - | * | * | * | * |

The Government will not proceed with the previously announced but unenacted measure to replace the current GST-free treatment for supplies of going concerns and farmland with a reverse charge mechanism. The Government had previously announced that it would proceed with the measure in December 2013.

The original measure was intended to reduce the compliance burden for taxpayers. However, during design of the implementation of this measure, it became apparent that proceeding with this measure would have resulted in adverse consequences for taxpayers.

Not proceeding with this measure is estimated to have a small but unquantifiable cost to GST revenue to the States and Territories over the forward estimates period.

Income tax relief for Australian Defence Force personnel deployed overseas

| Revenue (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|----------------------------|---------|---------|---------|---------|---------|
| Australian Taxation Office | .. | .. | - | - | - |

The Government will provide income tax relief for Australian Defence Force personnel deployed on Operations AUGURY and HAWICK. A full income tax exemption will be provided to personnel on Operation AUGURY, and the overseas forces tax offset will be available to personnel on Operation HAWICK. This measure is estimated to have a negligible cost to revenue over the forward estimates period.

Introducing a cap for salary sacrificed meal entertainment and entertainment facility leasing expenses

| Revenue (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|----------------------------|---------|---------|---------|---------|---------|
| Australian Taxation Office | - | 20.0 | 85.0 | 90.0 | 100.0 |

The Government will introduce a separate single grossed-up cap of \$5,000 for salary sacrificed meal entertainment and entertainment facility leasing expenses (meal entertainment benefits) for employees. Meal entertainment benefits exceeding the separate grossed-up cap of \$5,000 can also be counted in calculating whether an employee exceeds their existing fringe benefits tax (FBT) exemption or rebate cap. All use of meal entertainment benefits will become reportable.

Currently, employees of public benevolent institutions and health promotion charities have a standard \$30,000 FBT exemption cap (this will be \$31,177 for the first year of the measure, due to the Temporary Budget Repair Levy) and employees of public and not-for-profit hospitals and public ambulance services have a standard \$17,000 FBT exemption cap (this will be \$17,667 for the first year).

In addition to these FBT exemptions, these employees can salary sacrifice meal entertainment benefits with no FBT payable by the employer and without it being reported. Employees of rebatable not-for-profit organisations can also salary sacrifice meal entertainment benefits, but the employers only receive a partial FBT rebate, up to a standard \$30,000 cap (\$31,177 for the first year).

This measure will improve the integrity of the tax system by introducing a limit on the use of these benefits.

This measure will apply prospectively from 1 April 2016 to coincide with the start of the FBT year. This measure is estimated to have a gain to revenue of \$295.0 million over the forward estimates period.

Luxury car tax — exemption for cars acquired by endorsed public museums and public art galleries

| Revenue (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|----------------------------|---------|---------|---------|---------|---------|
| Australian Taxation Office | - | -0.5 | -0.1 | -0.1 | -0.1 |

The Government will allow public museums and public art galleries that have been endorsed by the Commissioner of Taxation as a deductible gift recipient to acquire cars free of luxury car tax. The measure will only be in respect of cars acquired for the purpose of public display, consigned to the collection and not used for private purposes.

This measure will have effect from the date of Royal Assent of the enabling legislation. Assuming a start date in the 2015-16 financial year, the measure is estimated to have a cost to revenue of \$0.8 million over the forward estimates period.

Managed investment trusts — transition period to apply the new tax system

| Revenue (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|----------------------------|---------|---------|---------|---------|---------|
| Australian Taxation Office | - | - | 45.0 | 20.0 | 5.0 |

The Government is proceeding with the implementation of a new tax system for managed investment trusts with a twelve month transition period. The modernised tax rules will now apply from 1 July 2016. Managed investment trusts can choose to apply them from the earlier start date of 1 July 2015.

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This measure is estimated to have a gain to revenue of \$70.0 million over the forward estimates period as most managed investment trusts are expected to apply the new rules from 1 July 2016.

- A managed investment trust is a type of collective investment vehicle that is widely held and undertakes primarily passive investment.
- The new rules will reduce compliance costs and make Australian managed investment funds more attractive.

The provision of a transition period responds to stakeholder feedback that many managed investment trusts require additional time to make amendments to their trust deeds and IT systems.

Managed investment trusts and other trusts treated as managed investment trusts will continue to be allowed to disregard the trust streaming provisions for the 2015-16 income year. This will ensure these interim arrangements for managed investment trusts continue to apply until the commencement of the new rules.

Modernising the Offshore Banking Unit regime

| Revenue (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|----------------------------|---------|---------|---------|---------|---------|
| Australian Taxation Office | - | - | 12.4 | 13.6 | 15.8 |

Following consultation, the Government will proceed with reforms to modernise the Offshore Banking Unit (OBU) regime and targeted integrity measures. This will apply to income years commencing on or after 1 July 2015. This measure is expected to attract additional mobile financial services activity to Australia as the OBU regime applies a tax rate of 10 per cent to eligible activities and is estimated to have a gain to revenue of \$41.8 million over the forward estimates period.

The law will be amended to modernise the OBU tax concession by:

- updating the list of eligible activities to better target genuine mobile financial sector activities by including, for example, leasing arrangements; and
- updating the method of allocating certain expenses between the operations of a taxpayer's domestic banking unit and the OBU to ensure expenses and revenue are properly matched.

The law will also be amended to improve the integrity of the regime by:

- limiting the availability of the OBU concession by constraining the ability for the domestic bank to transfer ownership of a foreign subsidiary to the OBU part of the bank;

- ensuring internal financial dealings (for example, between the OBU part of an Australian bank and the offshore branch of the bank) are priced on an arm's length basis; and
- codifying the 'choice principle' to remove uncertainty for taxpayers as recommended by the *Australia as a Financial Centre – Building on Our Strengths* report (Johnson Report) by the Australian Financial Centre Forum chaired by Mark Johnson.

On 30 January 2014, the Government announced that it would delay the start date of the former Government's measure to better target and address integrity issues associated with the OBU regime. This delay was to allow for the targeted integrity rules to be fully considered and implemented in one complete package with other OBU reforms that were recommended by the Johnson Report, including the recommendation to review the list of activities eligible for the OBU tax concession.

Further information can be found in the joint media release issued by the Treasurer and the then Assistant Treasurer on 6 November 2013.

Personal income tax — better targeting the Zone Tax Offset to exclude 'fly-in fly-out' and 'drive-in drive-out' workers

| Revenue (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|----------------------------|---------|---------|---------|---------|---------|
| Australian Taxation Office | - | - | 105.0 | 110.0 | 110.0 |

The Government will exclude 'fly-in fly-out' and 'drive-in drive-out' (FIFO) workers from the Zone Tax Offset (ZTO) where their normal residence is not within a 'zone'. This measure will take effect from 1 July 2015 and is estimated to have a gain to revenue of \$325.0 million over the forward estimates period.

The ZTO is a concessional tax offset available to individuals in recognition of the isolation, uncongenial climate and high cost of living associated with living in identified locations. Eligibility is based on defined geographic zones.

Currently, to be eligible for the ZTO, a taxpayer must reside or work in a specified remote area for more than 183 days in an income year. It is estimated that around 20 per cent of all claimants do not actually live full-time in the zones. Many of these are FIFO workers who do not face the same challenges of remote living that the ZTO was designed to address.

This measure will better target the ZTO to taxpayers who have taken up genuine residence within the zones. This will align ZTO with the original intent of the policy, which was to support genuine residents of zones. For those FIFO workers whose normal residence is in one zone, but who work in a different zone, they will retain the ZTO entitlement associated with their normal place of residence.

Personal income tax — changes to tax residency rules for temporary working holiday makers

| Revenue (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|------------------------------|---------|---------|---------|---------|---------|
| Australian Taxation Office | - | - | 100.0 | 220.0 | 220.0 |
| <i>Related expense (\$m)</i> | | | | | |
| Australian Taxation Office | - | 0.8 | 1.8 | 1.8 | 0.2 |
| <i>Related capital (\$m)</i> | | | | | |
| Australian Taxation Office | - | 0.5 | - | - | - |

The Government will change the tax residency rules from 1 July 2016 to treat most people who are temporarily in Australia for a working holiday as non-residents for tax purposes, regardless of how long they are here. This means they will be taxed at 32.5 per cent from their first dollar of income.

Currently, a working holiday maker can be treated as a resident for tax purposes if they satisfy the tax residency rules, typically that they are in Australia for more than six months. This means they are able to access resident tax treatment, including the tax-free threshold, the low income tax offset (LITO) and the lower tax rate of 19 per cent for income above the tax free threshold up to \$37,000.

This measure is estimated to have a gain to revenue of \$540.0 million over the forward estimates period. The Government will provide \$5.1 million to the Australian Taxation Office to implement this measure.

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

| Revenue (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|----------------------------|---------|---------|---------|---------|---------|
| Australian Taxation Office | - | -81.0 | -50.0 | -50.0 | -50.0 |

The Government will increase the Medicare levy low-income thresholds for singles, families and single seniors and pensioners from the 2014-15 income year, to take account of movements in the Consumer Price Index so that low-income taxpayers generally continue to be exempted from paying the Medicare levy. The threshold for singles will be increased to \$20,896. For couples with no children, the threshold will be increased to \$35,261 and the additional amount of threshold for each dependent child or student will be increased to \$3,238. For single seniors and pensioners, the threshold will be increased to \$33,044. This measure is estimated to have a cost to revenue of \$231.0 million over the forward estimates period.

Personal income tax — modernising the methods used for calculating work-related car expense deductions

| Revenue (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|----------------------------|---------|---------|---------|---------|---------|
| Australian Taxation Office | - | - | 270.0 | 280.0 | 295.0 |

The Government will modernise the methods of calculating work-related car expense deductions from the 2015-16 income year. The '12 per cent of original value method' and the 'one-third of actual expenses method', which are used by less than two per cent of those who claim work-related car expenses, will be removed. The 'cents per kilometre method', will be modernised by replacing the three current rates based on engine size with one rate set at 66 cents per kilometre to apply for all motor vehicles, with the Commissioner of Taxation responsible for updating the rate in following years. The 'logbook method' of calculating expenses will be retained. These changes will not affect leasing and salary sacrifice arrangements.

These changes will better align car expense deductions with the average costs of operating a motor vehicle. This measure is estimated to have a gain to revenue of \$845.0 million over the forward estimates period.

Personal income tax — removing an income tax exemption for government employees

| Revenue (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|----------------------------|---------|---------|---------|---------|---------|
| Australian Taxation Office | - | - | 1.3 | 2.7 | 2.7 |

The Government will remove an income tax exemption that is currently available to government employees who earn income while delivering Official Development Assistance overseas for more than 90 continuous days. This measure will take effect from 1 July 2016 and is estimated to have a gain to revenue of \$6.7 million over the forward estimates period.

This measure will remove the inconsistent taxation of government employees delivering Official Development Assistance overseas by ensuring that their foreign earnings are treated as assessable income in Australia.

Australian Defence Force and Australian Federal Police personnel and individuals delivering Official Development Assistance for a charity or private sector contracting firm will maintain eligibility for the exemption.

Philanthropy — specifically listing the Global Infrastructure Hub as an income tax exempt entity

| Revenue (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|----------------------------|---------|---------|---------|---------|---------|
| Australian Taxation Office | - | - | - | - | - |

The Government will ensure that the Global Infrastructure Hub (the Hub) is exempt from income tax by amending Division 50 of the *Income Tax Assessment Act 1997* to specifically list it as an income tax exempt entity. This measure is estimated to have no revenue impact over the forward estimates period.

The Hub was established following a joint statement from the Prime Minister and the Treasurer at the G20 Leaders' Summit in November 2014. The Hub will work internationally to lift the quality and quantity of public and private investment in infrastructure through information development, knowledge sharing, training and the implementation of leading practices.

The mandate for the Hub will cease in 2018 and the exemption from income tax will apply to amounts that would be included in assessable income from 24 December 2014 to 30 June 2019.

Philanthropy — updates to the list of specifically listed deductible gift recipients

| Revenue (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|----------------------------|---------|---------|---------|---------|---------|
| Australian Taxation Office | - | -0.2 | -1.2 | -1.2 | -0.9 |

Since the *Mid-Year Economic and Fiscal Outlook 2014-15*, the following organisations have been approved as specifically listed deductible gift recipients (DGRs) from 1 January 2015:

- International Jewish Relief Limited; and
- National Apology Foundation.

The following organisations, which are currently listed as DGRs, have had their listings extended, to expire on 31 December 2017:

- National Boer War Memorial Association; and
- Australian Peacekeeping Memorial Project.

Taxpayers may claim an income tax deduction for gifts of money or property to DGRs.

This measure is estimated to have a cost to revenue of \$3.5 million over the forward estimates period.

Release of superannuation for terminal medical condition — relaxing criteria

| Revenue (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|----------------------------|---------|---------|---------|---------|---------|
| Australian Taxation Office | - | -0.3 | .. | .. | .. |

From 1 July 2015, the Government will extend access to superannuation for people with a terminal medical condition. Currently, patients must have two medical practitioners (including a specialist) certify that they are likely to die within one year to gain unrestricted tax free access to their superannuation balance. The Government will change this period to two years. This will give terminally ill patients earlier access to their superannuation.

This measure is estimated to have a cost to revenue of \$0.3 million over the forward estimates period.

Research and Development tax incentive — introducing a \$100 million expenditure cap

| Revenue (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|----------------------------|---------|---------|---------|---------|---------|
| Australian Taxation Office | - | - | - | - | - |

The Government has introduced a cap of \$100 million on the amount of eligible research and development (R&D) expenditure for which companies can claim a tax offset at a concessional rate under the R&D tax incentive. Expenditure beyond the \$100 million cap will receive a lower offset at the company tax rate.

These changes apply in relation to assessments for income years commencing on or after 1 July 2014. This measure also includes provisions for the changes to be reviewed five years following Royal Assent and to sunset 10 years following the start date of 1 July 2014.

Under the R&D tax incentive, companies can claim a refundable tax offset of 43.5 per cent if their turnover is less than \$20 million or a non-refundable tax offset of 38.5 per cent.

This measure replaces the measure announced by the previous Government in the 2013-14 Budget, *A Plan for Australian Jobs – Research and Development tax incentive – better targeting*, and was included as a ‘decision taken but not yet announced’ in the 2014-15 *Mid-Year Economic and Fiscal Outlook*.

This measure is estimated to have a financial impact similar to the measure it replaced; therefore, it will have no impact on the Budget bottom line.

Serious Financial Crime taskforce — addressing financial and tax fraud

| Revenue (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|------------------------------|---------|---------|---------|---------|---------|
| Australian Taxation Office | - | 31.8 | 107.9 | 141.6 | 138.4 |
| <i>Related expense (\$m)</i> | | | | | |
| Australian Taxation Office | - | 29.5 | 32.2 | 32.7 | 33.2 |
| Department of the Treasury | - | 0.1 | 0.6 | 1.1 | 1.4 |
| <i>Total — Expense</i> | - | 29.6 | 32.8 | 33.8 | 34.6 |

The Government will provide \$127.6 million over four years to a Serious Financial Crime taskforce for investigations and prosecutions that will address superannuation and investment fraud, identity crime and tax evasion.

The aim of the taskforce is to maintain integrity and community confidence in Australian financial markets and regulatory systems.

The taskforce agencies include the Australian Taxation Office, Australian Crime Commission, Australian Federal Police, Attorney-General's Department, Australian Transaction Reports and Analysis Centre, Australian Securities and Investments Commission, Commonwealth Director of Public Prosecutions and Australian Customs and Border Protection Services.

The measure is estimated to increase revenue by \$419.7 million and expenses by \$130.8 million with a net improvement to the Budget of \$288.9 million in fiscal terms over the forward estimates period. The revenue includes an additional GST component of \$3.2 million, which will be paid to the States and Territories.

Further information can be found in the media release of 5 May 2015 issued by the Treasurer.

Strengthening Australia's foreign investment framework

| Revenue (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|-----------------------------------|---------|---------|---------|---------|---------|
| Australian Taxation Office | - | 115.0 | 185.0 | 215.0 | 220.0 |
| <i>Related expense (\$m)</i> | | | | | |
| <i>Australian Taxation Office</i> | - | 11.8 | 9.6 | 8.2 | 7.6 |
| <i>Department of the Treasury</i> | - | 10.9 | 7.7 | 7.5 | 7.6 |
| <i>Department of Agriculture</i> | - | 0.2 | 0.2 | 0.2 | 0.2 |
| <i>Total — Expense</i> | - | 22.9 | 17.5 | 15.8 | 15.3 |
| <i>Related capital (\$m)</i> | | | | | |
| <i>Australian Taxation Office</i> | - | 9.2 | 1.1 | - | - |
| <i>Department of the Treasury</i> | - | 1.7 | - | - | - |
| <i>Total — Capital</i> | - | 10.9 | 1.1 | - | - |

The Government will strengthen Australia's foreign investment framework through improved compliance and enforcement, stricter penalties, the introduction of application fees, and more scrutiny and greater transparency for agricultural investment.

The introduction of application fees on all real estate, business and agricultural foreign investment proposals from 1 December 2015 is estimated to raise \$735.0 million in revenue over the forward estimates period.

The Government will provide \$19.7 million over four years from 2015-16 to the Department of the Treasury and \$47.5 million to the Australian Taxation Office to improve compliance and strengthen the enforcement of Australia's foreign investment framework. The Government will also provide \$0.6 million to the Department of Agriculture to advise on specific agricultural foreign investment proposals.

Under the new arrangements, increased criminal penalties and a new civil pecuniary penalties regime will be introduced for breaches of the *Foreign Acquisitions and Takeovers Act 1975*. A reduced penalty period for foreign investors that have previously breached the foreign investment rules in relation to residential real estate has been provided until 30 November 2015. These investors may avoid prosecution, but will be required to divest the property.

Increased scrutiny and transparency around the levels of foreign investment in agriculture will be achieved by lowering screening thresholds and introducing a foreign ownership register.

In addition, the Government will provide \$15.8 million over four years to establish a Treasury office in Sydney. Establishing an office in Sydney will enable the Treasury to engage with the private sector more effectively on a range of issues, including foreign investment. It will also enable the Treasury to attract talented people with specialist skills and experience to augment the current skills of the department.

Further information on strengthening Australia's foreign investment framework can be found in the joint media release of 2 May 2015 issued by the Prime Minister and the Treasurer.

Tax administration — statutory remedial power for the Commissioner of Taxation

| Revenue (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|----------------------------|---------|---------|---------|---------|---------|
| Australian Taxation Office | - | - | - | - | - |

The Government will provide the Commissioner of Taxation with a power to make a legislative instrument to modify the operation of the tax law to ensure that the law's purpose or object is achieved. The measure will have effect from the date of Royal Assent of the enabling legislation. This measure is estimated to have no revenue impact over the forward estimates period.

The nature and volume of tax law and its evolution has sometimes produced unforeseen or unintended outcomes when applied. The statutory remedial power will allow the Commissioner to administer the law consistently with its purpose or object, where it has no more than a negligible budget impact and provided it has a beneficial outcome for affected taxpayers. This measure will reduce the regulatory burden on taxpayers by enhancing certainty.

A legislative instrument made by the Commissioner will be subject to extensive consultations and disallowance by Parliament.

Part 2: Expense Measures

Table 2: Expense measures since the 2014-15 MYEFO^(a)

| Page | | 2014-15 \$m | 2015-16 \$m | 2016-17 \$m | 2017-18 \$m | 2018-19 \$m |
|--|---|----------------|----------------|----------------|----------------|----------------|
| AGRICULTURE | | | | | | |
| <i>Department of Agriculture</i> | | | | | | |
| 6 | Changes to agricultural production levies(b) | 0.2 | 3.4 | 3.4 | 3.4 | 3.4 |
| 118 | Emerging International Airports | - | 0.5 | 0.5 | 0.5 | 0.5 |
| 55 | Maintain funding for Quarantine Border Security — ongoing extension | - | - | - | - | - |
| 55 | Managing Biosecurity Risks — expanded surveillance and offshore audits | nfp | nfp | nfp | nfp | nfp |
| 56 | Mechanical Fuel Load Reduction Trial | - | - | - | - | - |
| 56 | National Food Plan — saving | - | - | - | - | - |
| 137 | Norfolk Island Reform | - | 0.4 | 1.7 | 1.5 | 1.4 |
| 65 | Safeguarding Law Enforcement Integrity — continuation | - | -0.5 | -0.5 | -0.5 | -0.5 |
| 56 | Smaller Government — Agriculture Portfolio | - | - | - | - | - |
| 31 | Strengthening Australia's foreign investment framework(b) | - | 0.2 | 0.2 | 0.2 | 0.2 |
| 57 | Supporting Drought Affected Communities — local infrastructure and management of pest impact | - | 0.3 | 0.2 | 0.2 | 0.2 |
| 58 | Supporting Drought Affected Communities — Immediate Assistance | - | 11.1 | 0.3 | - | - |
| Portfolio total | | 0.2 | 15.4 | 5.7 | 5.2 | 5.2 |
| ATTORNEY-GENERAL'S | | | | | | |
| <i>Administrative Appeals Tribunal</i> | | | | | | |
| 159 | Growing Jobs and Small Business — Youth Employment Strategy — revised waiting period for youth income support | - | -0.8 | -0.3 | -0.2 | -0.5 |
| 168 | Removing Double-Dipping from Parental Leave Pay | - | - | 0.5 | 0.2 | 0.2 |
| 169 | Social Security Assets Test — rebalance asset test thresholds and taper rate | - | - | 3.4 | - | - |
| 170 | Social Security Income Test — improve integrity of social security income test arrangements | - | 0.2 | 0.2 | - | - |
| 116 | Strengthening the Integrity of Welfare Payments | - | - | - | 0.4 | 1.0 |
| <i>Attorney-General's Department</i> | | | | | | |
| 179 | Anzac Centenary Program 2014-18 — additional funding | - | - | 0.3 | 0.3 | 0.3 |
| 59 | Arts and cultural programmes — efficiencies | .. | -0.7 | -0.5 | -0.5 | -0.5 |
| 59 | Attorney-General's Portfolio — efficiencies | -6.2 | -6.2 | -7.0 | -12.6 | -22.2 |
| 60 | Disaster Relief | 41.4 | 11.9 | - | - | - |
| 161 | Intercountry Adoption — national support service | - | - | -0.3 | -0.5 | -0.5 |

Table 2: Expense measures since the 2014-15 MYEFO^(a) (continued)

| Page | | 2014-15 \$m | 2015-16 \$m | 2016-17 \$m | 2017-18 \$m | 2018-19 \$m |
|------|--|----------------|----------------|----------------|----------------|----------------|
| | ATTORNEY-GENERAL'S (continued) | | | | | |
| 60 | Legal Assistance Funding — extension | - | 13.0 | 12.4 | - | - |
| 61 | National Partnership on Legal Assistance Services — continuation | - | -40.0 | -42.2 | -30.1 | -30.6 |
| 62 | National Programme for Excellence in the Arts — establishment | - | 27.7 | 27.7 | 28.0 | 26.6 |
| | National Security | | | | | |
| 62 | – Combating Terrorist Propaganda in Australia | - | 5.4 | 5.3 | 5.4 | 5.5 |
| 63 | – Implementation of mandatory telecommunications data retention | - | 65.0 | 52.5 | 13.8 | - |
| 64 | Native Title Respondents Scheme — extension | - | 0.8 | 1.6 | 1.7 | 1.7 |
| | <i>Australia Council</i> | | | | | |
| 59 | Arts and cultural programmes — efficiencies | - | -1.8 | -1.8 | -1.8 | -1.8 |
| 62 | National Programme for Excellence in the Arts — establishment | - | -27.7 | -27.7 | -28.0 | -26.6 |
| | <i>Australian Commission for Law Enforcement Integrity</i> | | | | | |
| 123 | National Security — strengthen and enhance Australia's border protection services — further measures | - | 3.1 | 3.1 | 3.1 | 3.1 |
| 65 | Safeguarding Law Enforcement Integrity — continuation | - | 0.7 | 0.7 | 0.7 | 0.7 |
| | <i>Australian Crime Commission</i> | | | | | |
| 63 | National Security — Implementation of mandatory telecommunications data retention | - | - | - | - | - |
| | <i>Australian Federal Police</i> | | | | | |
| 59 | Australian Federal Police — future engagement with the United Nations Peacekeeping Force in Cyprus | - | - | - | - | - |
| | National Security | | | | | |
| 63 | – Implementation of mandatory telecommunications data retention | - | - | - | - | - |
| 64 | – Operation Sovereign Borders — Disruption Deterrence Task Group — continuation | - | .. | .. | - | - |
| | <i>Australian Human Rights Commission</i> | | | | | |
| 63 | National Security — Implementation of mandatory telecommunications data retention | - | - | 1.1 | 1.0 | 1.0 |
| | <i>Australian Security Intelligence Organisation</i> | | | | | |
| | National Security | | | | | |
| 63 | – Implementation of mandatory telecommunications data retention | - | - | - | - | - |
| 64 | – Operation Sovereign Borders — Disruption Deterrence Task Group — continuation | - | - | - | - | - |

Table 2: Expense measures since the 2014-15 MYEFO^(a) (continued)

| Page | | 2014-15 \$m | 2015-16 \$m | 2016-17 \$m | 2017-18 \$m | 2018-19 \$m |
|------|--|----------------|----------------|----------------|----------------|----------------|
| | ATTORNEY-GENERAL'S (continued) | | | | | |
| | <i>Australian Transaction Reports and Analysis Centre</i> | | | | | |
| 65 | Safeguarding Law Enforcement Integrity — continuation | - | -0.2 | -0.2 | -0.2 | -0.2 |
| 116 | Strengthening the Integrity of Welfare Payments | - | 1.5 | 2.9 | 2.7 | 3.0 |
| | <i>CrimTrac Agency</i> | | | | | |
| 60 | Biometrics Identification Services | - | 0.7 | - | - | - |
| 65 | Safeguarding Law Enforcement Integrity — continuation | - | -0.1 | -0.1 | -0.1 | -0.1 |
| | <i>Family Court and Federal Circuit Court</i> | | | | | |
| 66 | Streamlining and improving the sustainability of Courts | - | 4.6 | 2.3 | 3.1 | 4.0 |
| | <i>Federal Court of Australia</i> | | | | | |
| 66 | Streamlining and Improving the Sustainability of Courts | - | 2.2 | 0.3 | 0.6 | 0.8 |
| | <i>National Gallery of Australia</i> | | | | | |
| 65 | Smaller Government — Attorney-General's Portfolio | - | -0.1 | -0.1 | -0.1 | -0.1 |
| | <i>Office of the Australian Information Commissioner</i> | | | | | |
| 63 | National Security — Implementation of mandatory telecommunications data retention | - | 1.1 | - | - | - |
| 65 | Smaller Government — Attorney-General's Portfolio | - | 1.7 | - | - | - |
| | <i>Office of the Director of Public Prosecutions</i> | | | | | |
| 116 | Strengthening the Integrity of Welfare Payments | - | 2.8 | 2.2 | 2.3 | 2.3 |
| | <i>Screen Australia</i> | | | | | |
| 59 | Arts and cultural programmes — efficiencies | - | -0.9 | -0.9 | -0.9 | -0.9 |
| | Portfolio total | 35.2 | 64.0 | 35.6 | -11.8 | -33.7 |
| | COMMUNICATIONS | | | | | |
| | <i>Australian Broadcasting Corporation</i> | | | | | |
| 69 | Smaller Government — Communications Portfolio | - | - | - | - | - |
| | <i>Australian Communications and Media Authority</i> | | | | | |
| 63 | National Security — Implementation of mandatory telecommunications data retention | - | - | - | - | - |
| | <i>Digital Transformation Office</i> | | | | | |
| 68 | Digital Transformation Agenda — Stage One and establishment of the Digital Transformation Office | - | 28.6 | 25.7 | 22.4 | 20.9 |
| | <i>Various Agencies</i> | | | | | |
| 67 | Digital Transformation Agenda — Portfolio Contributions | -11.1 | -44.7 | -23.2 | -22.1 | -18.0 |
| | Portfolio total | -11.1 | -16.1 | 2.5 | 0.3 | 2.9 |

Table 2: Expense measures since the 2014-15 MYEFO^(a) (continued)

| Page | | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|--|--|------------|--------------|-------------|--------------|--------------|
| | | \$m | \$m | \$m | \$m | \$m |
| CROSS PORTFOLIO | | | | | | |
| <i>Various Agencies</i> | | | | | | |
| 70 | Administered Programme Indexation Pause — two year extension | - | - | - | -8.4 | -21.9 |
| 70 | Public Sector Savings — Enterprise Resource Planning Systems | - | - | - | -14.1 | -17.3 |
| 94 | Whole-of-government procurement arrangements — Information and Communications Technologies (ICT) products and services | - | - | -5.8 | -8.8 | -14.8 |
| Portfolio total | | - | - | -5.8 | -31.3 | -54.0 |
| DEFENCE | | | | | | |
| <i>Department of Defence</i> | | | | | | |
| 71 | Operation Accordion — extension | - | 192.4 | 1.4 | 0.6 | - |
| 71 | Operation Highroad | 4.5 | 115.7 | 11.3 | 7.9 | - |
| 72 | Operation Manitou | - | 40.3 | 0.5 | 0.5 | - |
| 73 | Operation Okra — continued support | - | 370.8 | 11.8 | 10.0 | - |
| 74 | Operation Resolute — extension | - | 48.1 | 5.7 | - | - |
| 184 | Sir John Monash Centre — Villers-Bretonneux, France | - | - | - | - | - |
| 74 | Smaller Government — Defence Materiel Organisation — reintegration into the Department of Defence | - | - | - | - | - |
| Portfolio total | | 4.5 | 767.3 | 30.7 | 19.1 | - |
| EDUCATION AND TRAINING | | | | | | |
| <i>Australian Institute of Aboriginal and Torres Strait Islander Studies</i> | | | | | | |
| 76 | Australian Institute of Aboriginal and Torres Strait Islander Studies — preservation of Indigenous cultural resources | - | 5.0 | - | - | - |
| <i>Department of Education and Training</i> | | | | | | |
| 75 | Adult Migrant English Programme — expansion | - | 14.5 | - | - | - |
| 75 | Australian Consensus — establishment | - | - | - | - | - |
| 75 | Australian Early Development Census — saving | - | - | - | - | - |
| 76 | Families Package — National Partnership Agreement on Universal Access to Early Childhood Education — extension | - | - | 1.5 | 1.5 | - |
| 9 | Higher Education Loan Programme — recovery of repayments from overseas debtors(b) | - | 0.2 | 0.2 | 0.2 | .. |
| 76 | Higher Education Participation Programme — adjustment | - | -5.0 | - | - | - |
| 77 | Improving the Quality of Teachers and Teacher Education Courses | - | 4.8 | 4.3 | 4.1 | 3.7 |

Table 2: Expense measures since the 2014-15 MYEFO^(a) (continued)

| Page | | 2014-15 \$m | 2015-16 \$m | 2016-17 \$m | 2017-18 \$m | 2018-19 \$m |
|------|--|----------------|----------------|----------------|----------------|----------------|
| | EDUCATION AND TRAINING (continued) | | | | | |
| 78 | National Collaborative Research Infrastructure Strategy — continuation | - | - | 150.0 | - | - |
| 78 | Parental Awareness Campaign | -3.7 | 3.7 | - | - | - |
| 78 | Remote Indigenous Students Attending Non-Government Boarding Schools — continuation | - | 3.5 | 1.9 | - | - |
| 79 | Smaller Government — Education and Training Portfolio | -0.8 | -31.9 | -24.0 | -30.4 | -44.1 |
| 80 | Sustainable Research Excellence — adjustment | - | - | -150.0 | -37.5 | -75.0 |
| 80 | VET FEE-HELP — enhanced compliance regime | - | 4.6 | 3.9 | 3.1 | 3.1 |
| | Portfolio total | -4.5 | -0.7 | -12.2 | -59.0 | -112.3 |
| | EMPLOYMENT | | | | | |
| | <i>Comcare</i> | | | | | |
| 92 | Simplifying Parliamentary Budgets | - | 0.3 | 0.2 | 0.2 | 0.2 |
| | <i>Department of Employment</i> | | | | | |
| 81 | Beacon Foundation — grant funding | - | - | - | - | - |
| 81 | Employment Services — Changes to Service Fees and Cessation of Personal Contact Interviews | -45.8 | - | - | - | - |
| 82 | Fair Entitlements Guarantee — recovery programme — trial | - | 5.7 | 5.8 | - | - |
| 82 | Geelong Employment Facilitator — extension | -1.3 | 0.8 | 0.6 | - | - |
| | <i>Growing Jobs and Small Business</i> | | | | | |
| 82 | – engaging early school leavers | - | 1.3 | 2.6 | 2.7 | 2.8 |
| 83 | – further strengthening the job seeker compliance arrangements | - | 0.4 | 0.1 | 0.1 | - |
| 84 | – wage subsidies — redesign | -0.1 | -103.3 | -21.0 | 57.6 | 66.4 |
| 85 | – Youth Employment Strategy — intensive support — transition to work | - | 22.0 | 60.8 | 63.6 | 61.2 |
| 158 | – Youth Employment Strategy — intensive support for vulnerable job seekers | - | 15.5 | 27.6 | 27.9 | 12.5 |
| 159 | – Youth Employment Strategy — revised waiting period for youth income support | - | .. | - | - | - |
| 85 | <i>Growing Jobs and Small Business Package — National Work Experience Programme</i> | - | 3.2 | 4.0 | 4.7 | 3.6 |
| 137 | Norfolk Island Reform | - | 0.1 | 0.4 | 0.3 | 0.3 |
| 116 | Strengthening the Integrity of Welfare Payments | - | - | - | 2.4 | 9.1 |
| | Portfolio total | -47.1 | -54.1 | 81.0 | 159.3 | 156.0 |
| | ENVIRONMENT | | | | | |
| | <i>Climate Change Authority</i> | | | | | |
| 87 | Climate Change Authority — extension | - | 3.6 | 2.6 | - | - |
| | <i>Department of the Environment</i> | | | | | |
| 87 | Antarctica — maintaining Australia's presence | - | 9.4 | - | - | - |

Table 2: Expense measures since the 2014-15 MYEFO^(a) (continued)

| Page | | 2014-15 \$m | 2015-16 \$m | 2016-17 \$m | 2017-18 \$m | 2018-19 \$m |
|------|--|----------------|----------------|----------------|----------------|----------------|
| | ENVIRONMENT (continued) | | | | | |
| 87 | Climate Change Authority — extension | -3.8 | -1.6 | -0.8 | - | - |
| 87 | Government Response to the Home Insulation Program Royal Commission — act of grace payments | nfp | - | - | - | - |
| 88 | Green Army — efficiencies | - | -6.6 | -13.8 | -45.6 | -7.2 |
| 88 | National Landcare Programme — funding adjustment | -2.2 | - | - | - | -10.2 |
| 88 | National Urban Water and Desalination Plan — savings | -1.2 | - | - | - | - |
| 89 | Reef Trust — additional contribution | - | 5.5 | 25.0 | 30.0 | 39.5 |
| 89 | Smaller Government — Environment Portfolio | - | - | - | - | - |
| 90 | Tasmanian Irrigation Tranche II — contribution | - | - | - | - | - |
| | Portfolio total | -7.1 | 10.3 | 13.0 | -15.6 | 22.1 |
| | FINANCE | | | | | |
| | <i>Department of Finance</i> | | | | | |
| 147 | Aged Care — Home Care Programme — increasing consumer choice | - | 0.1 | 0.1 | 0.1 | 0.1 |
| 172 | Australian Bureau of Statistics — business transformation | - | - | - | - | - |
| 91 | Central Budget Management System — further redevelopment | nfp | nfp | nfp | nfp | nfp |
| 91 | Defence Housing Australia — reform | - | 3.5 | 0.5 | - | - |
| 68 | Digital Transformation Agenda — Stage One and establishment of the Digital Transformation Office | - | 0.8 | 0.8 | 1.0 | 0.8 |
| 154 | Families Package — Child Care — Workforce Participation Stream | - | 0.1 | - | - | - |
| 195 | Information technology security enhancements for Parliamentarians(c) | - | 1.7 | 1.7 | 1.7 | 1.8 |
| 161 | Intercountry Adoption — national support service | 0.1 | - | - | - | - |
| 104 | My Health Record — a new direction for electronic health records in Australia | - | -0.1 | -0.1 | .. | - |
| 163 | National Disability Insurance Agency Full Scheme ICT | - | 0.1 | 0.1 | 0.1 | 0.1 |
| 98 | National Security — Australian Secret Intelligence Service — strengthening capabilities | - | 0.1 | 0.1 | 0.1 | 0.1 |
| 167 | No Jab No Pay | - | 0.1 | - | - | - |
| 199 | Parliamentary Departments — additional funding(c) | - | 0.7 | 0.7 | 0.7 | 0.7 |
| 92 | Simplifying Parliamentary Budgets | - | 0.2 | 0.1 | 0.1 | 0.1 |

Table 2: Expense measures since the 2014-15 MYEFO^(a) (continued)

| Page | | 2014-15 \$m | 2015-16 \$m | 2016-17 \$m | 2017-18 \$m | 2018-19 \$m |
|------|---|----------------|----------------|----------------|----------------|----------------|
| | FINANCE (continued) | | | | | |
| | Smaller Government | | | | | |
| 92 | – Australian Rail Track Corporation Limited — scoping study | - | - | - | - | - |
| 93 | – Australian Securities and Investments Commission Registry Function — commercialisation | - | 11.6 | - | - | - |
| 93 | – Finance Portfolio | - | - | - | - | - |
| 10 | – Property Divestment Programme — general office accommodation Canberra(b) | - | 4.4 | 0.4 | - | - |
| 10 | – Property Divestment Programme — Mount Macedon Property(b) | - | 0.3 | 0.2 | - | - |
| 117 | Welfare Payment Infrastructure Transformation — Tranche One | - | 0.1 | 0.1 | - | - |
| 94 | Whole-of-government procurement arrangements — Information and Communications Technologies (ICT) products and services | - | 3.4 | 3.3 | 4.5 | 4.4 |
| | Portfolio total | 0.1 | 27.1 | 8.0 | 8.3 | 8.1 |
| | FOREIGN AFFAIRS AND TRADE | | | | | |
| | <i>Australian Secret Intelligence Service</i> | | | | | |
| 98 | National Security — Australian Secret Intelligence Service — strengthening capabilities | - | 10.6 | 14.3 | 20.3 | 24.1 |
| | <i>Australian Trade Commission</i> | | | | | |
| 95 | Australia Week Events | - | 0.8 | 2.8 | 2.8 | 2.8 |
| 101 | Developing Northern Australia — positioning the north as a leader in tropical health | - | 1.4 | 2.2 | 2.7 | 2.3 |
| 97 | Free Trade Agreement Promotion | - | 13.4 | 8.2 | - | - |
| 97 | Match Australia — continuation and expansion | - | 0.2 | - | -0.2 | - |
| 98 | Strengthening Australia's ability to attract foreign investment | - | 5.9 | 8.2 | 8.1 | 7.9 |
| | <i>Department of Foreign Affairs and Trade</i> | | | | | |
| 95 | Australia Week Events | - | - | - | - | - |
| 95 | Australian embassy in Baghdad — continuation | - | 46.4 | 48.3 | - | - |
| 96 | Australia's diplomatic engagement in Afghanistan — continuation | - | 64.1 | 68.0 | - | - |
| 96 | Cadbury — redirection of grant funding | -4.0 | -8.0 | -4.0 | - | - |
| 96 | Expanding Australia's Diplomatic Footprint | - | 10.7 | 16.3 | 17.8 | 16.9 |
| 97 | Free Trade Agreement Promotion | - | 1.2 | 1.4 | - | - |
| 161 | Intercountry Adoption — national support service | 0.6 | 1.6 | - | - | - |
| 12 | Passport Fees and Charges — reforms(b) | - | - | - | .. | .. |
| | <i>Tourism Australia</i> | | | | | |
| 95 | Australia Week Events | - | - | - | - | - |
| | Portfolio total | -3.4 | 148.4 | 165.8 | 51.4 | 54.0 |

Table 2: Expense measures since the 2014-15 MYEFO^(a) (continued)

| Page | | 2014-15 \$m | 2015-16 \$m | 2016-17 \$m | 2017-18 \$m | 2018-19 \$m |
|------|--|----------------|----------------|----------------|----------------|----------------|
| | HEALTH | | | | | |
| | <i>Australian Organ and Tissue Donation and Transplantation Authority</i> | | | | | |
| 99 | Accelerating Growth in Organ and Tissue Donation for Transplantation | - | 5.9 | 2.2 | - | - |
| | <i>Department of Health</i> | | | | | |
| 99 | Accelerating growth in organ and tissue donation for transplantation | - | 0.6 | 0.7 | - | - |
| 99 | Better Targeted Rural Financial Incentives for Doctors | -0.6 | -2.6 | .. | 0.1 | 0.1 |
| 99 | Bone Marrow Transplant and International Searches Programmes — consolidation | - | - | - | - | - |
| 100 | Ceasing the Alternative Arrangement Transfer to Pharmaceutical Benefits Programme — removal of anomaly | - | .. | .. | .. | .. |
| 151 | Cessation of the Large Family Supplement of Family Tax Benefit Part A | - | - | .. | -0.1 | -0.1 |
| 100 | Child Dental Benefits Schedule — consistent indexation | - | -14.9 | -25.3 | -37.6 | -47.7 |
| 101 | Improving Immunisation Coverage Rates | - | 8.4 | 4.6 | 4.1 | 3.7 |
| 102 | Junior Medical Officer Programme — interagency transfer from the Department of Veterans' Affairs | - | 10.0 | 10.0 | 10.0 | 10.0 |
| | Medicare Benefits Schedule | | | | | |
| 102 | – changes to GP rebates — reversal | 182.7 | 657.8 | 699.0 | 726.5 | 762.8 |
| 103 | – health assessment items — modification | - | -20.0 | -36.2 | -41.3 | -46.7 |
| 103 | – new and amended listings | - | 8.4 | 11.3 | 9.9 | 8.4 |
| 104 | – review and reform | - | 17.0 | 17.3 | - | - |
| 104 | My Health Record — a new direction for electronic health records in Australia | - | -39.6 | -82.2 | -41.0 | 5.1 |
| 105 | National Cervical Screening Programme — reform | - | 2.2 | 2.0 | -0.1 | -0.6 |
| 105 | National Critical Care and Trauma Response Centre — continuation | - | - | - | - | - |
| 106 | National Drugs Campaign — renewal | - | 10.0 | 10.0 | - | - |
| 106 | National Immunisation Programme — new and amended listings | 0.1 | 6.2 | 42.8 | 43.8 | 37.9 |
| 107 | National Joint Replacement Levy — amendments | - | 0.1 | 0.1 | 0.2 | 0.2 |
| 107 | National Partnership Agreement on Adult Public Dental Services — one year funding | - | - | - | - | - |
| 137 | Norfolk Island Reform | - | - | 3.0 | 3.2 | 3.3 |
| | Pharmaceutical Benefits Scheme | | | | | |
| 107 | – increase in the safety net thresholds on 1 January 2019 | - | - | - | - | -5.0 |
| 108 | – new and amended listings | 5.9 | 375.4 | 381.6 | 391.2 | 377.7 |
| 109 | – price changes | -13.3 | -53.9 | -54.4 | -59.6 | -65.5 |
| 109 | Practice Incentives Programme After Hours Payment | - | -1.8 | -0.2 | -0.3 | -0.3 |

Table 2: Expense measures since the 2014-15 MYEFO^(a) (continued)

| Page | | 2014-15 \$m | 2015-16 \$m | 2016-17 \$m | 2017-18 \$m | 2018-19 \$m |
|------|--|----------------|----------------|----------------|----------------|----------------|
| | HEALTH (continued) | | | | | |
| 110 | Rationalising and streamlining Health programmes | -12.0 | -121.5 | -215.7 | -276.3 | -337.2 |
| 111 | Reducing the Burden of the Industrial Chemicals Regulatory Framework to Industry | - | 2.5 | 2.5 | - | 0.4 |
| 111 | Smaller Government — Health Portfolio | -3.2 | -14.8 | -29.3 | -32.8 | -33.0 |
| 169 | Social Security Assets Test — rebalance asset test thresholds and taper rate | - | - | - | - | .. |
| 112 | Stoma Appliance Scheme — new and amended listings | - | -1.6 | -1.8 | -2.0 | -2.2 |
| 113 | Streamlining Health Workforce Scholarships | - | -14.2 | -17.6 | -19.0 | -21.7 |
| 116 | Strengthening the Integrity of Welfare Payments | - | - | - | -0.1 | -0.3 |
| 197 | Supply and Replenishment of the National Medical Stockpile(c) | - | 1.1 | 0.7 | - | - |
| 113 | Supporting the Royal Flying Doctor Service | - | 9.9 | 10.1 | - | - |
| 113 | Tobacco Plain Packaging Litigation | - | nfp | nfp | nfp | nfp |
| 114 | Wimmera Health Care Group — Oncology, Dialysis and Community Palliative Care Centre | 1.0 | - | - | - | - |
| | <i>National Health and Medical Research Council</i> | | | | | |
| 101 | Developing Northern Australia — positioning the north as a leader in tropical health | - | 0.9 | 2.2 | 2.2 | 1.5 |
| | Portfolio total | 160.5 | 831.6 | 737.3 | 681.2 | 650.9 |
| | HUMAN SERVICES | | | | | |
| | <i>Department of Human Services</i> | | | | | |
| 146 | ABSTUDY Under-16 Boarding Supplement — Extend to Hostels | .. | 0.4 | - | - | - |
| 99 | Accelerating growth in organ and tissue donation for transplantation | - | 1.3 | -0.4 | - | - |
| | <i>Aged Care</i> | | | | | |
| 146 | — Alignment of Aged Care Means Testing Arrangements | 0.1 | 0.9 | 0.1 | 0.1 | 0.1 |
| 147 | — Home Care Programme — increasing consumer choice | - | 0.9 | 1.3 | 1.0 | 0.2 |
| 147 | — Increasing short term Restorative Care Places | - | 1.7 | 0.4 | 0.2 | 0.2 |
| 150 | Australian Working Life Residence — tightening proportionality requirements | - | - | - | - | - |
| 99 | Better Targeted Rural Financial Incentives for Doctors | 0.6 | 2.6 | .. | -0.1 | -0.1 |
| 100 | Ceasing the Alternative Arrangement Transfer to Pharmaceutical Benefits Programme — removal of anomaly | - | .. | .. | .. | .. |
| 151 | Cessation of the Large Family Supplement of Family Tax Benefit Part A | - | 1.3 | 1.5 | 0.1 | .. |
| 115 | Department of Human Services Efficiencies | - | -6.9 | -13.8 | -17.1 | -17.4 |

Table 2: Expense measures since the 2014-15 MYEFO^(a) (continued)

| Page | | 2014-15 \$m | 2015-16 \$m | 2016-17 \$m | 2017-18 \$m | 2018-19 \$m |
|------|--|----------------|----------------|----------------|----------------|----------------|
| | HUMAN SERVICES (continued) | | | | | |
| 68 | Digital Transformation Agenda — Stage One and establishment of the Digital Transformation Office | - | 10.7 | 2.3 | 0.4 | - |
| 81 | Employment Services Changes to Service Fees and Cessation of Personal Contact Interviews | 2.0 | -9.0 | -10.9 | -11.2 | -11.2 |
| 153 | Exclude Widow Allowance from the One-Week Ordinary Waiting Period for all Working Age Payments | - | 0.1 | .. | .. | .. |
| | Families Package | | | | | |
| 154 | – Child Care — Workforce Participation Stream | 0.8 | 7.0 | 36.0 | 48.1 | 50.3 |
| 156 | – more generous means testing arrangements for youth payments | 0.1 | 9.7 | 7.2 | 5.4 | 5.5 |
| 157 | Family Tax Benefit Part A — reduced portability | - | - | - | - | - |
| 115 | Government Remote Servicing — continuation | - | 23.9 | 23.1 | 23.3 | 23.5 |
| 88 | Green Army — efficiencies | - | - | - | 0.3 | - |
| | Growing Jobs and Small Business | | | | | |
| 82 | – Engaging Early School Leavers | - | 1.0 | 1.0 | 0.9 | 0.9 |
| 83 | – Further Strengthening the Job Seeker Compliance Arrangements | - | 5.0 | 9.9 | 8.3 | 7.8 |
| 158 | – increasing the age of eligibility for Newstart Allowance and Sickness Allowance — delay | -1.1 | -29.7 | -12.3 | -1.0 | -0.5 |
| 85 | – Youth Employment Strategy — Intensive Support — Transition to Work | - | 2.8 | 0.6 | 0.6 | 0.6 |
| 158 | – Youth Employment Strategy — intensive support for vulnerable job seekers | - | 3.2 | -5.6 | -5.7 | -6.0 |
| 159 | – Youth Employment Strategy — revised waiting period for youth income support | -4.0 | -60.2 | -61.0 | -58.1 | -58.8 |
| 85 | Growing Jobs and Small Business Package — National Work Experience Programme | 0.2 | 2.0 | 0.1 | 0.1 | 0.1 |
| 160 | Income Management — two year extension | 0.9 | 57.0 | 76.3 | - | - |
| 162 | Low Income Supplement — cessation | - | - | - | - | - |
| 119 | Management of the Immigration Detention Network | 0.5 | 1.3 | 1.0 | 0.7 | 0.5 |
| | Medicare Benefits Schedule | | | | | |
| 102 | – changes to GP rebates — reversal | -4.7 | -18.3 | -13.4 | -13.9 | -14.2 |
| 103 | – health assessment items — modification | - | 0.1 | -0.2 | -0.2 | -0.2 |
| 103 | – new and amended listings | .. | 0.2 | 0.1 | 0.1 | 0.1 |
| 104 | My Health Record — a new direction for electronic health records in Australia | - | -12.5 | -15.9 | -8.6 | 0.2 |
| 105 | National Cervical Screening Programme — reform | - | - | -0.3 | -1.6 | -1.6 |
| 163 | National Disability Insurance Agency Full Scheme ICT | - | 28.2 | 9.9 | 1.9 | - |

Table 2: Expense measures since the 2014-15 MYEFO^(a) (continued)

| Page | | 2014-15 \$m | 2015-16 \$m | 2016-17 \$m | 2017-18 \$m | 2018-19 \$m |
|------|---|----------------|----------------|----------------|----------------|----------------|
| | HUMAN SERVICES (continued) | | | | | |
| 165 | National Disability Insurance Scheme — Sector Development Fund transfer | 0.6 | 0.7 | - | - | - |
| 106 | National Immunisation Programme — new and amended listings | - | 2.3 | 8.2 | 5.9 | 5.4 |
| 167 | No Jab No Pay | 0.3 | 18.7 | 7.8 | 3.0 | 2.9 |
| 137 | Norfolk Island Reform | - | 4.2 | 1.2 | 0.4 | 0.4 |
| 167 | Not proceeding with elements of the measure to maintain eligibility thresholds for Australian Government payments for three years | - | - | -0.3 | -4.0 | -0.1 |
| 168 | Not proceeding with the measure to Reset the Income Test Deeming Rate Thresholds | - | - | -1.6 | -13.7 | -3.9 |
| 108 | Pharmaceutical Benefits Scheme — new and amended listings | 0.7 | 5.3 | 1.7 | 1.8 | 1.9 |
| 109 | Practice Incentives Programme After Hours Payment | 1.5 | 0.2 | 0.2 | 0.3 | 0.3 |
| 110 | Rationalising and streamlining Health programmes | - | .. | - | - | - |
| 124 | Reforms to the Human Trafficking visa framework | - | 2.2 | .. | .. | .. |
| 168 | Removing Double-Dipping from Parental Leave Pay | - | 8.9 | 5.4 | 2.5 | 2.4 |
| 126 | Smaller Government — Immigration and Border Protection efficiencies | - | 1.2 | .. | - | - |
| 169 | Social Security Agreement with Estonia | - | 1.9 | 1.4 | 0.4 | 0.4 |
| 169 | Social Security Assets Test — rebalance asset test thresholds and taper rate | 0.3 | 0.1 | 10.8 | -2.1 | -2.1 |
| 170 | Social Security Income Test — improve integrity of social security income test arrangements | 0.1 | 3.1 | 0.6 | 0.2 | 0.1 |
| 116 | Strengthening the Integrity of Welfare Payments | 0.6 | 71.8 | 46.3 | 54.5 | 31.6 |
| 58 | Supporting Drought Affected Communities — Immediate Assistance | - | 2.1 | - | - | - |
| 140 | Tasmanian Freight Equalisation Scheme — extension to include exports and faster payments | - | 2.4 | 0.6 | 0.3 | - |
| 117 | Welfare Payment Infrastructure Transformation — Tranche One | - | 93.3 | 29.4 | -44.7 | -64.2 |
| | Portfolio total | -0.6 | 243.0 | 148.6 | -21.3 | -45.5 |
| | IMMIGRATION AND BORDER PROTECTION | | | | | |
| | <i>Australian Customs and Border Protection Service</i> | | | | | |
| 121 | National Security — Australian Customs Vessel Ocean Shield — surge and continuation | 2.5 | - | - | - | - |
| 137 | Norfolk Island Reform | 0.1 | - | - | - | - |

Table 2: Expense measures since the 2014-15 MYEFO^(a) (continued)

| Page | | 2014-15 \$m | 2015-16 \$m | 2016-17 \$m | 2017-18 \$m | 2018-19 \$m |
|------|--|----------------|----------------|----------------|----------------|----------------|
| | IMMIGRATION AND BORDER PROTECTION (continued) | | | | | |
| | <i>Department of Immigration and Border Protection</i> | | | | | |
| 118 | Asylum Seeker Support — additional funding | -0.1 | 20.8 | -0.1 | -0.1 | -0.1 |
| 118 | Emerging International Airports | - | 4.1 | 4.5 | 4.5 | 4.1 |
| 9 | Higher Education Loan Programme — recovery of repayments from overseas debtors(b) | - | 0.1 | .. | .. | .. |
| 161 | Intercountry Adoption — national support service | 0.2 | 0.6 | 0.6 | 0.6 | 0.7 |
| 119 | International Organization for Migration — reduction | -13.6 | -15.1 | - | - | - |
| 55 | Maintain funding for Quarantine Border Security — ongoing extension | - | - | - | - | - |
| 119 | Management of the Immigration Detention Network | -21.8 | -101.4 | -142.8 | -137.3 | -136.3 |
| 120 | Migration Agents Registration Authority — deregulation | - | -0.4 | -0.4 | -0.4 | -0.5 |
| | National Security | | | | | |
| 120 | – anti-people smuggling strategic communications campaigns | - | 11.5 | 11.5 | 8.4 | 8.5 |
| 121 | – Australian Customs Vessel Ocean Shield — surge and continuation | - | 16.4 | 19.1 | 16.5 | 19.8 |
| 121 | – combating people smuggling — international engagement | - | 4.7 | - | - | - |
| 122 | – Regional Support Office — additional funding | - | 1.3 | - | - | - |
| 123 | – strengthen and enhance Australia’s border protection services — further measures | - | 15.5 | 17.0 | 19.9 | 11.3 |
| 137 | Norfolk Island Reform | - | 1.4 | 1.6 | 1.7 | 1.7 |
| 124 | Reforms to the Human Trafficking visa framework | - | - | - | - | - |
| 124 | Refugee resettlement arrangements for Illegal Maritime Arrivals in offshore processing centres | 137.4 | 110.2 | - | - | - |
| 125 | Response to the Integrity Review of the 457 Programme | - | 0.7 | 1.0 | 1.0 | 1.0 |
| | Smaller Government | | | | | |
| 125 | – consolidation of Australia’s border protection services | - | - | - | - | - |
| 126 | – Immigration and Border Protection efficiencies | - | -13.6 | -41.0 | -42.1 | -42.4 |
| 127 | – Immigration and Border Protection Portfolio | - | -0.3 | -0.3 | -0.3 | -0.3 |
| | Portfolio total | 104.6 | 56.5 | -129.4 | -127.5 | -132.4 |

Table 2: Expense measures since the 2014-15 MYEFO^(a) (continued)

| Page | | 2014-15 \$m | 2015-16 \$m | 2016-17 \$m | 2017-18 \$m | 2018-19 \$m |
|------|--|----------------|----------------|----------------|----------------|----------------|
| | INDUSTRY AND SCIENCE | | | | | |
| | <i>Australian Nuclear Science and Technology Organisation</i> | | | | | |
| 198 | Australian Nuclear Science and Technology Organisation — repatriation of intermediate level radioactive waste(c) | - | 0.2 | 1.5 | 4.0 | 1.1 |
| 128 | Australian Synchrotron — contribution to operational funding — extension | - | - | 13.0 | - | - |
| | <i>Department of Industry and Science</i> | | | | | |
| 128 | Automotive Transformation Scheme — revised implementation | 100.0 | 175.0 | 150.0 | 183.4 | 175.0 |
| 128 | Cooperative Research Centres — reduced funding | - | -1.6 | -5.7 | -7.0 | -12.5 |
| 68 | Digital Transformation Agenda — Stage One and establishment of the Digital Transformation Office | - | 0.4 | - | - | - |
| 129 | Entrepreneurs' Infrastructure Programme — savings | -23.0 | -1.3 | -1.0 | -1.0 | -1.0 |
| 175 | Growing Jobs and Small Business — streamlining business registration | - | 0.7 | 1.4 | 0.9 | 0.9 |
| 129 | Home Insulation Program Industry Payment Scheme — establishment | npf | npf | - | - | - |
| 130 | Industry grant programmes — reduced funding | -17.6 | -12.1 | -2.0 | - | - |
| 163 | National Disability Insurance Agency Full Scheme ICT | - | 0.3 | 0.3 | 0.3 | 0.3 |
| 130 | National Low Emissions Coal Initiative — funding adjustment | -3.4 | - | - | - | - |
| 130 | Smaller Government — Industry and Science Portfolio | - | - | - | - | - |
| | Portfolio total | 56.0 | 161.7 | 157.5 | 180.6 | 163.8 |
| | INFRASTRUCTURE AND REGIONAL DEVELOPMENT | | | | | |
| | <i>Australian Transport Safety Bureau</i> | | | | | |
| 136 | Malaysia Airlines Flight MH370 — international contribution | 43.9 | 50.0 | - | - | - |
| | <i>Department of Infrastructure and Regional Development</i> | | | | | |
| 132 | Bathurst 200 Commemorative Flagstaff Project — contribution | 0.3 | - | - | - | - |
| 132 | Coastal shipping reform | - | - | - | - | - |
| 133 | Commonwealth contribution to the East West Link project | - | - | - | - | - |
| 133 | Community Development Grants programme — extension | - | 10.0 | 30.0 | 10.0 | - |

Table 2: Expense measures since the 2014-15 MYEFO^(a) (continued)

| Page | | 2014-15 \$m | 2015-16 \$m | 2016-17 \$m | 2017-18 \$m | 2018-19 \$m |
|------|--|----------------|----------------|----------------|----------------|----------------|
| | INFRASTRUCTURE AND REGIONAL DEVELOPMENT (continued) | | | | | |
| | Developing Northern Australia | | | | | |
| 134 | – improving northern cattle supply chains | - | 0.4 | 0.3 | 0.3 | 0.3 |
| 134 | – northern Australia infrastructure projects pipeline | - | 1.0 | 1.0 | 0.9 | 0.9 |
| | Infrastructure Investment Programme | | | | | |
| 135 | – savings | - | - | - | - | - |
| 135 | – Victoria — reallocation | - | - | - | - | - |
| 136 | Norfolk Island and the Indian Ocean Territories — essential air services | - | nfp | nfp | nfp | - |
| 137 | Norfolk Island Reform | - | 4.9 | 4.8 | 21.7 | 23.5 |
| | Regional Aviation Access Programme | | | | | |
| 138 | – Remote Air Services Subsidy Scheme — additional funding | - | 1.8 | 2.0 | 2.1 | - |
| 138 | – Remote Airstrip Upgrade Programme — extension | - | 8.4 | 8.4 | 8.4 | 8.4 |
| 139 | Regional Development Australia Committees — reduced support | - | -0.9 | -0.9 | -0.9 | -0.9 |
| 139 | Seatbelts on Regional School Buses programme — early termination | - | -1.0 | - | - | - |
| 139 | Stronger Communities | - | 22.5 | 22.5 | - | - |
| 57 | Supporting Drought Affected Communities — local infrastructure and management of pest impact | - | 20.0 | 5.0 | 5.0 | 5.0 |
| 140 | Tasmanian Freight Equalisation Scheme — extension to include exports and faster payments | - | 27.7 | 56.3 | 57.3 | 58.3 |
| 177 | Western Australia Infrastructure Projects | - | - | - | - | - |
| 114 | Wimmera Health Care Group — Oncology, Dialysis and Community Palliative Care Centre | - | - | - | - | - |
| | Portfolio total | 44.2 | 144.8 | 129.4 | 104.8 | 95.6 |
| | PARLIAMENT | | | | | |
| | <i>Department of Parliamentary Services</i> | | | | | |
| 199 | Parliamentary Departments — additional funding(c) | - | 0.9 | 0.9 | 0.8 | 0.9 |
| | <i>Department of the House of Representatives</i> | | | | | |
| 199 | Parliamentary Departments — additional funding(c) | - | 0.2 | 0.2 | 0.2 | 0.2 |
| | <i>Department of the Senate</i> | | | | | |
| 199 | Parliamentary Departments — additional funding(c) | - | 0.2 | 0.2 | 0.2 | 0.2 |
| | <i>Parliamentary Budget Office</i> | | | | | |
| 199 | Parliamentary Departments — additional funding(c) | - | .. | 0.1 | .. | .. |
| | Portfolio total | - | 1.3 | 1.4 | 1.3 | 1.3 |

Table 2: Expense measures since the 2014-15 MYEFO^(a) (continued)

| Page | | 2014-15 \$m | 2015-16 \$m | 2016-17 \$m | 2017-18 \$m | 2018-19 \$m |
|------|--|----------------|----------------|----------------|----------------|----------------|
| | PRIME MINISTER AND CABINET | | | | | |
| | <i>Department of the Prime Minister and Cabinet</i> | | | | | |
| 141 | A New Remote Indigenous Housing Strategy | - | - | - | - | - |
| 141 | Australia hosting the Group of 20 — savings Indigenous Advancement Strategy | -26.6 | - | - | - | - |
| 142 | – indexation of funding | - | - | - | - | 4.8 |
| 142 | – remote Indigenous internet training | - | 2.2 | 2.2 | 2.3 | - |
| 60 | Legal Assistance Funding — extension | -11.5 | - | - | - | - |
| 143 | Municipal and Essential Services — transition arrangements for South Australia | -15.0 | - | - | - | - |
| 143 | National Partnership Agreement on Northern Territory Remote Aboriginal Investment | - | -15.6 | -12.8 | -11.7 | -11.5 |
| | National Security | | | | | |
| 63 | – Implementation of mandatory telecommunications data retention | - | -1.1 | -0.8 | -0.8 | -0.8 |
| 144 | – Independent National Security Legislation Monitor | - | 0.3 | 0.3 | 0.3 | 0.3 |
| | <i>Indigenous Business Australia</i> | | | | | |
| 145 | Remote Indigenous Home Loans | - | - | - | - | - |
| 145 | Smaller Government — Prime Minister and Cabinet Portfolio | - | - | - | - | - |
| | <i>Office of National Assessments</i> | | | | | |
| 144 | National Security — The Office of National Assessments and the Office of the Inspector-General of Intelligence and Security resourcing | - | 0.8 | 1.6 | 2.0 | 2.4 |
| | <i>Office of the Commonwealth Ombudsman</i> | | | | | |
| 63 | National Security — Implementation of mandatory telecommunications data retention | - | 1.8 | 1.5 | 1.5 | 1.5 |
| | <i>Office of the Inspector-General of Intelligence and Security</i> | | | | | |
| 144 | National Security — The Office of National Assessments and the Office of the Inspector-General of Intelligence and Security resourcing | - | 0.1 | 0.2 | 0.2 | 0.2 |
| | <i>Office of the Official Secretary to the Governor-General</i> | | | | | |
| 142 | Australian Honours and Awards System — additional funding | - | 0.5 | 0.6 | 0.6 | 0.6 |
| | Portfolio total | -53.1 | -10.9 | -7.2 | -5.5 | -2.2 |
| | SOCIAL SERVICES | | | | | |
| | <i>Australian Aged Care Quality Agency</i> | | | | | |
| 149 | Australian Aged Care Quality Agency Accreditation Services — cost recovery | - | 0.1 | -10.0 | -11.3 | -9.8 |

Table 2: Expense measures since the 2014-15 MYEFO^(a) (continued)

| Page | | 2014-15 \$m | 2015-16 \$m | 2016-17 \$m | 2017-18 \$m | 2018-19 \$m |
|------|---|----------------|----------------|----------------|----------------|----------------|
| | SOCIAL SERVICES (continued) | | | | | |
| | <i>Department of Social Services</i> | | | | | |
| 146 | ABSTUDY Under-16 Boarding Supplement — extend to hostels | - | 2.4 | 2.3 | 2.4 | 2.4 |
| | Aged Care | | | | | |
| 146 | — alignment of aged care means testing arrangements | - | -0.7 | -4.2 | -8.1 | -11.1 |
| 147 | — Home Care Programme — increasing consumer choice | - | 13.6 | 16.2 | 10.6 | 8.9 |
| 147 | — Increasing short term restorative care places | - | -2.6 | -6.5 | -10.6 | -22.4 |
| 148 | — independent aged care complaints arrangements | - | -0.4 | -0.9 | -0.9 | -0.9 |
| 148 | Aged Care Workforce Development Fund — redesign | - | -10.0 | -10.0 | -10.0 | -10.2 |
| 149 | Australian Aged Care Quality Agency Accreditation Services — cost recovery | - | 0.2 | .. | - | - |
| 149 | Australian Disability Enterprises — additional support | - | 9.0 | 6.0 | 1.0 | 1.0 |
| 150 | Australian Working Life Residence — tightening proportionality requirements | - | - | - | - | - |
| 150 | Carer support services — national gateway | - | 10.9 | 7.6 | 7.6 | 7.7 |
| 151 | Cessation of the Large Family Supplement of Family Tax Benefit Part A | - | 0.2 | -60.1 | -60.2 | -59.9 |
| 151 | Community Development Financial Institutions — continued support | - | 1.7 | 1.7 | 1.5 | - |
| 151 | Dementia and Aged Care Services Fund | - | -5.0 | -5.0 | -5.0 | -5.1 |
| 68 | Digital Transformation Agenda — Stage One and establishment of the Digital Transformation Office | - | 10.9 | 12.2 | 5.6 | 1.8 |
| 152 | Disability and Carers Programme Adjustment | - | -0.5 | -0.5 | -1.2 | -1.2 |
| 152 | Disability Employment — a better way to work | - | 2.9 | -0.6 | -0.3 | -2.7 |
| 153 | Exclude Widow Allowance from the One-Week Ordinary Waiting Period for all Working Age Payments | - | 0.3 | 0.2 | 0.2 | 0.1 |
| 153 | Families package — child care — National Partnership Agreement on the National Quality Agenda for Early Childhood Education and Care | - | - | - | - | - |
| | Families Package | | | | | |
| 154 | — child care — workforce participation stream | - | 132.7 | 240.7 | 1,260.9 | 1,422.0 |
| 155 | — Child Care Safety Net | - | 5.7 | 78.7 | 135.5 | 105.3 |
| 156 | — more generous means testing arrangements for youth payments | - | 11.7 | 67.5 | 75.9 | 79.8 |
| 157 | Family Tax Benefit Part A — reduced portability | - | - | - | - | - |

Table 2: Expense measures since the 2014-15 MYEFO^(a) (continued)

| Page | | 2014-15 \$m | 2015-16 \$m | 2016-17 \$m | 2017-18 \$m | 2018-19 \$m |
|------|---|----------------|----------------|----------------|----------------|----------------|
| | SOCIAL SERVICES (continued) | | | | | |
| 157 | Financial Counselling, Capability and Resilience Services in Income Management Locations — continuation | - | 12.4 | 13.1 | - | - |
| 88 | Green Army — efficiencies | - | - | - | 3.4 | - |
| | Growing Jobs and Small Business | | | | | |
| 83 | – Further Strengthening the Job Seeker Compliance Arrangements | - | - | -2.6 | -2.1 | -2.2 |
| 158 | – increasing the age of eligibility for Newstart Allowance and Sickness Allowance — delay | - | 148.6 | 53.7 | 11.6 | 1.8 |
| 158 | – Youth Employment Strategy — intensive support for vulnerable job seekers | - | 13.6 | 15.1 | 3.1 | 0.1 |
| 159 | – Youth Employment Strategy — revised waiting period for youth income support | - | 522.4 | 499.7 | 505.3 | 560.3 |
| 85 | Growing Jobs and Small Business Package — National Work Experience Programme | - | 0.1 | 0.1 | 0.1 | 0.1 |
| 160 | Income Management — two year extension | - | 6.7 | 5.8 | - | - |
| 161 | Intercountry Adoption — national support service | 3.2 | 6.5 | 6.3 | 6.9 | 7.0 |
| 161 | Investment Approaches to Welfare | - | 14.0 | 11.1 | 3.9 | 4.0 |
| 162 | Low Income Supplement — cessation | - | - | - | - | - |
| 162 | Microfinance Projects — continuation | - | 12.4 | 12.7 | 12.4 | 12.7 |
| 163 | National Awareness Campaign to Reduce Violence Against Women and their Children | - | 10.5 | 5.6 | 0.6 | - |
| 163 | National Disability Insurance Agency Full Scheme ICT | - | 19.4 | 13.2 | 3.0 | 3.0 |
| | National Disability Insurance Scheme | | | | | |
| 164 | – early access for children in the Nepean Blue Mountains area of Western Sydney | - | -0.3 | -0.1 | .. | - |
| 165 | – Sector Development Fund transfer | 57.5 | 26.8 | 30.0 | - | - |
| 165 | National Partnership Agreement on Homelessness — extension | - | - | - | - | - |
| 166 | New Income Management Arrangements — trial and industry consultation | - | 2.7 | - | - | - |
| 166 | New Way of Working for Grants — transitional arrangements | 26.0 | 14.7 | 14.9 | - | - |
| 167 | No Jab No Pay | - | -90.8 | -156.3 | -149.9 | -144.1 |
| 137 | Norfolk Island Reform | - | 0.8 | 10.7 | 10.8 | 11.2 |
| 167 | Not proceeding with elements of the measure to maintain eligibility thresholds for Australian Government payments for three years | - | - | -0.2 | 40.6 | 83.8 |
| 168 | Not proceeding with the measure to Reset the Income Test Deeming Rate Thresholds | - | - | -0.1 | 44.2 | 60.0 |
| 124 | Reforms to the Human Trafficking visa framework | - | .. | .. | .. | .. |

Table 2: Expense measures since the 2014-15 MYEFO^(a) (continued)

| Page | | 2014-15 \$m | 2015-16 \$m | 2016-17 \$m | 2017-18 \$m | 2018-19 \$m |
|------|--|----------------|----------------|----------------|----------------|----------------|
| | SOCIAL SERVICES (continued) | | | | | |
| 168 | Removing Double-Dipping from Parental Leave Pay | - | 0.9 | -473.5 | -595.5 | -619.8 |
| 169 | Severe Behaviour Response Teams — establishment | - | 12.7 | 13.2 | 13.9 | 14.7 |
| 126 | Smaller Government — Immigration and Border Protection efficiencies | - | 0.1 | - | - | - |
| 169 | Social Security Agreement with Estonia | - | 0.2 | .. | -0.1 | -0.1 |
| 169 | Social Security Assets Test — rebalance asset test thresholds and taper rate | - | -0.2 | -449.0 | -952.8 | -1,003.9 |
| 170 | Social Security Income Test — improve integrity of social security income test arrangements | - | -60.1 | -129.8 | -136.3 | -143.6 |
| 116 | Strengthening the Integrity of Welfare Payments | - | -329.6 | -614.7 | -684.4 | -297.3 |
| 171 | Stronger Relationships Trial — cessation | -17.1 | -0.1 | - | - | - |
| 58 | Supporting Drought Affected Communities — Immediate Assistance | - | 17.9 | - | - | - |
| 171 | Wound Management Scoping Study — redirection of funding | -0.3 | - | - | - | - |
| | <i>National Disability Insurance Agency</i> | | | | | |
| 163 | National Disability Insurance Agency Full Scheme ICT | - | -2.3 | 0.1 | 9.1 | 4.1 |
| 164 | National Disability Insurance Scheme — early access for children in the Nepean Blue Mountains area of Western Sydney | 0.6 | 15.9 | -7.7 | -8.8 | - |
| 165 | — Sector Development Fund transfer | -27.8 | -30.0 | -30.0 | - | - |
| | Portfolio total | 42.1 | 529.1 | -823.2 | -467.4 | 57.6 |
| | TREASURY | | | | | |
| | <i>Australian Bureau of Statistics</i> | | | | | |
| 172 | Australian Bureau of Statistics — business transformation | -9.0 | 20.8 | 151.9 | -5.0 | -7.7 |
| 137 | Norfolk Island Reform | - | 0.3 | 0.2 | - | - |
| | <i>Australian Securities and Investments Commission</i> | | | | | |
| 173 | Australian Securities and Investments Commission — Competition for Market Services — continuation | - | 3.2 | 3.1 | 3.2 | 3.2 |
| 175 | Growing Jobs and Small Business — crowd-sourced equity funding for public companies | - | 1.2 | 1.8 | 1.7 | 1.6 |
| 175 | — streamlining business registration | - | .. | 1.6 | - | - |
| 177 | Reversal of Banking and Life Insurance unclaimed provisions | - | -78.9 | -83.0 | -86.1 | -89.2 |
| 93 | Smaller Government — Australian Securities and Investments Commission Registry Function — commercialisation | - | 1.0 | - | - | - |

Table 2: Expense measures since the 2014-15 MYEFO^(a) (continued)

| Page | | 2014-15 \$m | 2015-16 \$m | 2016-17 \$m | 2017-18 \$m | 2018-19 \$m |
|------|--|----------------|----------------|----------------|----------------|----------------|
| | TREASURY (continued) | | | | | |
| | <i>Australian Taxation Office</i> | | | | | |
| 15 | Combatting multinational tax avoidance — new transfer pricing documentation standards(b) | - | 0.9 | 3.3 | 1.5 | 1.2 |
| 173 | Cutting Red Tape — lost and unclaimed superannuation | - | - | - | - | - |
| 68 | Digital Transformation Agenda — Stage One and establishment of the Digital Transformation Office | - | 13.8 | 3.1 | 3.1 | 2.0 |
| 175 | Growing Jobs and Small Business — streamlining business registration | 0.3 | 8.4 | 4.6 | 0.1 | - |
| | GST | | | | | |
| 20 | – applying to digital products and services imported by consumers(b) | - | - | 0.7 | 0.1 | 0.1 |
| 21 | – compliance programme — three year extension(b) | - | - | 92.6 | 88.3 | 84.6 |
| 9 | Higher Education Loan Programme — recovery of repayments from overseas debtors(b) | - | 0.7 | 0.4 | 0.2 | 0.2 |
| 137 | Norfolk Island Reform | - | 1.4 | 1.3 | 0.7 | 0.2 |
| 71 | Operation Accordion — extension | - | - | - | - | - |
| 72 | Operation Manitou | - | - | - | - | - |
| 73 | Operation Okra — continued support | - | - | - | - | - |
| 26 | Personal income tax — changes to tax residency rules for temporary working holiday makers(b) | - | 0.8 | 1.8 | 1.8 | 0.2 |
| 176 | Reducing red tape — reforms to the Australian Taxation Office | - | 20.3 | 7.5 | -14.3 | -48.9 |
| 30 | Serious Financial Crime taskforce — addressing financial and tax fraud(b) | - | 29.5 | 32.2 | 32.7 | 33.2 |
| 31 | Strengthening Australia's foreign investment framework(b) | - | 11.8 | 9.6 | 8.2 | 7.6 |
| | <i>Department of the Treasury</i> | | | | | |
| 141 | A New Remote Indigenous Housing Strategy | - | - | - | - | - |
| 172 | Asia Pacific Project Preparation Facility — Australian contribution | - | 5.0 | 5.0 | - | - |
| 133 | Commonwealth contribution to the East West Link project | -100.0 | -300.0 | -600.0 | - | -500.0 |
| 173 | Community engagement campaign on economic issues | 6.2 | - | - | - | - |
| | Developing Northern Australia | | | | | |
| 134 | – improving northern cattle supply chains | - | - | 35.0 | 35.0 | 30.0 |
| 174 | – Northern Australia Infrastructure Facility | - | 1.0 | 388.3 | 388.8 | 388.8 |
| 174 | – Northern Australia Insurance Premiums Taskforce — establishment | - | 1.4 | - | - | - |

Table 2: Expense measures since the 2014-15 MYEFO^(a) (continued)

| Page | | 2014-15 \$m | 2015-16 \$m | 2016-17 \$m | 2017-18 \$m | 2018-19 \$m |
|------|--|----------------|----------------|----------------|----------------|----------------|
| | TREASURY (continued) | | | | | |
| 153 | Families package — Child Care — National Partnership Agreement on the National Quality Agenda for Early Childhood Education and Care | - | - | 2.6 | 1.3 | - |
| 76 | Families Package — National Partnership Agreement on Universal Access to Early Childhood Education — extension | - | 124.5 | 418.0 | 297.5 | - |
| | GST | | | | | |
| 20 | — applying to digital products and services imported by consumers(b) | - | - | - | 150.0 | 200.0 |
| 21 | — compliance programme — three year extension(b) | - | - | 493.5 | 612.3 | 710.3 |
| 22 | — not proceeding with a reverse charge for going concerns and farmland(b) | - | * | * | * | * |
| 101 | Improving Immunisation Coverage Rates | - | - | 1.8 | 1.9 | 1.9 |
| 142 | Indigenous Advancement Strategy — remote Indigenous internet training | - | -2.2 | -2.2 | -2.3 | - |
| | Infrastructure Investment Programme | | | | | |
| 135 | — savings | -62.5 | -27.5 | -5.0 | -5.0 | -5.0 |
| 135 | — Victoria — reallocation | - | - | - | - | - |
| 56 | Mechanical Fuel Load Reduction Trial | - | 1.0 | 0.5 | - | - |
| 143 | Municipal and Essential Services — transition arrangements for South Australia | 15.0 | - | - | - | - |
| 106 | National Critical Care and Trauma Response Centre — continuation | - | - | - | - | - |
| 165 | National Disability Insurance Scheme — Sector Development Fund transfer | - | 2.6 | - | - | - |
| 106 | National Immunisation Programme — new and amended listings | - | 0.1 | 0.7 | 1.6 | 1.6 |
| 107 | National Partnership Agreement on Adult Public Dental Services — one year funding | - | - | - | - | - |
| 165 | National Partnership Agreement on Homelessness — extension | - | 115.0 | 115.0 | - | - |
| 143 | National Partnership Agreement on Northern Territory Remote Aboriginal Investment | - | 147.7 | -10.3 | -11.9 | -12.6 |
| 61 | National Partnership on Legal Assistance Services — continuation | - | 40.0 | 42.2 | 30.1 | 30.6 |
| 109 | Pharmaceutical Benefits Scheme — price changes | 0.1 | 0.4 | 0.5 | 0.5 | 0.5 |
| 30 | Serious Financial Crime taskforce — addressing financial and tax fraud(b) | - | 0.1 | 0.6 | 1.1 | 1.4 |
| 31 | Strengthening Australia's foreign investment framework(b) | - | 10.9 | 7.7 | 7.5 | 7.6 |
| 116 | Strengthening the Integrity of Welfare Payments | - | 0.7 | 0.7 | 0.8 | 0.8 |
| 57 | Supporting Drought Affected Communities — local infrastructure and management of pest impact | - | 15.0 | 4.0 | 4.0 | 2.0 |
| 90 | Tasmanian Irrigation Tranche II — contribution | - | 34.4 | 18.0 | - | 7.6 |
| 177 | Western Australia Infrastructure Projects | 499.1 | - | - | - | - |

Table 2: Expense measures since the 2014-15 MYEFO^(a) (continued)

| Page | | 2014-15 \$m | 2015-16 \$m | 2016-17 \$m | 2017-18 \$m | 2018-19 \$m |
|------|---|----------------|----------------|----------------|----------------|----------------|
| | TREASURY (continued) | | | | | |
| 178 | World Bank Global Infrastructure Facility — Australian contribution | - | 12.5 | 12.5 | - | - |
| | <i>Inspector General of Taxation</i> | | | | | |
| 176 | Inspector-General of Taxation — additional funding | - | 3.3 | 3.4 | 3.4 | 3.5 |
| | Portfolio total | 349.3 | 221.1 | 1,165.2 | 1,552.4 | 856.9 |
| | VETERANS' AFFAIRS | | | | | |
| | <i>Australian War Memorial</i> | | | | | |
| 182 | Official Histories of Iraq, Afghanistan and East Timor | - | 1.6 | 2.3 | 2.3 | 2.3 |
| | <i>Department of Veterans' Affairs</i> | | | | | |
| | Aged Care | | | | | |
| 146 | – Alignment of Aged Care Means Testing Arrangements | - | .. | -0.6 | -1.2 | -1.6 |
| 147 | – Home Care Programme — increasing consumer choice | - | 0.7 | - | - | - |
| 147 | – Increasing short term Restorative Care Places | - | -0.1 | -1.9 | -4.8 | -9.7 |
| 179 | Anzac Centenary Program 2014-18 — additional funding | - | 9.1 | 9.7 | 11.4 | 5.2 |
| 180 | Dental and Allied Health Provider Fees — continuation of the indexation pause | - | -0.9 | -18.6 | -27.4 | -22.7 |
| 180 | Disposal of Greenslopes Property Queensland | - | nfp | - | - | - |
| 180 | Expansion of the Rehabilitation Appliances Program to Enhance the Delivery of Falls Prevention Items | - | - | - | - | - |
| 181 | Extension of Trial for In-Home Telehealth for Veterans | - | 2.3 | 1.4 | - | - |
| 181 | Increased Number of Case Co-ordinators | - | 2.5 | 2.5 | 2.5 | 2.5 |
| 102 | Junior Medical Officer Programme — interagency transfer from the Department of Veterans' Affairs | - | -10.0 | -10.0 | -10.0 | -10.0 |
| | Medicare Benefits Schedule | | | | | |
| 102 | – changes to GP rebates — reversal | 3.5 | 6.4 | 6.0 | 5.7 | 5.4 |
| 103 | – new and amended listings | - | 0.3 | 0.4 | 0.3 | 0.3 |
| 181 | Military Rehabilitation and Compensation Act 2004 — single appeal path | - | 0.8 | -0.4 | -1.3 | -1.4 |
| 104 | My Health Record — a new direction for electronic health records in Australia | - | -0.1 | -0.1 | - | - |
| 167 | Not proceeding with elements of the measure to maintain eligibility thresholds for Australian Government payments for three years | - | - | - | 2.8 | 5.4 |
| 168 | Not proceeding with the measure to Reset the Income Test Deeming Rate Thresholds | - | - | - | 2.2 | 2.1 |

Table 2: Expense measures since the 2014-15 MYEFO^(a) (continued)

| Page | | 2014-15 \$m | 2015-16 \$m | 2016-17 \$m | 2017-18 \$m | 2018-19 \$m |
|------|--|----------------|----------------|----------------|----------------|----------------|
| | VETERANS' AFFAIRS (continued) | | | | | |
| 182 | Ongoing Restoration of Funding for Building Excellence in Support and Training Programme | - | - | - | - | 1.0 |
| | Pharmaceutical Benefits Scheme | | | | | |
| 107 | – increase in the safety net thresholds on 1 January 2019 | - | - | - | - | -0.1 |
| 108 | – new and amended listings | .. | 7.5 | 8.2 | 8.1 | 7.9 |
| 109 | – price changes | -0.5 | -1.8 | -1.6 | -1.7 | -1.8 |
| 182 | Repatriation Pharmaceutical Benefits Scheme — new listings and price amendments | .. | 0.1 | 0.1 | 0.1 | 0.1 |
| | Safety, Rehabilitation and Compensation Act 1988 reforms | | | | | |
| 183 | – calculating permanent impairment and the maximum payable | - | 4.1 | 3.9 | 4.1 | 4.3 |
| 183 | – multiple injuries arising out of the one event | - | -4.5 | -5.1 | -5.3 | -5.6 |
| 184 | Sir John Monash Centre — Villers-Bretonneux, France | - | 1.4 | 2.1 | 4.7 | 2.6 |
| 169 | Social Security Assets Test — rebalance asset test thresholds and taper rate | - | - | -10.1 | -20.0 | -17.7 |
| 184 | The Veterans' Vocational Rehabilitation Scheme — enhancement | - | 0.2 | 0.2 | 0.2 | 0.2 |
| | Portfolio total | 3.1 | 19.6 | -11.7 | -27.3 | -31.3 |
| | Decisions taken but not yet announced | -1.4 | 674.8 | 198.1 | 247.4 | 18.7 |
| | Depreciation expense | -2.6 | 52.3 | 21.8 | 31.2 | 28.5 |
| | Total impact of expense measures(d) | 668.9 | 3,886.7 | 1,911.9 | 2,275.9 | 1,710.4 |

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

.. Not zero, but rounded to zero.

- Nil.

nfp not for publication.

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

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

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

(d) Measures may not add due to rounding.

AGRICULTURE

Maintain funding for Quarantine Border Security — ongoing extension

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|---|---------|---------|---------|---------|---------|
| Department of Agriculture | - | - | - | - | - |
| Department of Immigration and Border Protection | - | - | - | - | - |
| Total — Expense | - | - | - | - | - |

The Government will provide \$550.2 million over four years from 2015-16 to maintain funding for quarantine and border protection activities on an ongoing basis. Funding will continue to be used to provide risk-based, intelligence-led interventions for the management of biosecurity and border risks across the passenger, cargo and mail pathways.

The funding comprises \$274.7 million for the Department of Agriculture and \$275.6 million for the Department of Immigration and Border Protection.

Funding for this measure has already been provided for by the Government.

Managing Biosecurity Risks — expanded surveillance and offshore audits

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|----------------------------------|------------|------------|------------|------------|------------|
| Department of Agriculture | nfp | nfp | nfp | nfp | nfp |
| <i>Related revenue (\$m)</i> | | | | | |
| <i>Department of Agriculture</i> | <i>nfp</i> | <i>nfp</i> | <i>nfp</i> | <i>nfp</i> | <i>nfp</i> |

The Government will expand its current border surveillance and intelligence activities and increase the audits and assessments of offshore biosecurity systems to better manage risks associated with the increasing complexity of international supply chains and higher volumes of goods being imported to Australia. The expansion of activities will minimise the likelihood of incursions of exotic pests and diseases inside Australia's borders.

Expanded border activities will include: increased surveillance of air and sea cargo terminals; trapping and enhanced testing to monitor for animal and plant species of biosecurity significance; and implementation of a nationally consistent biosecurity intelligence system. Increased offshore risk management activities will include assessing and auditing the supply chain, focusing on verification of overseas governments' systems of biosecurity certification.

The policy will be implemented in accordance with the Australian Government's cost recovery policy.

The expense and revenue are not for publication (nfp) due to ongoing consultation with industry.

Mechanical Fuel Load Reduction Trial

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|----------------------------|---------|---------|---------|---------|---------|
| Department of the Treasury | - | 1.0 | 0.5 | - | - |
| Department of Agriculture | - | - | - | - | - |
| Total — Expense | - | 1.0 | 0.5 | - | - |

The Government will provide \$1.5 million over two years from 2015-16 for a mechanical fuel load reduction trial to be funded from within the existing resources of the *National Bushfire Mitigation Programme* measure announced in the 2014-15 Budget.

Funding will be provided to undertake a research trial, in conjunction with state governments, which examines the effectiveness of mechanical fuel removal in forests where conservation values could be compromised by fuel reduction burning.

National Food Plan — saving

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|---------------------------|---------|---------|---------|---------|---------|
| Department of Agriculture | - | - | - | - | - |

The Government will achieve savings of \$30.9 million over four years from uncommitted funding from the former Government’s National Food Plan initiatives.

Savings for this measure have already been provided for by the Government.

The savings from this measure will be redirected by the Government to fund initiatives associated with the Agricultural Competitiveness White Paper.

Smaller Government — Agriculture Portfolio

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|---------------------------|---------|---------|---------|---------|---------|
| Department of Agriculture | - | - | - | - | - |

The Government will further reduce the number of government bodies in the Agriculture portfolio by abolishing:

- the Aquaculture Committee;
- the Community Consultative Committee;
- the Industry Liaison Committee;
- the National Decision Making and Investment Working Group; and
- the Statutory Fishing Rights Allocation Review Panel.

The Freshwater Invertebrate Pests Subcommittee will merge with the Invasive Plants and Animals Committee.

Additionally, the following bodies have ceased operations: the SCAHLS Point-of-Care Tests Working Group; and the Sub-committee on National Forest Health (with its residual functions to be performed by other plant health sub-committees).

This measure is part of the fourth phase of the Smaller Government reforms which reduce the size and complexity of government.

The Smaller Government reforms are eliminating duplication and waste, streamlining services and reducing the cost of government administration.

Supporting Drought Affected Communities — local infrastructure and management of pest impact

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|---|---------|---------|---------|---------|---------|
| Department of Infrastructure and Regional Development | - | 20.0 | 5.0 | 5.0 | 5.0 |
| Department of the Treasury | - | 15.0 | 4.0 | 4.0 | 2.0 |
| Department of Agriculture | - | 0.3 | 0.2 | 0.2 | 0.2 |
| Total — Expense | - | 35.3 | 9.2 | 9.2 | 7.2 |

The Government will provide \$60.8 million over four years as part of a package of measures to support drought-affected local communities.

The package includes:

- \$25.8 million over four years from 1 July 2015 to assist farm businesses to manage the impacts of pest animals in drought-affected areas; and
- \$35.0 million over four years for a local council grants programme for infrastructure projects in drought-affected areas. Funding will be targeted at projects that offer the greatest potential to stimulate local community spending, use local resources and provide long-lasting benefits to communities and the agricultural industries on which they depend.

Supporting Drought Affected Communities — Immediate Assistance

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|----------------------------------|---------|-------------|------------|------------|------------|
| Department of Social Services | - | 17.9 | - | - | - |
| Department of Agriculture | - | 11.1 | 0.3 | - | - |
| Department of Human Services | - | 2.1 | - | - | - |
| Total — Expense | - | 31.1 | 0.3 | - | - |
| <i>Related revenue (\$m)</i> | | | | | |
| <i>Department of Agriculture</i> | - | <i>5.6</i> | <i>7.6</i> | <i>7.6</i> | <i>7.6</i> |

The Government will provide \$271.8 million over four years to extend current drought initiatives.

The package includes:

- \$250.0 million in concessional loan funding to continue the drought-specific concessional loan schemes in 2015-16 – the extension will provide an additional \$150.0 million for Drought Concessional Loans and an additional \$100.0 million for Drought Recovery Concessional Loans;
- \$20.0 million in 2015-16 to extend the access to social and mental health services in communities affected by the drought element of the 2014-15 Budget measure titled *Support to drought affected farmers* – assistance will continue to be delivered through the existing Family Support and Targeted Community Care (Mental Health) programmes within the Social Services Portfolio, with an extension of services to include additional local government areas experiencing severe and prolonged drought; and
- \$1.8 million in 2015-16 for an additional ten counsellors to be available to be able to assist farmers through the Rural Financial Counselling Service.

The key features and loan settings for both concessional loan schemes will remain the same, except that loans will now be available in all jurisdictions on an as required basis. The Government will provide funding to state and territory governments for the administration costs associated with implementing the concessional loans.

ATTORNEY-GENERAL'S**Arts and Cultural Programmes — efficiencies**

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|-------------------------------|---------|---------|---------|---------|---------|
| Attorney-General's Department | .. | -0.7 | -0.5 | -0.5 | -0.5 |
| Screen Australia | - | -0.9 | -0.9 | -0.9 | -0.9 |
| Australia Council | - | -1.8 | -1.8 | -1.8 | -1.8 |
| Total — Expense | .. | -3.4 | -3.3 | -3.3 | -3.3 |

The Government will achieve savings of \$13.2 million over five years through efficiencies to arts and cultural programmes administered by the Australia Council, Screen Australia and the Attorney-General's Department.

The savings from this measure will be redirected by the Government to repair the Budget and fund policy priorities.

Attorney-General's Portfolio — efficiencies

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|-------------------------------|---------|---------|---------|---------|---------|
| Attorney-General's Department | -6.2 | -6.2 | -7.0 | -12.6 | -22.2 |

The Government will achieve savings of \$54.2 million over five years from 2014-15 through a reduction in departmental funding for the Attorney-General's Department and efficiencies to a range of administered programmes.

This includes maintaining current funding levels for the Family Relationship Services Programme, Grants to the Australian Organisations Programme, the Australia New Zealand Counter Terrorism Committee and the provision of payments to the International Criminal Court. There will also be a redirection of funding for discretionary legal assistance to ensure a more targeted approach.

The savings from this measure will be redirected by the Government to repair the Budget and fund policy priorities.

Australian Federal Police — future engagement with the United Nations Peacekeeping Force in Cyprus

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|---------------------------|---------|---------|---------|---------|---------|
| Australian Federal Police | - | - | - | - | - |

The Government will provide \$1.9 million over two years from 2015-16 for the Australian Federal Police's (AFP) United Nations Peacekeeping Force in Cyprus. The funding will support the current mission while commencing a drawdown of the AFP's resourcing in Cyprus, leading to a total withdrawal by 30 June 2017.

The cost of this measure will be met from within the AFP's existing resources.

Biometrics Identification Services

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|-----------------|---------|---------|---------|---------|---------|
| CrimTrac Agency | - | 0.7 | - | - | - |

The Government will provide \$0.7 million in 2015-16 for CrimTrac to finalise the development of a Biometrics Identification Services system business case. The new system is intended to replace CrimTrac's National Automated Fingerprint Identification System.

Disaster Relief

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|-------------------------------|---------|---------|---------|---------|---------|
| Attorney-General's Department | 41.4 | 11.9 | - | - | - |

The Government will provide \$41.4 million in 2014-15 and \$11.9 million in 2015-16 to individuals affected by disasters through the *Disaster Recovery Payment*, *Disaster Recovery Allowance* and ex-gratia payments to New Zealand citizens for bushfires and cyclones in South Australia, Queensland, Northern Territory, Western Australia, and New South Wales.

Payments to individuals suffering hardship from natural disasters are in addition to those made by the Commonwealth Government to the states for the reconstruction of roads and infrastructure destroyed by natural disasters under the *Natural Disaster Relief and Recovery Arrangements*. (NDRRA). The Government will also provide up to \$3.1 million to support primary producers affected by Tropical Cyclone Olwyn in Western Australia under NDRRA.

Further information can be found in the press releases issued by the Minister for Justice on the Australian Government Disaster Assist website.

Legal Assistance Funding — extension

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|--|---------|---------|---------|---------|---------|
| Attorney-General's Department | - | 13.0 | 12.4 | - | - |
| Department of the Prime Minister and Cabinet | -11.5 | - | - | - | - |
| Total — Expense | -11.5 | 13.0 | 12.4 | - | - |

The Government will provide funding of \$25.5 million over two years for certain legal assistance programmes.

The measure is comprised of:

- \$12.0 million over two years to continue the supplementary funding allocated to various community legal centres;

- \$11.5 million over two years to continue funding for the Indigenous Legal Assistance Programme; and
- \$2.0 million over two years to restore funding to the Expensive Commonwealth Criminal Cases Fund.

The funding for this measure will be offset from within the Indigenous Affairs and Attorney-General's Portfolios.

Further information can be found in the joint press release of 26 March 2015 issued by the Attorney-General and the Minister Assisting the Prime Minister for Women.

National Partnership on Legal Assistance Services — continuation

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|-------------------------------|---------|---------|---------|---------|---------|
| Department of the Treasury | - | 40.0 | 42.2 | 30.1 | 30.6 |
| Attorney-General's Department | - | -40.0 | -42.2 | -30.1 | -30.6 |
| Total — Expense | - | - | - | - | - |

The Government will provide \$1.0 billion over four years for a new National Partnership on Legal Assistance Services for the period 1 July 2015 to 30 June 2020, including \$1.0 million over four years in departmental funding redirected to states and territories (states) to support this work.

Under the new National Partnership to be negotiated with the states, the Commonwealth will continue to provide funding for Legal Aid Commissions, and will transfer Commonwealth funding for Community Legal Centres to the states. The agreement will also provide a basis for increased flexibility in matching resource allocations to needs.

Funding will continue to be provided through the Attorney-General's Department for the Community Legal Support Programme (\$11.1 million over four years) and the Expensive Commonwealth Criminal Cases Fund (\$11.5 million over four years).

Funding for this measure has already been provided for by the Government.

See also the related expense measure *Legal Assistance Funding – extension*.

National Programme for Excellence in the Arts — establishment

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|-------------------------------|---------|---------|---------|---------|---------|
| Attorney-General's Department | - | 27.7 | 27.7 | 28.0 | 26.6 |
| Australia Council | - | -27.7 | -27.7 | -28.0 | -26.6 |
| Total — Expense | - | - | - | - | - |

The Government will provide \$104.7 million over four years to establish a National Programme for Excellence in the Arts, administered by the Ministry for the Arts within the Attorney-General's Department. The programme will deliver on a number of Government priorities including providing national access to quality arts and cultural experiences.

The Government will also provide \$5.3 million over three years for the continuation of Creative Partnerships Australia's *Plus1* matched funding programme. This programme generates private sector support for the arts through matched funding initiatives.

The cost of this measure will be met by redirecting equivalent funding from the Australia Council.

National Security — Combating Terrorist Propaganda in Australia

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|-------------------------------|---------|---------|---------|---------|---------|
| Attorney-General's Department | - | 5.4 | 5.3 | 5.4 | 5.5 |

The Government will provide \$21.7 million over four years to limit the impact of extremist narratives on domestic audiences. The programme seeks to reduce the ability of terrorist groups to nurture extremists through the internet and social media. This measure forms part of the Government's strategy to counter violent extremism.

The measure will support development of social media monitoring and analysis capabilities to better understand extremist narratives and how they affect Australians. It will also seek to reduce extremist material online by working with the Australian Communications and Media Authority, the private sector, and international partners.

The public will be encouraged to support this measure through the introduction of the Report Online Extremism tool. Funding will also be provided to community groups to assist them in working with vulnerable individuals to reject terrorist propaganda.

Further information can be found in the press release of 19 February 2015 issued by the Attorney-General.

This national security measure underlines the Government's commitment to a safe and secure Australia.

National Security — Implementation of mandatory telecommunications data retention

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|---|----------|-------------|-------------|-------------|------------|
| Attorney-General's Department | - | 65.0 | 52.5 | 13.8 | - |
| Office of the Commonwealth Ombudsman | - | 1.8 | 1.5 | 1.5 | 1.5 |
| Office of the Australian Information Commissioner | - | 1.1 | - | - | - |
| Australian Human Rights Commission | - | - | 1.1 | 1.0 | 1.0 |
| Australian Federal Police | - | - | - | - | - |
| Australian Crime Commission | - | - | - | - | - |
| Australian Security Intelligence Organisation | - | - | - | - | - |
| Australian Communications and Media Authority | - | - | - | - | - |
| Department of the Prime Minister and Cabinet | - | -1.1 | -0.8 | -0.8 | -0.8 |
| Total — Expense | - | 66.8 | 54.4 | 15.5 | 1.7 |
| <i>Related capital (\$m)</i> | | | | | |
| Office of the Commonwealth Ombudsman | - | 0.4 | - | - | - |

The Government will provide \$153.8 million over four years to support the implementation and ongoing management of the mandatory telecommunications data retention regime established by the *Telecommunications (Interception and Access) Amendment (Data Retention) Act 2015*.

The funding comprises:

- \$131.3 million over three years for a program of grants for telecommunications service providers to assist them to develop the capability to meet the data retention obligations;
- \$10.6 million over four years for various agencies to provide technical guidance to the telecommunications industry, undertake risk and technical assessments and support the development of standards and specifications for data retention systems;
- \$6.7 million over four years for the Commonwealth Ombudsman to meet new statutory oversight responsibilities;
- \$4.2 million over four years for the Privacy Commissioner to provide oversight of privacy implications arising from the *Telecommunications (Interception and Access) Amendment (Data Retention) Act 2015* and the *Counter-Terrorism Legislation Amendment (Foreign Fighters) Act 2014*; and

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- \$1.0 million over four years for the Australian Communications Media Authority (ACMA) to undertake enforcement action to ensure telecommunications service providers comply with data retention obligations.

Further information can be found in the joint press release of 26 March 2015 issued by the Minister for Communications and the Attorney-General.

This national security measure underlines the Government's commitment to a safe and secure Australia.

National Security — Operation Sovereign Borders — Disruption Deterrence Task Group — continuation

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|---|---------|---------|---------|---------|---------|
| Australian Security Intelligence Organisation | - | - | - | - | - |
| Australian Federal Police | - | .. | .. | - | - |
| Total — Expense | - | .. | .. | - | - |
| <i>Related capital (\$m)</i> | | | | | |
| <i>Australian Federal Police</i> | - | .. | .. | - | - |

The Government will provide \$12.5 million to extend the activities of the Operation Sovereign Border's Disruption Deterrence Task Group (DDTG) for a further two years. This funding will enable the continuation of intelligence gathering, disruptions and joint policing operations.

The DDTG is a joint effort led by the Australian Federal Police, together with the Australian Signals Directorate, Australian Security Intelligence Organisation and the Australian Crime Commission. Agency funding will be provided from within existing resources.

This measure delivers on the Government's election commitment.

This national security measure underlines the Government's commitment to a safe and secure Australia.

Native Title Respondents Scheme — extension

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|-------------------------------|---------|---------|---------|---------|---------|
| Attorney-General's Department | - | 0.8 | 1.6 | 1.7 | 1.7 |

The Government will provide \$5.8 million over four years to extend the *Native Title Respondents Scheme*. The scheme provides assistance for the legal costs of respondents to native title claims, and assists industry representative bodies with Native Title Officer costs.

This measure extends the *Mid-Year Economic and Fiscal Outlook 2013-14* measure titled *Restoring Native Title Respondent Funding*.

Safeguarding Law Enforcement Integrity — continuation

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|---|---------|---------|---------|---------|---------|
| Australian Commission for Law Enforcement Integrity | - | 0.7 | 0.7 | 0.7 | 0.7 |
| CrimTrac Agency | - | -0.1 | -0.1 | -0.1 | -0.1 |
| Australian Transaction Reports and Analysis Centre | - | -0.2 | -0.2 | -0.2 | -0.2 |
| Department of Agriculture | - | -0.5 | -0.5 | -0.5 | -0.5 |
| Total — Expense | - | - | - | - | - |

The Government will provide \$2.9 million over four years from 2015-16 for the Australian Commission for Law Enforcement Integrity (ACLEI) to continue its activities relating to the 2013-14 expansion of ACLEI's jurisdiction to include CrimTrac, the Department of Agriculture and the Australian Transaction Reports Analysis Centre (AUSTRAC).

The cost of this measure will be fully offset by the relevant agencies.

Smaller Government — Attorney-General's Portfolio

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|---|---------|---------|---------|---------|---------|
| Office of the Australian Information Commissioner | - | 1.7 | - | - | - |
| National Gallery of Australia | - | -0.1 | -0.1 | -0.1 | -0.1 |
| Total — Expense | - | 1.6 | -0.1 | -0.1 | -0.1 |

The Government will further reduce the number of government bodies by abolishing the Administrative Review Council with residual functions to be managed by the Attorney-General's Department.

Building on 2014-15 Budget measures to achieve efficiencies from government bodies in the Attorney-General's Portfolio, further savings of \$0.4 million over four years have been identified from the National Gallery of Australia by extending its outsourced security and guarding functions.

Transitional funding of \$1.7 million will be provided to the Office of the Australian Information Commissioner for its functions in 2015-16, pending the implementation of the measure *Smaller Government – Privacy and Freedom of Information functions – new arrangements*.

This measure is part of the fourth phase of Smaller Government reforms which reduce the size and complexity of government.

Budget Measures 2015-16 – Part 2: Expense Measures

The Smaller Government reforms are eliminating duplication and waste, streamlining services and reducing the cost of government administration.

Streamlining and Improving the Sustainability of Courts

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|--|---------|-------------|-------------|-------------|-------------|
| Family Court and Federal Circuit Court | - | 4.6 | 2.3 | 3.1 | 4.0 |
| Federal Court of Australia | - | 2.2 | 0.3 | 0.6 | 0.8 |
| Total — Expense | - | 6.8 | 2.6 | 3.7 | 4.9 |
| <i>Related revenue (\$m)</i> | | | | | |
| Family Court and Federal Circuit Court | - | 16.1 | 17.2 | 17.5 | 18.8 |
| Federal Court of Australia | - | 4.3 | 4.3 | 4.4 | 4.8 |
| Total — Revenue | - | 20.4 | 21.5 | 21.9 | 23.6 |
| <i>Related capital (\$m)</i> | | | | | |
| Department of Finance | - | 7.9 | 11.4 | 6.1 | 4.6 |
| Federal Court of Australia | - | 0.7 | 0.6 | 0.3 | 0.4 |
| Family Court and Federal Circuit Court | - | - | 1.2 | 0.7 | 0.8 |
| Total — Capital | - | 8.6 | 13.1 | 7.1 | 5.7 |

The Government will provide funding of \$22.5 million over four years to streamline and improve the sustainability of the Family Court, Federal Circuit Court of Australia and the Federal Court of Australia (the Courts). In addition, the Courts will enhance their sustainability through greater efficiencies, including merging their corporate functions from 1 July 2016.

The Government will also provide \$30.0 million to the Department of Finance for refurbishment of Court buildings. Refurbishments will include improvements to holding cells consistent with the recommendations of the Royal Commission into Aboriginal Deaths in Custody, and improvements to the safety of child dispute conference areas.

The cost of this measure will be met through additional revenue of \$87.4 million over four years from changes to the fee structures for the Courts.

COMMUNICATIONS

Digital Transformation Agenda — Portfolio Contributions

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|------------------------------|---------|---------|---------|---------|---------|
| Various Agencies | -11.1 | -44.7 | -23.2 | -22.1 | -18.0 |
| <i>Related capital (\$m)</i> | | | | | |
| Various Agencies | -0.8 | - | - | - | - |

The Government will direct savings of \$120.0 million over five years from 2014-15 from a range of portfolios to support the implementation of the Digital Transformation Agenda.

This measure includes financial contributions from agencies within portfolios that are involved in the digital delivery of services, and transfers of functions from the Department of Finance and the Department of Communications to the Digital Transformation Office.

See also the related expense measure titled *Digital Transformation Agenda – Stage One and establishment of the Digital Transformation Office*.

Digital Transformation Agenda — Stage One and establishment of the Digital Transformation Office

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|------------------------------------|---------|-------------|-------------|-------------|-------------|
| Digital Transformation Office | - | 28.6 | 25.7 | 22.4 | 20.9 |
| Australian Taxation Office | - | 13.8 | 3.1 | 3.1 | 2.0 |
| Department of Social Services | - | 10.9 | 12.2 | 5.6 | 1.8 |
| Department of Human Services | - | 10.7 | 2.3 | 0.4 | - |
| Department of Finance | - | 0.8 | 0.8 | 1.0 | 0.8 |
| Department of Industry and Science | - | 0.4 | - | - | - |
| Total — Expense | - | 65.3 | 44.1 | 32.5 | 25.4 |
| <i>Related capital (\$m)</i> | | | | | |
| Department of Social Services | - | 34.2 | 26.4 | 8.2 | - |
| Australian Taxation Office | - | 14.8 | - | - | - |
| Digital Transformation Office | - | 2.2 | 0.2 | - | - |
| Department of Industry and Science | - | 1.2 | - | - | - |
| Department of Human Services | - | 0.3 | - | - | - |
| Total — Capital | - | 52.6 | 26.6 | 8.2 | - |

The Government will provide \$254.7 million over four years from 2015-16 to support the initial implementation of the Digital Transformation Agenda, which will deliver a better user experience for individuals and businesses engaging with government, reduce red tape and increase the efficiency of government service delivery.

This measure includes the provision of \$95.4 million over four years from 2015-16 to establish the Digital Transformation Office (DTO) as a new Executive Agency within the Communications portfolio.

This measure also includes funding for the implementation of projects that form Stage One of the Digital Transformation Agenda, including:

- \$106.8 million for streamlining government grants administration by adopting standard business processes, a common ICT platform, improved reporting arrangements and a single portal to search and apply for grant opportunities;
- \$33.3 million for the development of a trusted digital identity framework, which will provide individuals and businesses with easier ways to access government services;
- \$11.5 million for the enhancement of the tell us once service to enable users to update their contact information with government once and have this information transmitted to relevant linked agencies;

- \$7.1 million for the development of a whole-of-government digital mailbox solution to enable individuals and businesses to receive and transact with digital messages and documents from government in a seamless, secure environment; and
- the development of a mandatory digital service standard to ensure government information and services are delivered in a simple, efficient, effective and consistent manner, with costs to be met within the core funding provided to the DTO.

See also the related savings measure titled *Digital Transformation Agenda – Portfolio Contributions*.

This measure delivers on the Government’s election commitment.

Further information can be found in the *Coalition’s Policy for E-Government and the Digital Economy* and in the press release issued by the Prime Minister and the Minister for Communications on 23 January 2015.

Smaller Government — Communications Portfolio

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|-------------------------------------|---------|---------|---------|---------|---------|
| Australian Broadcasting Corporation | - | - | - | - | - |

The Government has further reduced the number of government bodies by abolishing the ABC Splash Strategic Advisory Group. This body is no longer necessary, following completion of its work to assist the Australian Broadcasting Corporation in the development phase of ABC Splash.

This measure is part of the third phase of the Smaller Government reforms which reduce the size and complexity of government.

The Smaller Government reforms are eliminating duplication and waste, streamlining services and reducing the cost of government administration.

CROSS PORTFOLIO

Administered Programme Indexation Pause — two year extension

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|------------------------------|---------|---------|---------|---------|---------|
| Various Agencies | - | - | - | -8.4 | -21.9 |
| <i>Related revenue (\$m)</i> | | | | | |
| Various Agencies | - | - | - | .. | -0.1 |
| <i>Related capital (\$m)</i> | | | | | |
| Various Agencies | - | - | - | -0.5 | -1.0 |

The Government will achieve savings of \$36.3 million over three years from 2017-18 (including \$4.7 million in 2019-20) through pausing for a further two years the indexation of 78 programmes under the *Administered Programme Indexation Pause* measure announced in the 2014-15 Budget. For each programme, the extension of the pause to indexation will apply from 1 July 2017 or 1 July 2018 depending on the original start date of the pause.

The savings from this measure will be redirected by the Government to repair the Budget and fund policy priorities.

Public Sector Savings — Enterprise Resource Planning Systems

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|------------------|---------|---------|---------|---------|---------|
| Various agencies | - | - | - | -14.1 | -17.3 |

The Government will achieve savings of \$31.4 million over two years from 2017-18 by reforming back-office information technology systems, including the business applications used to manage and integrate transactional business processes within Australian Government agencies. The number of Enterprise Resource Planning Systems will be consolidated, to reduce the costs from running multiple platforms and to deliver more common business processes. A further \$12.9 million over two years in savings from the Department of Defence will be reinvested in Defence capability.

This will contribute to streamlining the public sector and help ensure resources are deployed efficiently.

The savings from this measure will be redirected by the Government to repair the Budget and fund policy priorities.

DEFENCE

Operation Accordion — extension

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|-----------------------------------|---------|---------|---------|---------|---------|
| Department of Defence | - | 192.4 | 1.4 | 0.6 | - |
| Australian Taxation Office | - | - | - | - | - |
| Total — Expense | - | 192.4 | 1.4 | 0.6 | - |
| <i>Related revenue (\$m)</i> | | | | | |
| <i>Department of Defence</i> | - | 3.1 | - | - | - |
| <i>Australian Taxation Office</i> | - | -8.1 | -4.3 | - | - |
| Total — Revenue | - | -5.0 | -4.3 | - | - |

The Government will provide \$191.3 million over three years for the net additional cost (including remediation costs) to extend Operation Accordion in 2015-16. The cost will be reduced by the recovery of \$3.1 million from other Coalition forces for logistic support provided by the Australian Defence Force (ADF).

Operation Accordion undertakes a range of activities to support the ADF's broader activities in the Middle East Region and Australia's continuing military contribution to international stabilisation and counter-terrorism efforts, including Operation Okra, Operation Highroad and Operation Manitou.

This measure is also expected to lead to a reduction in revenue of \$12.4 million over two years as a result of the tax treatment of the income and benefits received by ADF personnel deployed overseas.

Operation Highroad

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|-----------------------------------|---------|---------|---------|---------|---------|
| Department of Defence | 4.5 | 115.7 | 11.3 | 7.9 | - |
| <i>Related revenue (\$m)</i> | | | | | |
| <i>Department of Defence</i> | - | 0.6 | - | - | - |
| <i>Australian Taxation Office</i> | -0.4 | -8.1 | -4.2 | - | - |
| Total — Revenue | -0.4 | -7.5 | -4.2 | - | - |

The Government will provide \$216.8 million over four years for the net additional cost (including remediation costs) of Operation Highroad. The cost will be reduced by the recovery of \$0.6 million from other Coalition forces for logistic support provided by the Australian Defence Force (ADF).

Budget Measures 2015-16 – Part 2: Expense Measures

Operation Highroad is the ADF contribution to the North Atlantic Treaty Organisation-led 'train, advise and assist' Resolute Support mission in Afghanistan, which commenced on 1 January 2015 following the conclusion of the International Security Assistance Force campaign (of which Operation Slipper was the Australian contribution) on 31 December 2014.

Total funding for this measure in 2014-15 is \$82.4 million, which was provided for in the *Mid-Year Economic and Fiscal Outlook 2014-15*.

Operation Highroad will be extended in 2015-16 at a net additional cost of \$134.3 million over three years.

This measure is also expected to lead to a reduction in revenue of \$12.7 million over two years as a result of the tax treatment of the income and benefits received by ADF personnel deployed overseas.

Operation Manitou

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|-----------------------------------|---------|---------|---------|---------|---------|
| Department of Defence | - | 40.3 | 0.5 | 0.5 | - |
| Australian Taxation Office | - | - | - | - | - |
| Total — Expense | - | 40.3 | 0.5 | 0.5 | - |
| <i>Related revenue (\$m)</i> | | | | | |
| <i>Australian Taxation Office</i> | - | -6.9 | -3.6 | - | - |

The Government will provide \$41.3 million over three years for the net additional cost (including remediation costs) to extend Operation Manitou in 2015-16. Operation Manitou is the Australian Defence Force (ADF) contribution to the international Combined Maritime Forces' operations to counter terrorism, piracy and related illegal activities in the maritime Middle East Region.

This measure is also expected to lead to a reduction in revenue of \$10.5 million over two years as a result of the tax treatment of the income and benefits received by ADF personnel deployed overseas.

Operation Okra — continued support

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|------------------------------|---------|---------|---------|---------|---------|
| Department of Defence | - | 370.8 | 11.8 | 10.0 | - |
| Australian Taxation Office | - | - | - | - | - |
| Total — Expense | - | 370.8 | 11.8 | 10.0 | - |
| <i>Related revenue (\$m)</i> | | | | | |
| Department of Defence | - | 11.0 | - | - | - |
| Australian Taxation Office | -2.5 | -22.8 | -10.7 | - | - |
| Total — Revenue | -2.5 | -11.9 | -10.7 | - | - |

The Government will provide \$403.2 million over four years for the net additional cost (including remediation costs) of Australia's contribution to the international coalition against ISIL, or Daesh, in Iraq in 2015-16. The cost will be reduced by the recovery of \$11.0 million from other Coalition forces for logistic support provided by the Australian Defence Force (ADF).

Operation Okra is the ADF contribution to the international effort to disrupt and degrade the ISIL threat in Iraq. Under this operation, an Air Task Group conducts air combat and support operations in Iraq and a Special Operations Task Group advises and assists Iraq's security forces in their operations against ISIL in Iraq.

The cost of this measure includes funding of \$141.2 million over four years to support Australia's commitment to the international Building Partner Capacity (BPC) training mission in Iraq in 2014-15, 2015-16 and 2016-17. The ADF will contribute to this mission as part of an Australia-New Zealand combined Task Group to build the capacity of units of the Iraqi army.

This measure includes \$10.7 million in 2014-15 which will be met from within funding already provided for Operation Okra. Funding for the conduct of the BPC mission in 2016-17 will be considered in the 2016-17 Budget process in accordance with the established practice for funding major Defence Operations on an annual basis and in conjunction with a review of the mission.

This measure is also expected to lead to a reduction in revenue of \$36.0 million over three years as a result of the tax treatment of the income and benefits received by ADF personnel deployed overseas.

Operation Resolute — extension

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|-----------------------|---------|---------|---------|---------|---------|
| Department of Defence | - | 48.1 | 5.7 | - | - |

The Government will provide \$53.8 million over two years for the net additional cost (including remediation costs) to extend Operation Resolute in 2015-16. Operation Resolute is the Australian Defence Force contribution to the whole-of-government effort to protect Australia's borders and offshore maritime interests.

Smaller Government — Defence Materiel Organisation — reintegration into the Department of Defence

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|-----------------------|---------|---------|---------|---------|---------|
| Department of Defence | - | - | - | - | - |

As part of its implementation of recommendations arising from the First Principles Review of Defence, the Government has agreed to disband the Defence Materiel Organisation (DMO) and to transfer its core responsibilities and funding to the Department of Defence (Defence).

As a consequence, arrangements will be made for the DMO to cease as a separate agency with effect from 1 July 2015, with its ongoing annual funding – \$805 million in 2015-16 – transferred to Defence. The disbanding of the DMO is part of a broader set of recommendations involved in the establishment of an end-to-end approach to capability development, including more robust and tailored investment approval processes and improved arrangements for the acquisition and sustainment of Defence capability.

The extent of savings from this measure will be identified later in 2015, and reinvested in Defence capability, resulting in no impact on overall Defence funding.

This measure forms part of the fourth phase of the Government's Smaller Government reforms.

The Smaller Government reforms are eliminating duplication and waste, streamlining services and reducing the cost of government administration.

EDUCATION AND TRAINING

Adult Migrant English Programme — expansion

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|--------------------------------------|---------|---------|---------|---------|---------|
| Department of Education and Training | - | 14.5 | - | - | - |

The Government will provide \$14.5 million in 2015-16 to expand the *Adult Migrant English Programme* for one year to include refugees who hold temporary substantive visas, including Temporary Protection Visas, Safe Haven Enterprise Visas and Temporary (Humanitarian Concern) Visas. The programme provides up to 510 hours of English language tuition to eligible migrants and humanitarian entrants to help them learn basic English language skills to assist with their settlement in Australia.

Australian Consensus — establishment

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|--------------------------------------|---------|---------|---------|---------|---------|
| Department of Education and Training | - | - | - | - | - |

The Government will provide \$4.0 million over four years from 2014-15 to help establish the Australian Consensus. The Australian Consensus, which will be based on the Copenhagen Consensus approach, will bring together leading economists and other experts to deliver advice on the costs and benefits of solutions to national, regional and global challenges.

Funding for this measure has already been provided for by the Government.

Australian Early Development Census — saving

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|--------------------------------------|---------|---------|---------|---------|---------|
| Department of Education and Training | - | - | - | - | - |

The Government will achieve savings of \$4.6 million over three years from 2014-15 from the Australian Early Development Census (AEDC) until 2016-17. The AEDC data collection will continue and third parties and government agencies will continue to be able to use the AEDC data for research and analysis.

Savings from this measure have already been provided for by the Government.

The savings from this measure will be redirected by the Government to repair the Budget and fund policy priorities.

Australian Institute of Aboriginal and Torres Strait Islander Studies — preservation of Indigenous cultural resources

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|---|---------|---------|---------|---------|---------|
| Australian Institute of Aboriginal and Torres Strait Islander Studies | - | 5.0 | - | - | - |

The Government will provide an additional \$5.0 million in 2015-16 to continue the preservation of a range of documentary and audio-visual materials held in non-digital form by the Australian Institute of Aboriginal and Torres Strait Islander Studies. The restoration of the Institute's collection of Indigenous film, video, recorded sound and pictorial material will help ensure these resources are preserved and accessible to future generations.

Families Package — National Partnership Agreement on Universal Access to Early Childhood Education — extension

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|--------------------------------------|---------|---------|---------|---------|---------|
| Department of the Treasury | - | 124.5 | 418.0 | 297.5 | - |
| Department of Education and Training | - | - | 1.5 | 1.5 | - |
| Total — Expense | - | 124.5 | 419.5 | 299.0 | - |

The Government will provide \$843.0 million over three years from 2015-16 to extend the National Partnership Agreement on Universal Access to Early Childhood Education for the 2016 and 2017 calendar years. To provide certainty to parents and pre-schools, this funding will give a further two cohorts of pre-school children the opportunity to participate in early childhood education and care through accredited pre-school programmes.

Further information can be found in the joint press release of 3 May 2015 issued by the Prime Minister, the Minister for Education and Training and the Parliamentary Secretary to the Minister for Education and Training.

Higher Education Participation Programme — adjustment

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|--------------------------------------|---------|---------|---------|---------|---------|
| Department of Education and Training | - | -5.0 | - | - | - |

The Government will achieve savings of \$5.0 million in 2015-16 by adjusting funding for the Higher Education Participation Programme.

The savings from this measure will be redirected by the Government to the preservation of the Australian Institute of Aboriginal and Torres Strait Islander Studies collection. See also the related measure *Australian Institute of Aboriginal and Torres Strait Islander Studies – preservation of Indigenous cultural resources*.

Improving the Quality of Teachers and Teacher Education Courses

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|--------------------------------------|---------|---------|---------|---------|---------|
| Department of Education and Training | - | 4.8 | 4.3 | 4.1 | 3.7 |

The Government will provide \$16.9 million over four years from 2015-16 to implement the Government’s response to the Teacher Education Ministerial Advisory Group’s (TEMAG) 2014 report, *Action Now: Classroom Ready Teachers*. The response aims to improve student learning outcomes by improving the quality of initial teacher education in Australia.

Under this measure, funding will be provided to the Australian Institute for Teaching and School Leadership to develop and deliver activities to raise the quality of teachers and teacher education courses to improve student learning outcomes, including:

- the establishment of a stronger accreditation process for teacher education courses;
- a rigorous selection process to assist in determining applicant suitability for teaching;
- an assessment framework to ensure all teacher education graduates are classroom ready; and
- a national research programme into the effectiveness of initial teacher education and workforce data.

Further information can be found in the press release of 7 May 2015 issued by the Minister for Education and Training and the Government’s response to the TEMAG report, *Action Now: Classroom Ready Teachers – Australian Government Response* of 13 February 2015, released by the Minister for Education and Training.

National Collaborative Research Infrastructure Strategy — continuation

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|--------------------------------------|---------|---------|---------|---------|---------|
| Department of Education and Training | - | - | 150.0 | - | - |

The Government will provide \$150.0 million in 2016-17 to continue to provide quality research infrastructure through the *National Collaborative Research Infrastructure Strategy*, which funds the operation and maintenance of critical national research infrastructure. This funding will allow major national existing research facilities to continue to deliver maximum benefits to the community.

Parental Awareness Campaign

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|--------------------------------------|---------|---------|---------|---------|---------|
| Department of Education and Training | -3.7 | 3.7 | - | - | - |

The Government will provide \$5.0 million over two years from 2014-15 for a communications campaign to raise awareness of the positive effect parental engagement has on their children’s achievement in education.

The cost of this measure will be met by redirecting \$5.0 million in 2014-15 from the information campaign component of the *Higher Education Reforms – amendments* measure announced in the *Mid-Year Economic and Fiscal Outlook 2014-15*.

Remote Indigenous Students Attending Non-Government Boarding Schools — continuation

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|--------------------------------------|---------|---------|---------|---------|---------|
| Department of Education and Training | - | 3.5 | 1.9 | - | - |

The Government will provide \$5.4 million over two years from 2015-16 to continue to support specific non-government schools for the additional costs associated with boarding and educating Indigenous students from remote communities. Assistance will be provided to non-government schools with more than 50 Indigenous boarding students from remote or very remote areas, or where 50 per cent or more of their boarding students are Indigenous students from remote or very remote areas.

Further information can be found in the press release of 29 April 2015 issued by the Minister for Education and Training.

Smaller Government — Education and Training Portfolio

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|--------------------------------------|---------|---------|---------|---------|---------|
| Department of Education and Training | -0.8 | -31.9 | -24.0 | -30.4 | -44.1 |

The Government will achieve savings of \$131.0 million over five years from 2014-15 by terminating or redesigning a number of programmes administered by the Department of Education and Training. The Government's decision has been informed by a functional and efficiency review of the department which examined how departmental activities and resources are currently aligned to functions and to the Government's priorities.

This measure includes the redesign of the following programmes: the *Industry Workforce Training* programme; the *Promotion of Excellence in Learning and Teaching in Higher Education* programme; the *Endeavour Language Teacher Fellowships* programme; and the *National Workforce Development Fund*. A competitive tender for the further development and support of the *My Skills* website will also be conducted.

This measure also includes savings of \$1.6 million over five years from 2014-15 by replacing seven vocational education and training governance bodies with the Australian Industry and Skills Council. This includes the Data and Performance Measurement Principal Committee; the Workforce Development, Supply and Demand Principal Committee; and five bodies identified in the *Mid-Year Economic and Fiscal Outlook 2014-15* for abolition.

The work of the Aboriginal and Torres Strait Islander Higher Education Advisory Council will conclude later in 2015. The Government will continue its focus on Indigenous higher education through the Prime Minister's Indigenous Advisory Council, consultation with the National Aboriginal and Torres Strait Islander Higher Education Consortium and through forums on key priorities including science, technology, engineering and mathematics. The Government will replace the Office for Learning and Teaching Strategic Advisory Committee within the Department of Education and Training with a programme to be administered by the university sector.

Additionally, the following bodies have ceased operations: the National Partnerships Implementation Working Group; the Teacher Education Ministerial Advisory Group; the ANU Section 68 Pty Ltd; and the Online Assessment Committee (with its functions to be performed by the Online Assessment Working Group).

This measure is part of the fourth phase of the Smaller Government reforms which reduce the size and complexity of government.

The Smaller Government reforms are eliminating duplication and waste, streamlining services and reducing the cost of government administration.

Savings from this measure will be redirected by the Government to repair the Budget and fund policy priorities.

Budget Measures 2015-16 – Part 2: Expense Measures

Sustainable Research Excellence — adjustment

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|--------------------------------------|---------|---------|---------|---------|---------|
| Department of Education and Training | - | - | -150.0 | -37.5 | -75.0 |

The Government will adjust the growth in funding available under the *Sustainable Research Excellence* (SRE) programme. SRE programme funding will continue to increase each year and is expected to be more than \$300 million in 2020.

The savings from this measure will be redirected by the Government to fund the *National Collaborative Research Infrastructure Strategy*. See also the related expense measure titled *National Collaborative Research Infrastructure Strategy – continuation*.

VET FEE-HELP — enhanced compliance regime

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|---|---------|---------|---------|---------|---------|
| Department of Education and Training | - | 4.6 | 3.9 | 3.1 | 3.1 |
| <i>Related capital (\$m)</i> | | | | | |
| <i>Department of Education and Training</i> | - | 3.6 | - | - | - |

The Government will provide \$18.2 million over four years from 2015-16 (including \$3.6 million in capital funding) to implement an enhanced compliance regime for VET FEE-HELP. The enhancements will strengthen the administration of the programme, prohibit inappropriate market practices and protect vulnerable students, taxpayers and the reputation of the national vocational education and training sector.

Funding for this measure has already been provided for by the Government.

EMPLOYMENT

Beacon Foundation — grant funding

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|--------------------------|---------|---------|---------|---------|---------|
| Department of Employment | - | - | - | - | - |

The Government will provide a grant of \$950,000 in 2014-15 to the Beacon Foundation to enable it to extend its Real Futures Generation programme until January 2016. The funding is aimed at supporting more young people to develop the career skills necessary to transition from school to employment through partnerships with business and schools.

The cost of this measure will be met by redirecting uncommitted funding from the Work for the Dole operating fund.

Employment Services — Changes to Service Fees and Cessation of Personal Contact Interviews

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|------------------------------|---------|---------|---------|---------|---------|
| Department of Employment | -45.8 | - | - | - | - |
| Department of Human Services | 2.0 | -9.0 | -10.9 | -11.2 | -11.2 |
| Total — Expense | -43.8 | -9.0 | -10.9 | -11.2 | -11.2 |

The Government will achieve savings of \$86.1 million over five years by changing the Job Services Australia fee structure in the final quarter of 2014-15 and removing the requirement for job seekers to attend Personal Contact Interviews.

As part of the transition to the new Employment Services 2015-20 arrangements due to commence on 1 July 2015, Job Services Australia service fees for the final quarter of 2014-15 will be paid on a pro-rata basis for the period the job seeker is being serviced to recognise that some job seekers will receive support for less than three months before transitioning to the new arrangements. The change is estimated to save \$45.8 million in 2014-15.

From 1 July 2015, personal contact interviews will no longer be required as part of the new *jobactive* arrangements as job seekers will be required to stay connected with their *jobactive* providers. Ceasing the interviews is estimated to save \$40.3 million over four years.

The savings from this measure will be redirected by the Government to repair the Budget and fund policy priorities.

Fair Entitlements Guarantee — recovery programme — trial

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|--------------------------|---------|---------|---------|---------|---------|
| Department of Employment | - | 5.7 | 5.8 | - | - |

The Government will provide \$11.5 million over two years from 2015-16 to undertake a two year trial of funding litigation activities to improve the recovery of employment entitlements advanced under the Fair Entitlements Guarantee (FEG) scheme. The effectiveness of the trial in achieving additional recovery will be reviewed in 2017.

Under FEG, if a company goes into liquidation or bankruptcy occurs, the Government provides assistance to cover certain unpaid employment entitlements to eligible employees early in the liquidation process before all assets and company funds are realised and seeks to recover its costs once the litigation process is complete.

Geelong Employment Facilitator — extension

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|--------------------------|---------|---------|---------|---------|---------|
| Department of Employment | -1.3 | 0.8 | 0.6 | - | - |

The Government will provide an additional \$1.3 million over two years from 2015-16 to extend the services of the Geelong Employment Facilitator (the Facilitator) to 30 June 2017. The Facilitator assists people affected by recent and scheduled industry closures in the Greater Geelong region, including by organising job fairs and facilitating employment opportunities.

The cost of this measure will be met by redirecting uncommitted 2014-15 funding from the Work for the Dole operating fund.

Growing Jobs and Small Business — engaging early school leavers

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|---------------------------------|----------|------------|------------|------------|------------|
| Department of Employment | - | 1.3 | 2.6 | 2.7 | 2.8 |
| Department of Human Services | - | 1.0 | 1.0 | 0.9 | 0.9 |
| Total — Expense | - | 2.3 | 3.6 | 3.6 | 3.7 |
| <i>Related capital (\$m)</i> | | | | | |
| <i>Department of Employment</i> | <i>-</i> | <i>0.3</i> | <i>-</i> | <i>-</i> | <i>-</i> |

The Government will provide \$13.5 million over four years from 2015-16 to strengthen activity requirements for early school leavers aged 15 to 21 years to improve their employment and education outcomes. From 1 January 2016, all early school leavers will be required to actively look for work if they are not in full-time education or a combination of education and part-time work of 25 hours per week. Early school leavers will also be required to meet their activity requirements of 25 hours per week until they turn 22 or have achieved a Year 12 or Certificate III qualification.

To support the new arrangements, education outcome payments to *jobactive* providers will be extended to include Certificate III qualifications and cover all early school leavers under 22 years of age.

The Government's *Growing Jobs and Small Business* package will help small business invest more, grow and employ more Australians.

Growing Jobs and Small Business — further strengthening the job seeker compliance arrangements

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|-------------------------------|---------|---------|---------|---------|---------|
| Department of Human Services | - | 5.0 | 9.9 | 8.3 | 7.8 |
| Department of Employment | - | 0.4 | 0.1 | 0.1 | - |
| Department of Social Services | - | - | -2.6 | -2.1 | -2.2 |
| Total — Expense | - | 5.4 | 7.3 | 6.3 | 5.6 |
| <i>Related capital (\$m)</i> | | | | | |
| Department of Employment | - | 0.4 | - | - | - |

The Government will provide \$24.9 million over four years from 2015-16 to further strengthen the job seeker compliance framework by introducing stronger and more immediate penalties for job seekers who do not meet their mutual obligation requirements.

From 1 July 2016, the Government will extend the 'no show no pay' principle to missed appointments and activities like work for the dole, to encourage positive job seeker behaviour and compliance.

Job seekers who fail to undertake adequate job search will be subject to income support payment suspension until they demonstrate genuine job search efforts. These job seekers would also no longer be able to have the financial penalty waived by agreeing to undertake a compliance activity.

This measure is estimated to deliver savings of \$6.9 million over three years from 2016-17.

This measure delivers on the Government's election commitment.

The Government's *Growing Jobs and Small Business* package will help small business invest more, grow and employ more Australians.

Growing Jobs and Small Business — wage subsidies — redesign

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|---------------------------------|---------|---------|---------|---------|---------|
| Department of Employment | -0.1 | -103.3 | -21.0 | 57.6 | 66.4 |
| <i>Related capital (\$m)</i> | | | | | |
| <i>Department of Employment</i> | - | 0.3 | - | - | - |

The Government will establish a single wage subsidy pool from 1 July 2015 with access to funding of approximately \$1.2 billion over four years, through the consolidation of four existing programmes: the Long Term Unemployed Wage Subsidy, the Youth Subsidy, the Restart Subsidy and the Tasmanian Jobs Programme.

The new arrangements will provide greater flexibility for *jobactive* providers and employers to respond to changes in employer demand. Each wage subsidy will have specific eligibility requirements and operational guidelines.

As part of this programme consolidation, the Government will introduce the following changes to ensure that subsidies are well targeted and align with the Government's objective to support workforce participation across the community:

- the eligibility for the Youth Wage Subsidy will be expanded to include eligible job seekers aged 15 to 29 years of age after six months in *jobactive*, with a start date of 1 November 2015;
- payments for the Restart Subsidy will be more accessible by allowing employers to receive the subsidy amount of \$10,000 progressively over 12 months, rather than the current 24 months;
- a new wage subsidy stream with payments of up to \$6,500 will be introduced for parents who are on income support with participation requirements and are classified as a Principal Carer Parent, or are in receipt of the Parenting Payment, with a wage subsidy provided after six months in *jobactive*; and
- from 13 May 2015, the wage subsidy under the Tasmanian Jobs Programme will be doubled to \$6,500.

The Government's *Growing Jobs and Small Business* package will help small business invest more, grow and employ more Australians.

Growing Jobs and Small Business — Youth Employment Strategy — intensive support — transition to work

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|------------------------------|---------|---------|---------|---------|---------|
| Department of Employment | - | 22.0 | 60.8 | 63.6 | 61.2 |
| Department of Human Services | - | 2.8 | 0.6 | 0.6 | 0.6 |
| Total — Expense | - | 24.8 | 61.4 | 64.1 | 61.7 |

The Government will provide \$212.0 million over four years from 2015-16 to establish a new intensive support service to help young people at high risk of long term unemployment and welfare dependency.

Funding will be provided to a network of community based organisations to deliver intensive support to early school leavers aged 15 to 21 years, including those who are not in receipt of income support, by addressing barriers to employment and providing services to address core skills deficits. Outreach services will be provided to connect severely disengaged youth and to facilitate coordinated regional approaches for those at risk. There will be a strong focus on helping disengaged young people to take up work experience opportunities to build practical skills and undertake training or education to encourage them to take up apprenticeships and traineeships that lead to job outcomes.

The Government's *Growing Jobs and Small Business* package will help small business invest more, grow and employ more Australians.

Growing Jobs and Small Business Package — National Work Experience Programme

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|---------------------------------|---------|---------|---------|---------|---------|
| Department of Employment | - | 3.2 | 4.0 | 4.7 | 3.6 |
| Department of Human Services | 0.2 | 2.0 | 0.1 | 0.1 | 0.1 |
| Department of Social Services | - | 0.1 | 0.1 | 0.1 | 0.1 |
| Total — Expense | 0.2 | 5.3 | 4.2 | 4.8 | 3.7 |
| <i>Related capital (\$m)</i> | | | | | |
| <i>Department of Employment</i> | - | 0.1 | - | - | - |

The Government will provide \$18.3 million over five years from 2014-15 to vary existing unpaid work experience arrangements, allowing job seekers to undertake up to 25 hours per week of unpaid work experience for up to four weeks where there is the likelihood of employment as a result.

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The programme is for job seekers aged 18 years and over and is on a voluntary basis. Participants will continue to receive income support and a supplement. The new work experience programme will have a strong focus on creating opportunities for young job seekers. Employers who offer participants ongoing employment may be eligible for a wage subsidy.

See also related expense measure titled *Growing Jobs and Small Business – wage subsidies – redesign*.

The Government's *Growing Jobs and Small Business* package will help small business invest more, grow and employ more Australians.

ENVIRONMENT

Antarctica — maintaining Australia's presence

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|-------------------------------|---------|---------|---------|---------|---------|
| Department of the Environment | - | 9.4 | - | - | - |

The Government will provide \$9.4 million in 2015-16 to maintain functions that support Australia's presence in Antarctica. The funding will contribute to the maintenance of station operations and Antarctic science projects.

Climate Change Authority — extension

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|-------------------------------|---------|---------|---------|---------|---------|
| Climate Change Authority | - | 3.6 | 2.6 | - | - |
| Department of the Environment | -3.8 | -1.6 | -0.8 | - | - |
| Total — Expense | -3.8 | 2.0 | 1.8 | - | - |

To give effect to the agreement on the Emissions Reduction Fund, the Government will provide \$6.1 million over two years from 2015-16 from within the existing resources of the Department of the Environment to extend the Climate Change Authority until 31 December 2016.

Government Response to the Home Insulation Program Royal Commission — act of grace payments

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|-------------------------------|---------|---------|---------|---------|---------|
| Department of the Environment | nfp | - | - | - | - |

The Government provided act of grace payments in 2014-15 to the next of kin of the four deceased insulation installers as part of its final response to the Report of the Royal Commission into the Home Insulation Program.

The expenditure for this measure is not for publication (nfp) for privacy reasons.

Further information can be found in the press release of 23 December 2014 issued by the Minister for the Environment.

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Green Army — efficiencies

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|-------------------------------|---------|---------|---------|---------|---------|
| Department of Social Services | - | - | - | 3.4 | - |
| Department of Human Services | - | - | - | 0.3 | - |
| Department of the Environment | - | -6.6 | -13.8 | -45.6 | -7.2 |
| Total — Expense | - | -6.6 | -13.8 | -41.9 | -7.2 |

The Government will achieve savings of \$73.2 million over four years from 2015-16 from efficiencies in the Green Army programme. The Government will continue to provide \$701.9 million over four years from 2015-16 for Green Army projects and will deliver on its election commitment of 1,500 projects in 2018-19.

The savings from the Green Army programme will be partly offset by an increase in income support payments in the Social Services Portfolio.

The savings from this measure will be redirected by the Government to fund policy priorities including supporting the Reef Trust.

National Landcare Programme — funding adjustment

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|-------------------------------|---------|---------|---------|---------|---------|
| Department of the Environment | -2.2 | - | - | - | -10.2 |

The Government will achieve savings of \$12.3 million over five years from 2014-15 from the *Natural Heritage Trust* component of the *National Landcare Programme*. The Government will continue to provide \$853.9 million over four years from 2015-16 for the *Natural Heritage Trust*.

The savings from this measure will be redirected by the Government to fund policy priorities including supporting the Reef Trust.

National Urban Water and Desalination Plan — savings

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|-------------------------------|---------|---------|---------|---------|---------|
| Department of the Environment | -1.2 | - | - | - | - |

The Government will achieve savings of \$1.2 million in 2014-15 from the *National Urban Water and Desalination Plan*.

Funding of \$21.2 million in 2014-15 and \$7.7 million in 2015-16 has been allocated to nine projects under the *National Urban Water and Desalination Plan*.

The savings from this measure will be redirected by the Government to repair the Budget and fund policy priorities.

Reef Trust — additional contribution

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|-------------------------------|---------|---------|---------|---------|---------|
| Department of the Environment | - | 5.5 | 25.0 | 30.0 | 39.5 |

The Government will provide an additional \$100.0 million over four years from 2015-16 to the Reef Trust to support the delivery of priority projects in the Great Barrier Reef, bringing the total contribution to the Reef Trust to \$140.0 million.

This measure extends the 2014-15 Budget measure titled *Reef 2050 Plan – establishment*.

Further information can be found in the joint press release of 21 March 2015 issued by the Prime Minister, the Premier of Queensland, the Minister for the Environment and the Queensland Minister for the Environment.

Smaller Government — Environment Portfolio

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|-------------------------------|---------|---------|---------|---------|---------|
| Department of the Environment | - | - | - | - | - |

The Government will further reduce the number of government bodies by abolishing the Water Act Expert Panel following the completion of its review of the *Water Act 2007*, the report of which was tabled on 19 December 2014.

Additionally, the following bodies have ceased operations:

- the Emissions Reduction Fund Expert Reference Group – following the completion of consultations leading to the implementation of the Emissions Reduction Fund; and
- the River Murray Water Committee – with its residual functions to be performed by the River Murray Operations Committee.

This measure is part of the fourth phase of the Smaller Government reforms which reduce the size and complexity of government.

The Smaller Government reforms are eliminating duplication and waste, streamlining services and reducing the cost of government administration.

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Tasmanian Irrigation Tranche II — contribution

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|-------------------------------|---------|---------|---------|---------|---------|
| Department of the Treasury | - | 34.4 | 18.0 | - | 7.6 |
| Department of the Environment | - | - | - | - | - |
| Total — Expense | - | 34.4 | 18.0 | - | 7.6 |

The Government will provide \$60.0 million over four years from 2015-16 towards the development of four irrigation projects in Tasmania. The projects aim to deliver reliable irrigation water to landholders and a secure drinking water supply for the town of Bothwell. The projects will be collaboratively funded with the Tasmanian Government and through the sale of irrigation water rights to the private sector.

Further information can be found in the press release of 19 February 2015 issued by the Prime Minister.

FINANCE

Central Budget Management System — further redevelopment

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|------------------------------|------------|------------|------------|------------|------------|
| Department of Finance | nfp | nfp | nfp | nfp | nfp |
| <i>Related capital (\$m)</i> | | | | | |
| <i>Department of Finance</i> | <i>nfp</i> | <i>nfp</i> | <i>nfp</i> | <i>nfp</i> | <i>nfp</i> |

The Government will further redevelop the Central Budget Management System (CBMS) underpinning the budget and financial management of the Australian Government. The redeveloped CBMS will deliver a stable technology platform that supports business process improvements and delivers functional efficiencies. The high level customisation required has increased the development effort necessary to complete the project.

This measure extends the 2010-11 Budget measure titled *Central Budget Management System – comprehensive redevelopment*.

For commercial confidentiality reasons, the financial impact of this measure is not for publication.

Defence Housing Australia — reform

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|-----------------------|---------|---------|---------|---------|---------|
| Department of Finance | - | 3.5 | 0.5 | - | - |

The Government will provide \$4.0 million over two years from 2015-16 to undertake a reform of Defence Housing Australia (DHA). This will include a review of DHA's accounting, information technology and business reporting systems to improve transparency of the cost of providing DHA's services, as well as a review of DHA's business plans to support the sustainable delivery of quality and accessible housing and accommodation services.

The reform will better position DHA to continue to meet the needs of Australian Defence Force (ADF) personnel and their families. There will be no change to the entitlements of ADF members.

Simplifying Parliamentary Budgets

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|-----------------------|---------|---------|---------|---------|---------|
| Comcare | - | 0.3 | 0.2 | 0.2 | 0.2 |
| Department of Finance | - | 0.2 | 0.1 | 0.1 | 0.1 |
| Total — Expense | - | 0.4 | 0.3 | 0.3 | 0.3 |

The Government will simplify parliamentary entitlements by streamlining office budgets and better aligning travel provisions with the purpose of travel.

Current office budgets will be streamlined into two separate budgets, office and electorate support, to provide greater efficiency and flexibility for parliamentarians. The value of the two budgets will be equivalent to the present entitlement. The realignment of travel provisions will provide greater clarity in assessing travel entitlements and will also include a value for money assessment.

The Government will also provide \$1.4 million over four years to implement a parliamentarians' injury compensation scheme beginning 1 January 2016. The scheme will provide a senator or member with an entitlement to compensation in respect of an injury that arises out of, or in the course of the performance of, his or her duties as a parliamentarian.

Smaller Government — Australian Rail Track Corporation Limited — scoping study

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|-----------------------|---------|---------|---------|---------|---------|
| Department of Finance | - | - | - | - | - |

The Government will undertake a scoping study in 2015-16 on options for the future management, operations and ownership of the Australian Rail Track Corporation Ltd. The cost of the scoping study will be met from within the existing resources of the Department of Finance.

This measure is part of the fourth phase of the Smaller Government reforms which reduce the size and complexity of government.

The Smaller Government reforms are eliminating duplication and waste, streamlining services and reducing the cost of government administration.

**Smaller Government — Australian Securities and Investments Commission
Registry Function — commercialisation**

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|--|---------|---------|---------|---------|---------|
| Department of Finance | - | 11.6 | - | - | - |
| Australian Securities and Investments Commission | - | 1.0 | - | - | - |
| Total — Expense | - | 12.6 | - | - | - |

The Government will provide \$11.6 million in 2015-16 to the Department of Finance to undertake a competitive tender process to market test the capacity of a private provider to upgrade and operate the Australian Securities and Investment Commission (ASIC) Registry and to develop value added products.

In addition, the Government will provide \$1.0 million in 2015-16 to ASIC to assist with preparations.

This measure is part of the fourth phase of the Smaller Government reforms which reduce the size and complexity of government.

The Smaller Government reforms are eliminating duplication and waste, streamlining services and reducing the cost of government administration.

Smaller Government — Finance Portfolio

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|-----------------------|---------|---------|---------|---------|---------|
| Department of Finance | - | - | - | - | - |

The Albury-Wodonga Development Corporation (AWDC) Hume Gardens Estate joint venture, a subsidiary body of the AWDC, has ceased operations as part of the implementation of the 2014-15 Budget measures to abolish the AWDC.

This measure is part of the fourth phase of the Smaller Government reforms which reduce the size and complexity of government.

The Smaller Government reforms are eliminating duplication and waste, streamlining services and reducing the cost of government administration.

See also the related 2014-15 Budget measure titled *Smaller Government – additional reductions in the number of Australian Government bodies*.

Whole-of-government procurement arrangements — Information and Communications Technologies (ICT) products and services

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|-----------------------|---------|---------|---------|---------|---------|
| Department of Finance | - | 3.4 | 3.3 | 4.5 | 4.4 |
| Various Agencies | - | - | -5.8 | -8.8 | -14.8 |
| Total — Expense | - | 3.4 | -2.5 | -4.2 | -10.4 |

The Government will expand coordinated procurement arrangements to reduce the cost and increase the efficiency of procurement of ICT products and services, including software licensing by Non Corporate Commonwealth Entities that are subject to the *Public Governance, Performance and Accountability Act 2013*.

This is estimated to result in whole-of-government savings of \$13.7 million over four years from 2015-16.

The savings from this measure will be redirected by the Government to repair the Budget and fund policy priorities.

FOREIGN AFFAIRS AND TRADE

Australia Week Events

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|---|---------|---------|---------|---------|---------|
| Australian Trade Commission | - | 0.8 | 2.8 | 2.8 | 2.8 |
| Department of Foreign Affairs and Trade | - | - | - | - | - |
| Tourism Australia | - | - | - | - | - |
| Total — Expense | - | 0.8 | 2.8 | 2.8 | 2.8 |

The Government will provide \$18.0 million over four years from 2015-16 to Austrade to expand its current programme of Australia Week events. The events will be held in China, India, ASEAN countries and the United States to build Australia's reputation as a tourism destination and as a trade and investment partner.

The Department of Foreign Affairs and Trade, the Australian Trade Commission and Tourism Australia will redirect \$8.8 million of existing funding over four years to support these events.

Australian embassy in Baghdad — continuation

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|--|---------|---------|---------|---------|---------|
| Department of Foreign Affairs and Trade | - | 46.4 | 48.3 | - | - |
| <i>Related capital (\$m)</i> | | | | | |
| <i>Department of Foreign Affairs and Trade</i> | - | 11.0 | 0.2 | - | - |

The Government will provide \$106.0 million over two years to maintain Australia's diplomatic presence and security arrangements in Baghdad.

The funding will enable Australia's continued standalone presence in Baghdad, which is crucial for our growing diplomatic, political and operational needs in Iraq as we assist the Iraqi Government to disrupt, degrade and ultimately defeat ISIL.

This measure extends the 2014-15 Budget measure titled *Baghdad Embassy – relocation*.

Australia's diplomatic engagement in Afghanistan — continuation

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|--|---------|---------|---------|---------|---------|
| Department of Foreign Affairs and Trade | - | 64.1 | 68.0 | - | - |
| <i>Related capital (\$m)</i> | | | | | |
| <i>Department of Foreign Affairs and Trade</i> | - | 5.0 | 1.3 | - | - |

The Government will provide \$138.4 million (including \$6.3 million in capital funding) over two years to continue Australia's diplomatic engagement in Afghanistan. The funding will provide for embassy operating costs and security.

This measure extends on the 2014-15 Budget measure titled *Australia's diplomatic engagement in Afghanistan – continuation*.

Cadbury — redirection of grant funding

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|---|---------|---------|---------|---------|---------|
| Department of Foreign Affairs and Trade | -4.0 | -8.0 | -4.0 | - | - |

The Government will achieve savings of \$16.0 million over three years following the withdrawal by Cadbury of its grant application regarding the upgrade of its chocolate factory in Claremont, Tasmania.

The savings from this measure will be redirected to fund other priorities in Tasmania.

Expanding Australia's Diplomatic Footprint

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|--|---------|---------|---------|---------|---------|
| Department of Foreign Affairs and Trade | - | 10.7 | 16.3 | 17.8 | 16.9 |
| <i>Related capital (\$m)</i> | | | | | |
| <i>Department of Foreign Affairs and Trade</i> | - | 20.7 | 15.5 | 0.2 | 0.2 |

The Government will provide \$98.3 million over four years to boost the Department of Foreign Affairs and Trade's overseas network by opening new diplomatic posts in Buka (Papua New Guinea), Doha (Qatar), Makassar (Indonesia), Phuket (Thailand), and Ulaanbaatar (Mongolia), and providing increased resources for Houston (United States). This measure includes capital funding of \$36.6 million.

This increase in Australia's diplomatic presence will promote Australia's foreign policy, aid and trade interests.

Free Trade Agreement Promotion

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|---|---------|-------------|------------|---------|---------|
| Australian Trade Commission | - | 13.4 | 8.2 | - | - |
| Department of Foreign Affairs and Trade | - | 1.2 | 1.4 | - | - |
| Total — Expense | - | 14.6 | 9.6 | - | - |

The Government will provide \$24.6 million over two years from 2015-16 to promote business understanding of the recently concluded Free Trade Agreements in North Asia and to assist businesses to access and maximise their benefits under these agreements. Advocacy and outreach activities will take place in both Australia and in target offshore markets.

Funding of \$0.3 million will be met from within the existing resources of the Department of Foreign Affairs and Trade.

Match Australia — continuation and expansion

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|-----------------------------|---------|---------|---------|---------|---------|
| Australian Trade Commission | - | 0.2 | - | -0.2 | - |

The Government will provide \$5.2 million over four years from 2015-16 to expand the Match Australia sports business programme. Match Australia establishes business networking events aimed at linking Australian firms with business partners by leveraging major sporting events in Australia and overseas.

The cost of this measure will be met by ceasing the Asian Business Engagement Plan grants programme.

National Security — Australian Secret Intelligence Service — strengthening capabilities

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|--|---------|-------------|-------------|-------------|-------------|
| Australian Secret Intelligence Service | - | 10.6 | 14.3 | 20.3 | 24.1 |
| Department of Finance | - | 0.1 | 0.1 | 0.1 | 0.1 |
| Total — Expense | - | 10.7 | 14.4 | 20.4 | 24.2 |
| <i>Related capital (\$m)</i> | | | | | |
| Australian Secret Intelligence Service | - | 6.9 | 46.8 | 53.1 | 30.8 |
| Department of Finance | - | - | - | - | - |
| Total — Capital | - | 6.9 | 46.8 | 53.1 | 30.8 |

The Government will provide \$295.8 million over six years to strengthen capabilities of the Australian Secret Intelligence Service (ASIS) including upgrading its ICT systems. This measure includes capital funding of \$172.5 million over six years and operational funding of \$123.4 million over six years. In addition, from 2021-22, the Government will provide ongoing funding of \$47.1 million per year.

The Government will provide \$0.6 million over six years from 2015-16 to the Department of Finance to apply the Gateway Review Process to this programme.

This national security measure underlines the Government’s commitment to a safe and secure Australia.

Strengthening Australia’s ability to attract foreign investment

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|-----------------------------|---------|---------|---------|---------|---------|
| Australian Trade Commission | - | 5.9 | 8.2 | 8.1 | 7.9 |

The Government will provide \$30.0 million over four years to attract major job creating investment in each of the Government’s five investment priority areas: infrastructure; tourism; resources and energy; agribusiness and food; and advanced manufacturing, services and technology.

This funding will establish five senior investment specialists posted offshore, and a new investment promotion and attraction office in Boston, United States of America. This funding will also provide for investment attraction events, detailed market research and analysis to support attracting investment, and provide additional staff dedicated to investment promotion within Australia and overseas.

HEALTH

Accelerating Growth in Organ and Tissue Donation for Transplantation

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|--|---------|---------|---------|---------|---------|
| Australian Organ and Tissue Donation and Transplantation Authority | - | 5.9 | 2.2 | - | - |
| Department of Human Services | - | 1.3 | -0.4 | - | - |
| Department of Health | - | 0.6 | 0.7 | - | - |
| Total — Expense | - | 7.8 | 2.4 | - | - |

The Government will provide \$10.2 million over two years from 2015-16 to improve organ and tissue donation and transplantation rates. Funding will deliver clinical education to hospitals, develop a new Australian Organ Matching System and enhance the Australian Organ Donor Register to enable the online registration of legal consent. In addition, the Supporting Leave for Living Organ Donors Programme will be continued to provide up to the minimum wage for up to nine weeks to employers of people who have taken leave to donate organs.

Better Targeted Rural Financial Incentives for Doctors

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|------------------------------|---------|---------|---------|---------|---------|
| Department of Human Services | 0.6 | 2.6 | .. | -0.1 | -0.1 |
| Department of Health | -0.6 | -2.6 | .. | 0.1 | 0.1 |
| Total — Expense | - | - | - | - | - |

The Government will reprioritise existing medical training programmes to better target assistance to rural areas with the highest level of health workforce need. Funding from the *More Doctors for Outer Metropolitan Areas Relocation Incentive Grant* and the *Higher Education Contribution Scheme (HECS) Reimbursement Scheme* will be redirected to the *General Practice Rural Incentives Programme (GPRIP)*. The expanded GPRIP will be redesigned with a refined geographical classification system to increase the incentives for General Practitioners in smaller rural communities.

Bone Marrow Transplant and International Searches Programmes — consolidation

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|----------------------|---------|---------|---------|---------|---------|
| Department of Health | - | - | - | - | - |

The Government will consolidate the Bone Marrow Transplant and the International Searches Programmes into a new streamlined Haematopoietic Progenitor Cells Programme.

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Consolidating these programmes will streamline the application and funding process and provide a single set of eligibility criteria, which will reduce the administrative burden for patients, hospital staff and the Australian Bone Marrow Donor Registry.

The cost of this measure will be met from within the existing resources of the Department of Health.

Ceasing the Alternative Arrangement Transfer to Pharmaceutical Benefits Programme — removal of anomaly

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|------------------------------|---------|---------|---------|---------|---------|
| Department of Health | - | .. | .. | .. | .. |
| Department of Human Services | - | .. | .. | .. | .. |
| Total — Expense | - | .. | .. | .. | .. |

The Government will cease the Alternative Arrangement Transfer to Pharmaceutical Benefits Programme which funds Cohealth Ltd (Cohealth) to provide Pharmaceutical Benefits Scheme (PBS) medicines and pharmacy services to their clients in inner Melbourne.

Cohealth's clients pay an annual prescription fee to fill prescriptions rather than pay a PBS co-payment each time they fill a prescription. The amount paid is equivalent to the PBS Safety Net. This measure reverses this anomaly as Cohealth's clients will now pay on a per prescription basis.

Child Dental Benefits Schedule — consistent indexation

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|----------------------|---------|---------|---------|---------|---------|
| Department of Health | - | -14.9 | -25.3 | -37.6 | -47.7 |

The Government will achieve savings of \$125.6 million over four years from 2015-16 by broadly aligning indexation arrangements for both the benefits payable and the benefits cap under the *Child Dental Benefits Schedule* with indexation arrangements for other health benefits programmes.

The savings from this measure will be redirected by the Government to fund other Health policy priorities or will be reinvested into the *Medical Research Future Fund*.

Developing Northern Australia — positioning the north as a leader in tropical health

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|--|---------|---------|---------|---------|---------|
| Australian Trade Commission | - | 1.4 | 2.2 | 2.7 | 2.3 |
| National Health and Medical Research Council | - | 0.9 | 2.2 | 2.2 | 1.5 |
| Total — Expense | - | 2.3 | 4.4 | 4.9 | 3.8 |

The Government will provide \$15.3 million over four years to invest in research into exotic disease threats to Australia and the region.

\$6.8 million over four years will be provided to the National Health and Medical Research Council to support research into tropical diseases, build collaboration and capacity in the health and medical research workforce, and promote the translation of this research into health policy and practice.

The Government will also provide \$8.5 million over four years to establish an Australian Tropical Medicine Commercialisation grants programme to support Australian medical researchers to commercialise therapeutics and diagnostics in tropical medicine and to attract foreign investment.

This measure will form part of the Government's White Paper on Developing Northern Australia.

Improving Immunisation Coverage Rates

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|----------------------------|---------|---------|---------|---------|---------|
| Department of Health | - | 8.4 | 4.6 | 4.1 | 3.7 |
| Department of the Treasury | - | - | 1.8 | 1.9 | 1.9 |
| Total — Expense | - | 8.4 | 6.4 | 6.0 | 5.6 |

The Government will provide \$26.4 million over four years for a range of activities designed to improve immunisation coverage and further reduce the incidence of vaccine preventable diseases in the Australian community.

Immunisation coverage rates will be increased by broadening immunisation data collection to record all school-based adolescent vaccinations; introducing better targeted performance benchmarks for states and territories; providing incentives to health providers, including to General Practitioners, to provide catch up vaccinations to children who are overdue for immunisation; and providing a community awareness campaign to increase awareness of the National Immunisation Programme and dispel myths about immunisation.

Further information can be found in the press release of 19 April 2015 issued by the Minister for Health.

See also the related expense measure titled *No Jab No Pay* in the Social Services Portfolio.

Junior Medical Officer Programme — interagency transfer from the Department of Veterans' Affairs

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|---------------------------------|---------|---------|---------|---------|---------|
| Department of Health | - | 10.0 | 10.0 | 10.0 | 10.0 |
| Department of Veterans' Affairs | - | -10.0 | -10.0 | -10.0 | -10.0 |
| Total — Expense | - | - | - | - | - |

The Government will transfer responsibility for the *Junior Medical Officer Programme* from the Department of Veterans' Affairs to the Department of Health, to align responsibility for health workforce programmes within a single portfolio.

The *Junior Medical Officer Programme* provides training for junior doctors at the Greenslopes Private Hospital in Queensland and the Hollywood Private Hospital in Western Australia.

Medicare Benefits Schedule — changes to GP rebates — reversal

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|-------------------------------------|---------|---------|---------|---------|---------|
| Department of Health | 182.7 | 657.8 | 699.0 | 726.5 | 762.8 |
| Department of Veterans' Affairs | 3.5 | 6.4 | 6.0 | 5.7 | 5.4 |
| Department of Human Services | -4.7 | -18.3 | -13.4 | -13.9 | -14.2 |
| Total — Expense | 181.4 | 645.9 | 691.6 | 718.3 | 754.1 |
| <i>Related capital (\$m)</i> | | | | | |
| <i>Department of Human Services</i> | -0.3 | -0.2 | - | - | - |

The Government will not proceed with measures originally announced in the *Mid-Year Economic and Fiscal Outlook 2014-15* to redefine the time requirements for Level A and B GP consultation items and to reduce rebates by \$5 for common GP consultations and after hours services to non-concessional patients aged 16 and over.

Further information can be found in the press releases of 15 January 2015 and 3 March 2015 issued by the Minister for Health.

Medicare Benefits Schedule — health assessment items — modification

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|------------------------------|---------|---------|---------|---------|---------|
| Department of Human Services | - | 0.1 | -0.2 | -0.2 | -0.2 |
| Department of Health | - | -20.0 | -36.2 | -41.3 | -46.7 |
| Total — Expense | - | -19.9 | -36.3 | -41.4 | -46.9 |

The Government will achieve savings of \$144.6 million over four years by removing the current duplication between health assessments under the Medicare Benefits Schedule and the child health assessments already provided by the states and territories.

The savings from this measure will be redirected by the Government to fund other Health policy priorities or will be reinvested into the *Medical Research Future Fund*.

Medicare Benefits Schedule — new and amended listings

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|---------------------------------|---------|---------|---------|---------|---------|
| Department of Health | - | 8.4 | 11.3 | 9.9 | 8.4 |
| Department of Veterans' Affairs | - | 0.3 | 0.4 | 0.3 | 0.3 |
| Department of Human Services | .. | 0.2 | 0.1 | 0.1 | 0.1 |
| Total — Expense | .. | 8.8 | 11.8 | 10.3 | 8.8 |

The Government will amend the Medicare Benefits Schedule (MBS) and Veterans' Benefits for new and amended items listed since the *Mid-Year Economic and Fiscal Outlook 2014-15*, at a net cost of \$39.8 million over four years.

The amendments to the MBS include:

- introducing rebates for second expert opinions for diagnoses related to the testing of bone marrow specimens, tissue pathology and cytopathology;
- new items for the treatment of early stage breast cancer using targeted intraoperative radiotherapy;
- new items to enable routine monitoring of implanted cardiac devices to be provided remotely; and
- extending eligibility for the use of telehealth services to optometrists, to support the use of video consultations with specialist ophthalmologists.

Further information will be available in the summary of changes included in the MBS issued by the Department of Health when the amendments take effect.

Medicare Benefits Schedule — review and reform

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|----------------------|---------|---------|---------|---------|---------|
| Department of Health | - | 17.0 | 17.3 | - | - |

The Government will provide \$34.3 million over two years from 2015-16 to continue the Medical Services Advisory Committee’s activities and deliver an expanded process of MBS Review overseen by a clinician led Medicare Benefits Schedule Review Taskforce.

The Government will continue to consult with stakeholders on primary care through the establishment of a Primary Health Care Advisory Group, which will include primary health care professionals, health economists and health academics.

Further information can be found in the press release of 22 April 2015 issued by the Minister for Health.

My Health Record — a new direction for electronic health records in Australia

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|---------------------------------|---------|---------|---------|---------|---------|
| Department of Finance | - | -0.1 | -0.1 | .. | - |
| Department of Veterans’ Affairs | - | -0.1 | -0.1 | - | - |
| Department of Human Services | - | -12.5 | -15.9 | -8.6 | 0.2 |
| Department of Health | - | -39.6 | -82.2 | -41.0 | 5.1 |
| Total — Expense | - | -52.2 | -98.3 | -49.6 | 5.3 |
| <i>Related capital (\$m)</i> | | | | | |
| Department of Human Services | - | -0.7 | -2.1 | -0.4 | - |
| Department of Health | - | -9.5 | -6.7 | - | - |
| Total — Capital | - | -10.1 | -8.8 | -0.4 | - |

The Government will provide \$485.1 million over four years to continue the operation of the eHealth system, make key system and governance improvements and implement trials of opt-out arrangements.

Personally Controlled Electronic Health Records (PCEHR) will be renamed as My Health Records and the Government will provide national coordination for eHealth by transitioning governance arrangements from the National E-Health Transition Authority to the new Australian Commission for eHealth. Trials will be held in at least two regions in 2016 and will assess public and provider responses to revised participation arrangements, including to an opt-out model.

The Department of Finance will undertake a Gateway review of the My Health Record system and will provide independent assurance to improve delivery and implementation.

Funding of \$699.2 million for the redevelopment of the PCEHR was provisioned for in the contingency reserve at the 2014-15 Budget.

The savings from this measure will be redirected by the Government to fund other Health policy priorities or will be reinvested into the *Medical Research Future Fund*.

National Cervical Screening Programme — reform

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|------------------------------|---------|---------|---------|---------|---------|
| Department of Health | - | 2.2 | 2.0 | -0.1 | -0.6 |
| Department of Human Services | - | - | -0.3 | -1.6 | -1.6 |
| Total — Expense | - | 2.2 | 1.7 | -1.7 | -2.2 |

The Government will reform the National Cervical Screening Programme (NCSP), in line with recommendations from the Medical Services Advisory Committee, at a net cost of \$13,000 over four years from 2015-16.

From 1 May 2017, the current two-yearly Pap test will be replaced by a five-yearly primary Human Papilloma Virus test for women aged from 25 to 74 years. This reform will reduce the number of screening tests over a woman's lifetime and is expected to decrease the mortality and morbidity from cervical cancer by at least 15 per cent.

The Government is also committed to developing a National Cancer Screening Register to replace the current state and territory registers for the NCSP and the National Bowel Cancer Screening Register.

National Critical Care and Trauma Response Centre — continuation

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|----------------------------|---------|---------|---------|---------|---------|
| Department of Health | - | - | - | - | - |
| Department of the Treasury | - | - | - | - | - |

The Government will provide \$63.5 million over four years to enable the continued operation of the National Critical Care and Trauma Response Centre (NCCTRC) at the Royal Darwin Hospital. The NCCTRC enables the timely deployment of skilled medical personnel and supporting equipment in response to major incidents in Australia and South East Asia. Funds will be provided through a new National Partnership with the Northern Territory Government.

Funding for this measure has already been provided for by the Government.

National Drugs Campaign — renewal

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|----------------------|---------|---------|---------|---------|---------|
| Department of Health | - | 10.0 | 10.0 | - | - |

The Government will provide \$20.0 million over two years from 2015-16 to renew the National Drugs Campaign, which is a national media campaign to promote the avoidance and cessation of illicit drug use. In 2015-16 and 2016-17 the campaign will focus on young people and their parents and seek to raise awareness of the harm caused by illicit drug use, in particular the form of methamphetamine known as 'ice'.

National Immunisation Programme — new and amended listings

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|-------------------------------------|---------|---------|---------|---------|---------|
| Department of Health | 0.1 | 6.2 | 42.8 | 43.8 | 37.9 |
| Department of Human Services | - | 2.3 | 8.2 | 5.9 | 5.4 |
| Department of the Treasury | - | 0.1 | 0.7 | 1.6 | 1.6 |
| Total — Expense | 0.1 | 8.5 | 51.6 | 51.3 | 44.8 |
| <i>Related capital (\$m)</i> | | | | | |
| <i>Department of Human Services</i> | - | 2.4 | 2.8 | 0.4 | - |

The Government will provide \$161.8 million over five years from 2014-15 for new and amended listings under the National Immunisation Programme (NIP), which include:

- Diphtheria, Tetanus and Acellular Pertussis (DTPa) vaccine for the prevention of Diphtheria, Tetanus and whooping cough for children aged 18 months from 1 January 2016; and
- Zostavax vaccine for the prevention of shingles for 70 year olds, including a five year programme to provide 71-79 year olds with an opportunity for a catch-up vaccination, from 1 November 2016.

An adult vaccination register will be established to record all adult vaccines provided under the NIP from 1 September 2016. Establishing the adult register will assist with the monitoring of safety, quality and delivery of vaccinations to the adult population.

National Joint Replacement Levy — amendments

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|------------------------------|---------|---------|---------|---------|---------|
| Department of Health | - | 0.1 | 0.1 | 0.2 | 0.2 |
| <i>Related revenue (\$m)</i> | | | | | |
| <i>Department of Health</i> | - | 0.1 | 0.1 | 0.2 | 0.2 |

The Government will change the method for calculating the National Joint Replacement Registry (NJRR) levy so that it is proportionate to a company's market share from 1 July 2015. The total levy will increase by \$0.6 million over the four years from 2015-16 to support the increased activity of the NJRR.

The NJRR collects demographic data related to joint replacement surgery in Australia and monitors the performance of all joint replacement prostheses used in Australia to support improved quality of care for patients.

National Partnership Agreement on Adult Public Dental Services — one year funding

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|----------------------------|---------|---------|---------|---------|---------|
| Department of Health | - | - | - | - | - |
| Department of the Treasury | - | - | - | - | - |

The Government will provide \$155.0 million in 2015-16 for a one year agreement to replace the existing *National Partnership Agreement on Adult Public Dental Services*. The agreement will support the provision of dental health services to adults who rely on the public dental system.

Funding for this measure has already been provided for by the Government.

Pharmaceutical Benefits Scheme — increase in the safety net thresholds on 1 January 2019

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|---------------------------------|---------|---------|---------|---------|---------|
| Department of Veterans' Affairs | - | - | - | - | -0.1 |
| Department of Health | - | - | - | - | -5.0 |
| Total — Expense | - | - | - | - | -5.1 |

The Government will achieve savings of \$5.1 million in 2018-19 by extending the increases to the Pharmaceutical Benefits Scheme (PBS) safety net thresholds by one additional year in 2019.

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This measure builds on the 2014-15 Budget measure titled *Pharmaceutical Benefits Scheme – increase in co-payments and safety net thresholds* which increased the PBS safety net thresholds each year for four years from 1 January 2015, with general safety net thresholds to increase by 10 per cent each year and concessional safety nets to increase by the cost of two prescriptions each year.

The Government has revised the start date of this measure to 1 January 2016, with the final increases in the safety net thresholds to now occur on 1 January 2019.

The savings from this measure will be redirected by the Government to fund other Health policy priorities or will be reinvested into the *Medical Research Future Fund*.

Pharmaceutical Benefits Scheme — new and amended listings

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|---------------------------------|------------|------------|------------|------------|------------|
| Department of Health | 5.9 | 375.4 | 381.6 | 391.2 | 377.7 |
| Department of Veterans' Affairs | .. | 7.5 | 8.2 | 8.1 | 7.9 |
| Department of Human Services | 0.7 | 5.3 | 1.7 | 1.8 | 1.9 |
| Total — Expense | 6.7 | 388.2 | 391.4 | 401.1 | 387.5 |
| <i>Related revenue (\$m)</i> | | | | | |
| <i>Department of Health</i> | <i>nfp</i> | <i>nfp</i> | <i>nfp</i> | <i>nfp</i> | <i>nfp</i> |

The Government will provide \$1.6 billion over five years for a number of new and amended listings on the Pharmaceutical Benefits Scheme and the Repatriation Pharmaceutical Benefits Scheme.

New and amended listings since the *Mid-Year Economic and Fiscal Outlook 2014-15* include:

- Myozyme® (Alglucosidase alfa-rch) for the treatment of Pompe disease from 1 February 2015;
- Lemtrada® (Alemtuzumab) for the treatment of relapsing-remitting multiple sclerosis from 1 April 2015;
- Lucrin® (Leuprorelin) for the treatment of Central Precocious Puberty from 1 April 2015;
- Xolair® (Omalizumab) for the treatment of asthma from 1 May 2015;
- Erbitux® (Cetuximab) for the treatment of metastatic colorectal cancer from 1 June 2015;
- Kadcyła® (Transtuzumab Emtansine), Perjeta® (Pertuzumab) and Herceptin® (Trastuzumab) for the treatment of metastatic breast cancer from 1 July 2015; and

- Mekinist® (Trametinib) for the treatment of melanoma from 1 August 2015.

The new listing of Herceptin® mainstreams its treatment, making the previous spending programme unnecessary.

Pharmaceutical Benefits Scheme — price changes

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|---------------------------------|---------|---------|---------|---------|---------|
| Department of the Treasury | 0.1 | 0.4 | 0.5 | 0.5 | 0.5 |
| Department of Veterans' Affairs | -0.5 | -1.8 | -1.6 | -1.7 | -1.8 |
| Department of Health | -13.3 | -53.9 | -54.4 | -59.6 | -65.5 |
| Total — Expense | -13.7 | -55.2 | -55.6 | -60.8 | -66.9 |

The Government will achieve savings of \$252.2 million over five years for price amendments for certain medicines currently listed on the Pharmaceutical Benefits Scheme and the Repatriation Pharmaceutical Benefits Scheme.

Price amendments since the *Mid-Year Economic and Fiscal Outlook 2014-15* include:

- Etoposide for the treatment of cancer;
- Ezetimibe with simvastatin for the treatment of dyslipidemia;
- Fluticasone with salmeterol for the management of asthma and chronic obstructive pulmonary disease; and
- Hexamine for the treatment of urinary tract infections.

These price amendments are the result of Pharmaceutical Benefits Advisory Committee recommendations.

The savings from this measure will be redirected by the Government to fund other Health policy priorities or will be reinvested into the *Medical Research Future Fund*.

Practice Incentives Programme After Hours Payment

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|------------------------------|---------|---------|---------|---------|---------|
| Department of Human Services | 1.5 | 0.2 | 0.2 | 0.3 | 0.3 |
| Department of Health | - | -1.8 | -0.2 | -0.3 | -0.3 |
| Total — Expense | 1.5 | -1.5 | .. | .. | - |

The Government will refocus after hours primary care funding by introducing a new *Practice Incentives Programme (PIP) After Hours Payment* from 1 July 2015. The PIP After Hours Payment will encourage eligible general practices to provide after hours care for their patients.

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The cost of this measure will be met by redirecting funding from the After Hours GP Helpline and the Medicare Locals After Hours Programme.

Rationalising and streamlining Health programmes

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|------------------------------|---------|---------|---------|---------|---------|
| Department of Human Services | - | .. | - | - | - |
| Department of Health | -12.0 | -121.5 | -215.7 | -276.3 | -337.2 |
| Total — Expense | -12.0 | -121.5 | -215.7 | -276.3 | -337.2 |

The Government will achieve savings of \$962.8 million over five years from 2014-15 by rationalising and streamlining funding across a range of Health programmes, including:

- the Health Portfolio Flexible Funds;
- dental workforce programmes, including by redesigning incentives in the Dental Relocation and Infrastructure Support Scheme to encourage dentists to relocate to smaller rural centres;
- preventative health research;
- GP Super Clinics which have not yet commenced construction;
- ceasing the *Inborn Error of Metabolism* programme, as key medicines are now listed on the Pharmaceutical Benefits Scheme and low protein foods are now much more readily available at lower cost; and
- by piloting competitive tendering for a subset of products in the Stoma Appliance Scheme.

The savings from this measure will be redirected by the Government to fund other Health policy priorities or will be reinvested into the *Medical Research Future Fund*.

Reducing the Burden of the Industrial Chemicals Regulatory Framework to Industry

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|------------------------------|---------|---------|---------|---------|---------|
| Department of Health | - | 2.5 | 2.5 | - | 0.4 |
| <i>Related revenue (\$m)</i> | | | | | |
| Department of Health | - | 2.5 | 2.5 | 1.4 | 1.8 |
| <i>Related capital (\$m)</i> | | | | | |
| Department of Health | - | 3.5 | 3.5 | - | - |

The Government will provide \$4.2 million over four years from 2015-16 to amend the *Industrial Chemicals (Notification and Assessment) Act 1989* to focus regulatory assessment on industrial chemicals that pose the greatest risk and to develop streamlined assessment processes for new and existing chemicals, including using existing international approvals where appropriate. This will reduce the regulatory burden of the industrial chemicals regulatory framework and remove unnecessary barriers to the entry to market of lower risk chemicals, while maintaining the protection of public health and the environment.

The cost of this measure will be fully funded by industry through increased industrial chemical levies between 2015-16 and 2021-22.

Smaller Government — Health Portfolio

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|----------------------|---------|---------|---------|---------|---------|
| Department of Health | -3.2 | -14.8 | -29.3 | -32.8 | -33.0 |

The Government will achieve savings of \$113.1 million over five years from 2014-15 through:

- creating operational efficiencies in the delivery of corporate services by amalgamating the corporate and legal services of the Therapeutic Goods Administration into the corporate functions of the Department;
- ceasing activities in the Department that mirror the work of specialist agencies such as the Independent Hospital Pricing Authority; Australian Organ and Tissue Donation and Transplantation Authority; National Blood Authority; National Health Performance Authority; Australian Commission on Safety and Quality in Health Care; National Health and Medical Research Council; and the Australian Institute of Health and Welfare;
- ceasing the National Lead Clinicians Group from 1 July 2015;
- rationalising the structure of the Department to more effectively respond to the Government's health policy priorities;

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- rationalising business and financial management support functions across the Department;
- reducing contractor costs by recruiting ongoing staff to replace IT contractors; and
- reducing the Department's property footprint and consolidating staff into current locations.

The Government will reinvest \$10.0 million over four years to further develop the in-house data analytical, economics and research capacity of the Department, including engaging external expertise and developing data links with other Government agencies as necessary.

This measure is part of the fourth phase of the Smaller Government reforms which reduce the size and complexity of government.

The Smaller Government reforms are eliminating duplication and waste, streamlining services and reducing the cost of government administration.

The savings from this measure will be redirected by the Government to fund other Health policy priorities or will be reinvested into the *Medical Research Future Fund*.

Stoma Appliance Scheme — new and amended listings

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|----------------------|---------|---------|---------|---------|---------|
| Department of Health | - | -1.6 | -1.8 | -2.0 | -2.2 |

The Government will achieve savings of \$7.6 million over four years through the listing of two new items, amending the prices of 21 current items and deleting of one item on the *Stoma Appliance Scheme* from 1 July 2015 as recommended by the Stoma Product Assessment Panel.

The savings from this measure will be redirected by the Government to fund other Health policy priorities or will be reinvested into the *Medical Research Future Fund*.

Streamlining Health Workforce Scholarships

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|----------------------|---------|---------|---------|---------|---------|
| Department of Health | - | -14.2 | -17.6 | -19.0 | -21.7 |

The Government will achieve \$72.5 million in savings over four years by streamlining nine existing health workforce scholarships into a single *Health Workforce Scholarship Programme* that creates consistency in rules and obligations and provides greater flexibility to respond to health workforce priorities. A return of service obligation will apply and will require recipients to work in rural or regional areas for one year. Additionally, the existing 100 Commonwealth Supported Places per year under the *Medical Rural Bonded Scholarship* scheme will be transferred to the *Bonded Medical Places* scheme.

The number of scholarships aimed at increasing Aboriginal and Torres Strait Islander health workforce participation will not be reduced nor be subject to the return of service obligation.

The savings from this measure will be redirected by the Government to fund other Health policy priorities or will be reinvested into the *Medical Research Future Fund*.

Supporting the Royal Flying Doctor Service

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|----------------------|---------|---------|---------|---------|---------|
| Department of Health | - | 9.9 | 10.1 | - | - |

The Government will provide additional funding of \$20.0 million over two years from 2015-16 to support the Royal Flying Doctor Service to deliver emergency and primary health care services to people in rural and remote communities of Australia.

The measure supports the Government's commitment to rural and remote communities.

Tobacco Plain Packaging Litigation

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|----------------------|---------|---------|---------|---------|---------|
| Department of Health | - | nfp | nfp | nfp | nfp |

The Government will provide funding to defend international legal challenges to the *Tobacco Plain Packaging Act 2011*, which is the subject of dispute settlement proceedings instituted by five countries in the World Trade Organisation.

The funding will support work undertaken by the Department of Health, the Attorney General's Department, the Department of Foreign Affairs and Trade and the Australian Government Solicitor to defend the litigation.

The expenditure for this measure is not for publication (nfp) to protect the Australian Government's position in any litigation.

Wimmera Health Care Group — Oncology, Dialysis and Community Palliative Care Centre

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|---|---------|---------|---------|---------|---------|
| Department of Infrastructure and Regional Development | - | - | - | - | - |
| Department of Health | 1.0 | - | - | - | - |
| Total — Expense | 1.0 | - | - | - | - |

The Government will provide \$1.0 million in 2014-15 to the Wimmera Health Care Group to support the redevelopment of the Oncology, Dialysis and Community Palliative Care Centre in Horsham, Victoria.

This contribution will supplement the \$1.0 million of privately-raised money that will go towards making this a much better cancer centre for the people of this region.

The cost of this measure will be met from within the existing resources of the Department of Infrastructure and Regional Development.

Further information can be found in the press release of 12 March 2015 issued by the Prime Minister.

HUMAN SERVICES

Department of Human Services Efficiencies

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|------------------------------|---------|---------|---------|---------|---------|
| Department of Human Services | - | -6.9 | -13.8 | -17.1 | -17.4 |

The Government will achieve savings of \$55.1 million over four years from 2015-16 by implementing ongoing efficiencies within the Department of Human Services (DHS). Under this measure the Government will:

- phase out the option for customers to receive Medicare and Pharmaceutical Benefits Scheme payments via cheque or credit EFTPOS from July 2016 in favour of the faster and more flexible payment method of Electronic Funds Transfer;
- phase out the use of cheques and Electronic Benefits Transfer Cards for all Centrelink payments from 1 January 2016 and 1 January 2017 respectively, with these payments to be made directly into the bank accounts of eligible customers; and
- cease the payment to the Australian Taxation Office for the Child Support Lodgement Enforcement Programme from 1 July 2015. DHS undertakes a range of compliance and enforcement activities that continue to ensure child support obligations are met. The Australian Taxation Office retains responsibility for taxation lodgement enforcement generally.

The savings from this measure will be redirected by the Government to repair the Budget and fund policy priorities.

Government Remote Servicing — continuation

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|------------------------------|---------|---------|---------|---------|---------|
| Department of Human Services | - | 23.9 | 23.1 | 23.3 | 23.5 |

The Government will provide \$93.8 million over four years for the Department of Human Services (DHS) to continue to support the delivery of government payments and services in remote locations in the Northern Territory, Western Australia, Northern Queensland, South Australia and Tasmania.

DHS will continue to provide direct access to these remote services through a mix of Agents, Access Points, Remote Service Centres and visits by Remote Servicing Teams.

The remote service delivery programme was previously funded through the Government's Income Management programme.

Budget Measures 2015-16 – Part 2: Expense Measures

Strengthening the Integrity of Welfare Payments

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|--|------------|---------------|---------------|---------------|---------------|
| Department of Human Services | 0.6 | 71.8 | 46.3 | 54.5 | 31.6 |
| Office of the Director of Public Prosecutions | - | 2.8 | 2.2 | 2.3 | 2.3 |
| Australian Transaction Reports and Analysis Centre | - | 1.5 | 2.9 | 2.7 | 3.0 |
| Department of the Treasury | - | 0.7 | 0.7 | 0.8 | 0.8 |
| Department of Employment | - | - | - | 2.4 | 9.1 |
| Administrative Appeals Tribunal | - | - | - | 0.4 | 1.0 |
| Department of Health | - | - | - | -0.1 | -0.3 |
| Department of Social Services | - | -329.6 | -614.7 | -684.4 | -297.3 |
| Total — Expense | 0.6 | -252.8 | -562.5 | -621.5 | -249.9 |
| <i>Related revenue (\$m)</i> | | | | | |
| Australian Transaction Reports and Analysis Centre | - | 1.7 | 3.8 | 4.4 | 4.9 |
| <i>Related capital (\$m)</i> | | | | | |
| Australian Transaction Reports and Analysis Centre | - | 1.8 | 6.6 | 2.0 | 0.6 |
| Department of Human Services | - | 0.1 | 1.1 | 0.7 | 0.4 |
| Department of Social Services | - | - | - | - | - |
| Office of the Director of Public Prosecutions | - | - | - | - | - |
| Department of the Treasury | - | - | - | - | - |
| Department of Health | - | - | - | - | - |
| Administrative Appeals Tribunal | - | - | - | - | - |
| Total — Capital | - | 1.8 | 7.7 | 2.7 | 1.0 |

The Government will achieve savings of \$1.7 billion over five years by enhancing the Department of Human Services (DHS) fraud prevention and debt recovery capability, and improving assessment processes.

From 1 July 2015 DHS will implement an integrated package of compliance and process improvement initiatives including improved automation and targeted strategies for fraud prevention in areas of high risk.

The savings from this measure will be redirected by the Government to repair the Budget and fund policy priorities.

Welfare Payment Infrastructure Transformation — Tranche One

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|-------------------------------------|---------|-------------|-------------|--------------|--------------|
| Department of Human Services | - | 93.3 | 29.4 | -44.7 | -64.2 |
| Department of Finance | - | 0.1 | 0.1 | - | - |
| Total — Expense | - | 93.5 | 29.4 | -44.7 | -64.2 |
| <i>Related capital (\$m)</i> | | | | | |
| <i>Department of Human Services</i> | - | <i>18.6</i> | <i>27.8</i> | <i>..</i> | <i>-</i> |
| <i>Department of Finance</i> | - | <i>-</i> | <i>-</i> | <i>-</i> | <i>-</i> |
| Total — Capital | - | 18.6 | 27.8 | .. | - |

The Government will provide \$60.5 million over four years from 2015-16 to progress Tranche One of the Department of Human Services (DHS) Welfare Payment Infrastructure Transformation (WPIT) programme.

The WPIT programme of redevelopment work will progressively replace Centrelink's ageing technology platform with a new welfare payment information and communications technology (ICT) system to improve the quality and efficiency of service delivery to support the timely implementation of policy changes.

During Tranche One of the programme, DHS will undertake the detailed business planning, scoping and design work required to deliver the new ICT system, in addition to delivering four projects to enhance the digital service delivery experience for DHS customers.

The cost of this measure will be offset from existing resources within the Social Services Portfolio.

IMMIGRATION AND BORDER PROTECTION

Asylum Seeker Support — additional funding

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|---|---------|---------|---------|---------|---------|
| Department of Immigration and Border Protection | -0.1 | 20.8 | -0.1 | -0.1 | -0.1 |

The Government will provide \$21.0 million in 2015-16 to continue provision of the Asylum Seeker Assistance Scheme to support eligible non-Illegal Maritime Arrivals while they await resolution of their migration status.

This measure will be partially offset by not renewing federal grant funding of \$140,000 per annum to the Refugee Council of Australia.

This measure will also be offset by other savings and revenue measures from the Immigration and Border Protection Portfolio.

Emerging International Airports

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|---|---------|---------|---------|---------|---------|
| Department of Immigration and Border Protection | - | 4.1 | 4.5 | 4.5 | 4.1 |
| Department of Agriculture | - | 0.5 | 0.5 | 0.5 | 0.5 |
| Total — Expense | - | 4.6 | 5.0 | 5.0 | 4.7 |
| <i>Related capital (\$m)</i> | | | | | |
| Department of Immigration and Border Protection | - | 2.8 | 3.3 | 0.5 | - |
| Department of Agriculture | - | 0.3 | - | - | - |
| Total — Capital | - | 3.1 | 3.3 | 0.5 | - |

The Government will provide \$26.2 million (including \$6.9 million in capital funding) over four years from 2015-16 to establish permanent border clearance services at Townsville and Sunshine Coast airports to support regular international air services.

Further information can be found in the press release of 7 February 2015 issued by the Prime Minister.

International Organization for Migration — reduction

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|---|---------|---------|---------|---------|---------|
| Department of Immigration and Border Protection | -13.6 | -15.1 | - | - | - |

The Government will achieve savings of \$28.7 million in 2014-15 and 2015-16 through revising funding provided to the International Organization for Migration (IOM) under regional cooperation arrangements. Funding for the IOM has been reduced to reflect that the costs of managing potential illegal immigrants (PIIs) are lower than originally estimated.

The IOM is funded for the care and management of PIIs intercepted on their way to Australia and to assist the Indonesian Government to monitor migration flows and coordinate responses to irregular maritime activity.

The savings from this measure will be redirected by the Government to repair the Budget and fund policy priorities.

Management of the Immigration Detention Network

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|--|--------------|---------------|---------------|---------------|---------------|
| Department of Human Services | 0.5 | 1.3 | 1.0 | 0.7 | 0.5 |
| Department of Immigration and Border Protection | -21.8 | -101.4 | -142.8 | -137.3 | -136.3 |
| Total — Expense | -21.4 | -100.1 | -141.7 | -136.6 | -135.8 |
| <i>Related capital (\$m)</i> | | | | | |
| <i>Department of Human Services</i> | - | - | - | - | - |
| <i>Department of Immigration and Border Protection</i> | -8.2 | -10.5 | - | - | - |
| Total — Capital | -8.2 | -10.5 | - | - | - |

The Government will achieve savings of \$554.5 million over five years from 2014-15 by consolidating the immigration detention network.

This measure has been made possible by the Government’s effective policy of stopping the boats.

The immigration detention facilities at Phosphate Hill and Construction Camp on Christmas Island and Blaydin in Darwin will be closed. By July 2016 the North West Point facility on Christmas Island will transition to a contingency setting for use as a reception processing site, should it be required.

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Savings will be achieved through a reduction in the use of charter flights to support Illegal Maritime Arrival (IMA) transfers, the provision of work rights to IMAs on Bridging Visa Class E and reductions in other logistics and service requirements across the detention network.

The savings from this measure will be redirected by the Government to repair the Budget and fund policy priorities.

Savings for elements of this measure have already been provided for by the Government.

Migration Agents Registration Authority — deregulation

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|--|---------|---------|---------|---------|---------|
| Department of Immigration and Border Protection | - | -0.4 | -0.4 | -0.4 | -0.5 |
| <i>Related revenue (\$m)</i> | | | | | |
| <i>Department of Immigration and Border Protection</i> | - | -2.4 | -2.5 | -2.5 | -2.6 |

The Government will remove the requirement for lawyer migration agents to be registered under the migration agents' regulatory scheme following consideration of the Independent Review of the Office of the Migration Agents Registration Authority (OMARA).

This measure removes an unnecessary regulatory burden, clarifies OMARA's regulatory jurisdiction and ensures lawyers working as migration agents are not accountable to two authorities.

This measure will have a net negative impact on the Budget of \$8.2 million over four years from 2015-16, which comprises a reduction of \$10.0 million in revenue and savings of \$1.8 million in departmental expenses. This measure is part of the Government's overall effort to remove red tape on business.

This measure will be offset by savings and revenue measures from the Immigration and Border Protection Portfolio.

National Security — anti-people smuggling strategic communications campaigns

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|---|---------|---------|---------|---------|---------|
| Department of Immigration and Border Protection | - | 11.5 | 11.5 | 8.4 | 8.5 |

The Government will provide \$39.9 million over four years from 2015-16 to continue anti-people smuggling strategic communications campaigns. Funding will be provided for domestic campaigns as well as those in source and transit countries.

This measure aims to deter people smuggling by alerting potential illegal immigrants to the dangers of people smuggling ventures and educating them about Australia's immigration policy.

This measure extends the *Mid-Year Economic and Fiscal Outlook 2014-15* measure titled *Anti-people smuggling strategic communications campaigns*.

This national security measure underlines the Government's commitment to a safe and secure Australia.

National Security — Australian Customs Vessel Ocean Shield — surge and continuation

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|--|---------|---------|---------|---------|---------|
| Department of Immigration and Border Protection | - | 16.4 | 19.1 | 16.5 | 19.8 |
| Australian Customs and Border Protection Service | 2.5 | - | - | - | - |
| Total — Expense | 2.5 | 16.4 | 19.1 | 16.5 | 19.8 |

The Government will provide \$74.3 million over five years from 2014-15 to increase the availability of the Australian Customs Vessel (ACV) *Ocean Shield* for maritime people smuggling operations from 180 days per year to 300 days per year over the period 2015-16 to 2017-18, and to support ongoing operations of 180 days per year from 2018-19.

See also the related expense measure titled *Maintaining the response capability for Illegal Maritime Arrivals* in the *Mid-Year Economic and Fiscal Outlook 2014-15*.

This national security measure underlines the Government's commitment to a safe and secure Australia.

From 1 July 2015 the Australian Customs and Border Protection Service will be consolidated into the Department of Immigration and Border Protection.

National Security — combating people smuggling — international engagement

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|---|---------|---------|---------|---------|---------|
| Department of Immigration and Border Protection | - | 4.7 | - | - | - |

The Government will continue with its commitment to stopping the boats by providing an additional \$4.7 million in 2015-16 for international engagement activities to prevent and disrupt maritime people smuggling.

Budget Measures 2015-16 – Part 2: Expense Measures

Australian Border Force officials within the Department of Immigration and Border Protection will continue to be stationed in Indonesia, Malaysia and Sri Lanka to coordinate Commonwealth agency efforts to sustain the prevention of maritime people smuggling.

This measure extends the 2014-15 Budget measure titled *Combating people smuggling – international engagement*.

This national security measure underlines the Government's commitment to a safe and secure Australia.

National Security — Regional Support Office — additional funding

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|---|---------|---------|---------|---------|---------|
| Department of Immigration and Border Protection | - | 1.3 | - | - | - |

The Government will provide \$1.3 million in 2015-16 to continue the activities of the Regional Support Office of the Bali Process on People Smuggling, Trafficking in Persons and Related Transnational Crime, which aims to reduce irregular migration in the Asia Pacific region. This measure is part of the Government's commitment to stopping the boats and putting an end to people smugglers' trade.

This measure will be offset by savings and revenue measures from the Immigration and Border Protection Portfolio.

This national security measure underlines the Government's commitment to a safe and secure Australia.

National Security — strengthen and enhance Australia’s border protection services — further measures

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|---|---------|-------------|-------------|-------------|-------------|
| Department of Immigration and Border Protection | - | 15.5 | 17.0 | 19.9 | 11.3 |
| Australian Commission for Law Enforcement Integrity | - | 3.1 | 3.1 | 3.1 | 3.1 |
| Total — Expense | - | 18.6 | 20.1 | 23.0 | 14.5 |
| <i>Related capital (\$m)</i> | | | | | |
| Department of Immigration and Border Protection | - | 18.5 | 35.4 | 33.6 | 0.7 |
| Australian Commission for Law Enforcement Integrity | - | 0.3 | - | - | 0.2 |
| Total — Capital | - | 18.8 | 35.4 | 33.6 | 0.9 |

The Government will provide \$164.8 million over four years from 2015-16 to implement capability enhancements to further strengthen Australia’s border protection services.

Funding will be provided for:

- design and scoping work for new ICT platforms to manage travellers’ biometric data and visa information;
- the trial and full-scale rollout of next generation eGates at major international airports and three seaports; and
- additional equipment and training for the Australian Border Force to undertake operational activities.

Additional funding will be provided for the expanded workload of the Australian Commission for Law Enforcement Integrity. From 1 July 2015 the whole of the Department of Immigration and Border Protection’s activities comes under the Integrity Commissioner’s jurisdiction.

This measure extends the 2014-15 Budget measure titled *Smaller Government – strengthen and enhance Australia’s border protection services*.

This national security measure underlines the Government’s commitment to a safe and secure Australia.

Reforms to the Human Trafficking visa framework

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|---|---------|------------|-----------|-----------|-----------|
| Department of Human Services | - | 2.2 | .. | .. | .. |
| Department of Social Services | - | .. | .. | .. | .. |
| Department of Immigration and Border Protection | - | - | - | - | - |
| Total — Expense | - | 2.2 | .. | .. | .. |

The Government will provide \$2.3 million over four years to reform the Human Trafficking visa framework. Victims of human trafficking who have assisted a criminal investigation and would be in danger if returned to their country of origin will be provided a permanent ‘referred stay’ visa. Holders of this visa will have access to adult English language training and be exempt from the two year newly-arrived resident waiting period for social security payments.

This measure will be offset by savings and revenue measures included in the Immigration and Border Protection and Social Services Portfolios.

Refugee resettlement arrangements for Illegal Maritime Arrivals in offshore processing centres

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|--|------------|--------------|----------|----------|----------|
| Department of Immigration and Border Protection | 137.4 | 110.2 | - | - | - |
| <i>Related capital (\$m)</i> | | | | | |
| <i>Department of Immigration and Border Protection</i> | <i>0.1</i> | <i>141.8</i> | <i>-</i> | <i>-</i> | <i>-</i> |

The Government will provide \$389.6 million over two years to implement refugee resettlement arrangements for Illegal Maritime Arrivals (IMAs) who are found to be owed protection, and removal arrangements for IMAs found not to be owed protection. The Australian Government will work with the Governments of Nauru, Papua New Guinea, and Cambodia to build their capacity to deliver settlement services including accommodation, health, education and case management, and to increase their removals capability.

This measure includes \$141.9 million in capital funding to provide new infrastructure to support refugee resettlement. The new infrastructure will also deliver benefits to the broader communities of the resettlement countries.

Response to the Integrity Review of the 457 Programme

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|---|---------|---------|---------|---------|---------|
| Department of Immigration and Border Protection | - | 0.7 | 1.0 | 1.0 | 1.0 |

The Government will provide \$3.7 million over four years to implement recommendations from the Independent Review into the Integrity of the Temporary Work (skilled) visa (subclass 457) programme.

This measure will provide funding for the simplification and streamlining of visa processing for low risk 457 sponsors, and the investigation of 457 sponsors to determine whether they are complying with their sponsorship obligations.

This measure will be offset by savings and revenue measures from the Immigration and Border Protection Portfolio.

Smaller Government — consolidation of Australia’s border protection services

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|---|---------|---------|---------|---------|---------|
| Department of Immigration and Border Protection | - | - | - | - | - |

The Government will achieve savings of \$270.1 million over four years from 2015-16 from the consolidation of the Australian Customs and Border Protection Service and the Department of Immigration and Border Protection into a single department.

As well as delivering efficiencies, a single organisation will strengthen and enhance Australia’s border protection services, foster trade and travel and improve Australia’s national security.

The savings from this measure are a consequence of the 2014-15 Budget measure *Smaller Government – strengthen and enhance Australia’s border protection services* and will be redirected by the Government to repair the Budget and fund policy priorities.

The Smaller Government reforms are eliminating duplication and waste, streamlining services and reducing the cost of government administration.

Savings for this measure have already been provided for by the Government.

Smaller Government — Immigration and Border Protection efficiencies

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|--|---------|---------|---------|---------|---------|
| Department of Human Services | - | 1.2 | .. | - | - |
| Department of Social Services | - | 0.1 | - | - | - |
| Department of Immigration and Border Protection | - | -13.6 | -41.0 | -42.1 | -42.4 |
| Total — Expense | - | -12.4 | -41.0 | -42.1 | -42.4 |
| <i>Related revenue (\$m)</i> | | | | | |
| <i>Department of Immigration and Border Protection</i> | - | - | 12.4 | 12.4 | 12.4 |
| <i>Department of Human Services</i> | - | - | - | - | - |
| Total — Revenue | - | - | 12.4 | 12.4 | 12.4 |
| <i>Related capital (\$m)</i> | | | | | |
| <i>Department of Immigration and Border Protection</i> | - | 4.3 | 2.6 | - | - |
| <i>Department of Human Services</i> | - | - | - | - | - |
| Total — Capital | - | 4.3 | 2.6 | - | - |

The Government will achieve net savings of \$168.1 million over four years from 2015-16 from efficiencies in visa, refugee and humanitarian processing, and by simplifying the skilled migration and temporary activity visa programme.

Efficiencies have been identified following a review of departmental operations relating to the Refugee and Humanitarian Assistance Programme and visa processing systems. In addition, through simplification of the skilled migration and temporary activity visa programme, the number of visa subclasses will be consolidated whilst ensuring programme integrity is maintained, with the related system changes across three portfolios delivering operational savings.

This measure forms part of the fourth phase of the Smaller Government reforms, which reduce the size and complexity of government.

The Smaller Government reforms are eliminating duplication and waste, streamlining services and reducing the cost of government administration.

The savings from this measure will be redirected by the Government to repair the Budget and fund policy priorities.

Smaller Government — Immigration and Border Protection Portfolio

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|---|---------|---------|---------|---------|---------|
| Department of Immigration and Border Protection | - | -0.3 | -0.3 | -0.3 | -0.3 |

The Government will achieve savings of \$1.0 million over four years by merging the Office of the Migration Agents Registration Authority (OMARA) function into the Department of Immigration and Border Protection and replacing the OMARA Advisory Board with a non-remunerated independent reference group.

This measure is part of the fourth phase of the Smaller Government reforms which reduce the size and complexity of government.

The Smaller Government reforms are eliminating duplication and waste, streamlining services and reducing the cost of government administration.

The savings from this measure will be redirected by the Government to repair the Budget and fund policy priorities.

INDUSTRY AND SCIENCE

Australian Synchrotron — contribution to operational funding — extension

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|--|---------|---------|---------|---------|---------|
| Australian Nuclear Science and Technology Organisation | - | - | 13.0 | - | - |

The Government will provide \$20.5 million in 2016-17 to the Australian Nuclear Science and Technology Organisation to meet part of the \$30.0 million cost of operating the Australian Synchrotron in 2016-17. The remaining operating costs will be met through contributions from the Victorian Government and the New Zealand Synchrotron Group Ltd.

The cost of this measure will be partly met from within the existing resources of the Department of Education and Training and the Department of Defence.

Automotive Transformation Scheme — revised implementation

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|------------------------------------|---------|---------|---------|---------|---------|
| Department of Industry and Science | 100.0 | 175.0 | 150.0 | 183.4 | 175.0 |

The Government will not progress the *Automotive Transformation Scheme – reduction in funding* measure announced in the *Mid-Year Economic and Fiscal Outlook 2013-14*, and the *Automotive Assistance – reduced funding* measure announced in the 2014-15 Budget, as most of the savings will be realised as a result of decisions taken by car manufacturers.

The net impact of this measure is \$105.0 million (from 2014-15 to 2020-21) when the related estimates variation, as a result of market developments, is taken into account.

This reflects the reality that the decisions taken by motor vehicle manufacturers to cease production in Australia by the end of 2017 have reduced demand for the *Automotive Transformation Scheme* by \$795.0 million over seven years from 2014-15.

Cooperative Research Centres — reduced funding

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|------------------------------------|---------|---------|---------|---------|---------|
| Department of Industry and Science | - | -1.6 | -5.7 | -7.0 | -12.5 |

The Government will achieve savings of \$26.8 million over four years from 2015-16 by reducing funding for the *Cooperative Research Centres* programme.

The Government will continue to provide \$732.4 million over the forward estimates for the programme pending the outcome of a review announced by the Minister for Industry and Science on 16 September 2014.

The savings from this measure will be redirected by the Government to repair the Budget and fund policy priorities.

Entrepreneurs' Infrastructure Programme — savings

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|------------------------------------|---------|---------|---------|---------|---------|
| Department of Industry and Science | -23.0 | -1.3 | -1.0 | -1.0 | -1.0 |

The Government will achieve savings of \$27.3 million over five years from 2014-15 from the *Entrepreneurs' Infrastructure Programme*. The saving will be achieved in part by changing the implementation of elements of the Single Business Service and Business Management initiatives. Funding of \$526.4 million over four years from 2015-16 will remain available to support programme objectives.

The savings from this measure will be redirected by the Government to repair the Budget and fund policy priorities.

Home Insulation Program Industry Payment Scheme — establishment

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|------------------------------------|---------|---------|---------|---------|---------|
| Department of Industry and Science | nfp | nfp | - | - | - |

The Government will provide funding for payments to pre-existing home insulation businesses adversely affected by the *Home Insulation Program* which ran from 2009 to 2010. The *Home Insulation Program Industry Payment Scheme* is part of the Government's response to the Royal Commission into the *Home Insulation Program*.

The expenditure for this measure is not for publication (nfp) due to commercial-in-confidence considerations.

Industry grant programmes — reduced funding

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|------------------------------------|---------|---------|---------|---------|---------|
| Department of Industry and Science | -17.6 | -12.1 | -2.0 | - | - |

The Government will achieve savings of \$31.7 million over three years from 2014-15 by reducing funding for the following programmes which were closed to new applications on 1 January 2015:

- *Commercialisation Australia;*
- *Enterprise Connect;* and
- *Industry Innovation Precincts.*

The savings from this measure will be redirected by the Government to repair the Budget and fund policy priorities.

National Low Emissions Coal Initiative — funding adjustment

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|------------------------------------|---------|---------|---------|---------|---------|
| Department of Industry and Science | -3.4 | - | - | - | - |

The Government will achieve savings of \$3.4 million in 2014-15 from the *National Low Emissions Coal Initiative* (NLECI) by reducing funding for the Australian National Low Emissions Coal Research and Development Project. Funding of \$17.5 million over two years from 2015-16 will remain available for NLECI to support the development and deployment of technologies that aim to reduce emissions from coal use.

The savings from this measure will be redirected by the Government to repair the Budget and fund policy priorities.

Smaller Government — Industry and Science Portfolio

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|------------------------------------|---------|---------|---------|---------|---------|
| Department of Industry and Science | - | - | - | - | - |

The Government will further reduce the number of government bodies by abolishing the Commonwealth Scientific and Industrial Research Organisation (CSIRO) Environment Strategic Advisory Committee, as the function has been reallocated by CSIRO to the relevant flagship advisory committee. IIF Investments Pty Ltd, and its assets, have been transferred to the Department of Industry and Science.

In addition, the CSIRO Marine National Facility Steering Committee will become a subcommittee under the CSIRO Board, to strengthen the Board's oversight of the facility.

Additionally, the following bodies have ceased operations: the Bureau of Resources and Energy Economics (BREE) (with its functions performed by the Department of Industry and Science and its work published under the auspices of the Office of the Chief Economist); and the Consumer Advocacy Panel (with its functions transferred from the Commonwealth to Energy Consumers Australia established by the South Australian Government on behalf of the Council of Australian Governments' Energy Council).

This measure is part of the fourth phase of the Smaller Government reforms which reduce the size and complexity of government.

The Smaller Government reforms are eliminating duplication and waste, streamlining services and reducing the cost of government administration.

INFRASTRUCTURE AND REGIONAL DEVELOPMENT

Bathurst 200 Commemorative Flagstaff Project — contribution

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|---|---------|---------|---------|---------|---------|
| Department of Infrastructure and Regional Development | 0.3 | - | - | - | - |

The Government will provide \$250,000 in 2014-15 as a contribution to the Bathurst Regional Council for its Bathurst 200 Commemorative Flagstaff Project (the Project). The Project will erect a commemorative flagstaff at the site where Governor Lachlan Macquarie proclaimed the future town of Bathurst on 7 May 1815, Australia's first European inland settlement. The remaining funding for the Project is being provided by the Bathurst Regional Council and community contributions.

Coastal shipping reform

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|---|---------|---------|---------|---------|---------|
| Department of Infrastructure and Regional Development | - | - | - | - | - |

The Government will introduce a number of reforms for foreign flagged vessels operating in Australian waters, including:

- introducing a single Coastal Trading Permit for all ships to replace the current tiered system;
- amending legislation to allow the carriage of petroleum products;
- applying a minimum Australian senior crewing requirement for foreign ships remaining on the coast for more than 183 days in a permit period;
- reducing monthly trade reporting requirements to annual reporting;
- removing exemptions for large ships from the Coastal Trading Permit requirements;
- better aligning employment conditions for ships based in Australia with international standards; and
- making amendments to the Australian International Shipping Register to improve competition amongst foreign flagged ships.

This measure will foster a more competitive coastal shipping industry that better supports the Australian economy by maximising the use of available shipping capacity on the Australian coast.

Commonwealth contribution to the East West Link project

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|---|---------|---------|---------|---------|---------|
| Department of Infrastructure and Regional Development | - | - | - | - | - |
| Department of the Treasury | -100.0 | -300.0 | -600.0 | - | -500.0 |
| Total — Expense | -100.0 | -300.0 | -600.0 | - | -500.0 |

The Commonwealth Government remains committed to the construction of East West Link.

The Government considers this an important project of national significance that will boost productivity and reduce congestion for Victorians.

The Commonwealth Government will provide \$3.0 billion for the East West Link to any Victorian Government that proceeds with the project.

However, the Victorian Government has advised the Commonwealth that it is not proceeding with the project and announced it is settling its contractual legal obligations on the project. Therefore, the Commonwealth Government has had to revise the forward estimates, including the return of \$1.5 billion of unspent funding from the Victorian Government, consistent with obligations under the Memorandum of Understanding between the Victorian Government and the Commonwealth.

The Commonwealth's commitment to providing \$3.0 billion to build East West Link is formalised as a Contingent Liability in Statement 8 of the 2015-16 Budget Papers.

In addition, the Commonwealth remains willing to consider investing in other major infrastructure projects of national significance in Victoria should the Victorian Government come forward with options.

Community Development Grants programme — extension

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|---|---------|---------|---------|---------|---------|
| Department of Infrastructure and Regional Development | - | 10.0 | 30.0 | 10.0 | - |

The Government will provide \$50.0 million over three years from 2015-16 to extend the Community Development Grants programme. This programme delivers important community projects across Australia.

This measure extends the *Mid-Year Economic and Fiscal Outlook 2013-14* measure titled *Community Development Grants programme – establishment*.

Developing Northern Australia — improving northern cattle supply chains

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|---|---------|---------|---------|---------|---------|
| Department of Infrastructure and Regional Development | - | 0.4 | 0.3 | 0.3 | 0.3 |
| Department of the Treasury | - | - | 35.0 | 35.0 | 30.0 |
| Total — Expense | - | 0.4 | 35.3 | 35.3 | 30.3 |

The Government will provide \$101.3 million over four years from 2015-16 to improve cattle supply chains in the north, with a particular focus on road infrastructure. This funding will seek to improve the productivity and resilience of cattle supply chains in northern Australia, drawing on the CSIRO's state-of-the-art logistics modelling, as well as input from livestock transport and beef industry experts, to identify deregulation opportunities and investment priorities. The funding will also provide incentives for private sector investment to improve the road network and transport logistics in the area.

Further information can be found in the joint press release of 8 May 2015 issued by the Prime Minister and the Minister for Infrastructure and Regional Development.

This measure will form part of the Government's White Paper on Developing Northern Australia.

Developing Northern Australia — northern Australia infrastructure projects pipeline

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|---|---------|---------|---------|---------|---------|
| Department of Infrastructure and Regional Development | - | 1.0 | 1.0 | 0.9 | 0.9 |

The Government will provide \$3.7 million over four years from 2015-16 to develop a new infrastructure projects pipeline which will be informed by the priorities identified in Infrastructure Australia's Northern Australia Infrastructure Audit.

The pipeline will be developed by the Department of Infrastructure and Regional Development in consultation with northern jurisdictions and will provide business and jurisdictions with information on potential roads, rail, water, electricity, ports, airports and communications projects. It will also form part of the broader National Infrastructure Construction Schedule, complementing Infrastructure Australia's national infrastructure priority list, and relevant state and territory infrastructure plans.

Further information can be found in the joint press release of 8 May 2015 issued by the Prime Minister and the Minister for Infrastructure and Regional Development.

This measure will form part of the Government's White Paper on Developing Northern Australia.

Infrastructure Investment Programme — savings

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|---|---------|---------|---------|---------|---------|
| Department of Infrastructure and Regional Development | - | - | - | - | - |
| Department of the Treasury | -62.5 | -27.5 | -5.0 | -5.0 | -5.0 |
| Total — Expense | -62.5 | -27.5 | -5.0 | -5.0 | -5.0 |

The Government will achieve savings of \$105.0 million over five years from reprioritising projects in the Infrastructure Investment Programme. Savings will be achieved from the reduced scope of the Tasmanian Freight Revitalisation project, a reduction in the level of contingency funding for Queensland projects, and minor reductions in some Victorian and New South Wales infrastructure projects.

Savings from this measure will be redirected by the Government to fund policy priorities in the Infrastructure portfolio.

Infrastructure Investment Programme — Victoria — reallocation

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|---|---------|---------|---------|---------|---------|
| Department of Infrastructure and Regional Development | - | - | - | - | - |
| Department of the Treasury | - | - | - | - | - |
| Total — Expense | - | - | - | - | - |

The Government will reallocate savings of \$187.5 million from the Regional Rail Link project in Victoria to other infrastructure priorities in Victoria. Projects that will be allocated funding include the continued duplication of Western Highway between Ballarat and Ararat (\$97.3 million) and the Princes Highway East from Traralgon to Sale (\$70.0 million).

Malaysia Airlines Flight MH370 — international contribution

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|---|-------------|-------------|----------|----------|----------|
| Australian Transport Safety Bureau | 43.9 | 50.0 | - | - | - |
| <i>Related revenue (\$m)</i> | | | | | |
| Department of Infrastructure and Regional Development | 29.6 | 50.0 | - | - | - |
| Australian Transport Safety Bureau | 14.4 | - | - | - | - |
| Total — Revenue | 43.9 | 50.0 | - | - | - |

The Government will provide \$79.6 million over two years from 2014-15 to continue the search for Malaysia Airlines flight MH370 should the aircraft not be located in the current search area. This will increase the search area by an additional 60,000 square kilometres to 120,000 square kilometres.

The Australian Transport Safety Bureau will fund Australia’s contribution to the search from funding provided in the 2014-15 Budget measure titled *Malaysia Airlines flight MH370 – search*. The cost of this measure will be offset by financial contributions to the search from other countries. The actual cost will depend on a number of factors, including the length of the search.

Further information can be found in the Joint Communique of 16 April 2015 issued by the Minister for Infrastructure and Regional Development in conjunction with Ministers from Malaysia and the People’s Republic of China on the next steps in the search for MH370.

Norfolk Island and the Indian Ocean Territories — essential air services

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|---|---------|---------|---------|---------|---------|
| Department of Infrastructure and Regional Development | - | nfp | nfp | nfp | - |

The Government will provide funding over three years from 2015-16 to underwrite essential air services to Norfolk Island and the Indian Ocean Territories respectively.

To enable a combined tender process in 2016, the Government has varied the contract with Air New Zealand for the provision of air services to Norfolk Island to align its expiry date with that of the contract for the Indian Ocean Territories services provided by Virgin Australia.

The expenditure for this measure is not for publication (nfp) as the contracts with the service providers are commercial-in-confidence.

Norfolk Island Reform

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|---|------------|-------------|-------------|-------------|-------------|
| Department of Infrastructure and Regional Development | - | 4.9 | 4.8 | 21.7 | 23.5 |
| Department of Human Services | - | 4.2 | 1.2 | 0.4 | 0.4 |
| Department of Immigration and Border Protection | - | 1.4 | 1.6 | 1.7 | 1.7 |
| Australian Taxation Office | - | 1.4 | 1.3 | 0.7 | 0.2 |
| Department of Social Services | - | 0.8 | 10.7 | 10.8 | 11.2 |
| Department of Agriculture | - | 0.4 | 1.7 | 1.5 | 1.4 |
| Australian Bureau of Statistics | - | 0.3 | 0.2 | - | - |
| Department of Employment | - | 0.1 | 0.4 | 0.3 | 0.3 |
| Department of Health | - | - | 3.0 | 3.2 | 3.3 |
| Australian Customs and Border Protection Service | 0.1 | - | - | - | - |
| Total — Expense | 0.1 | 13.5 | 24.9 | 40.1 | 42.1 |
| <i>Related revenue (\$m)</i> | | | | | |
| Australian Taxation Office | - | - | 2.0 | 9.0 | 6.0 |
| Department of Infrastructure and Regional Development | - | - | - | 1.5 | 1.5 |
| Total — Revenue | - | - | 2.0 | 10.5 | 7.5 |
| <i>Related capital (\$m)</i> | | | | | |
| Department of Infrastructure and Regional Development | - | 5.4 | 12.5 | 4.0 | 5.0 |
| Department of Immigration and Border Protection | - | 5.4 | - | - | - |
| Department of Human Services | - | 1.5 | 0.1 | - | - |
| Department of Agriculture | - | 1.0 | - | - | - |
| Australian Taxation Office | - | 0.9 | - | - | - |
| Department of Employment | - | 0.1 | - | - | - |
| Total — Capital | - | 14.3 | 12.6 | 4.0 | 5.0 |

The Government will provide \$136.6 million over five years from 2014-15 (including spending of \$35.8 million in capital and receiving \$19.9 million in revenue) to reform the governance arrangements and extend Commonwealth and State government programmes to Norfolk Island.

The reforms will extend federal taxation (excluding customs duty and Commonwealth indirect taxes), social security, Medicare, the Pharmaceutical Benefits Scheme and other key federal services and programmes, such as health, customs and quarantine services, to Norfolk Island from 1 July 2016.

Budget Measures 2015-16 – Part 2: Expense Measures

The reforms amend the *Norfolk Island Act 1979 (Cth)* to transition the Norfolk Island Legislative Assembly to a Norfolk Island Regional Council. Under the reforms, the New South Wales Government will deliver state-level services and applicable New South Wales laws and federal electoral arrangements will be normalised.

This measure delivers on the Government's election commitment.

Further information can be found in the press release of 19 March 2015 issued by the Assistant Minister for Infrastructure and Regional Development.

Regional Aviation Access Programme — Remote Air Services Subsidy Scheme — additional funding

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|---|---------|---------|---------|---------|---------|
| Department of Infrastructure and Regional Development | - | 1.8 | 2.0 | 2.1 | - |

The Government will provide an additional \$5.9 million over three years from 2015-16 to enable existing Remote Air Services Subsidy (RASS) Scheme service levels to be maintained.

The RASS Scheme subsidises a regular weekly air transport service for the carriage of passengers and goods such as educational materials, medicines, fresh foods and other urgent supplies to communities in remote and isolated areas of Australia. Mail is also carried on these flights under a separate contract with Australia Post.

Regional Aviation Access Programme — Remote Airstrip Upgrade Programme — extension

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|---|---------|---------|---------|---------|---------|
| Department of Infrastructure and Regional Development | - | 8.4 | 8.4 | 8.4 | 8.4 |

The Government will provide \$33.7 million over four years to extend the *Regional Aviation Access Programme* to provide a further two funding rounds for the Remote Airstrip Upgrade component.

The funding will provide grants for aviation safety upgrades at remote airstrips on a co-funding basis, and will provide for a higher level of funding, up to 100 per cent, for works at priority remote Indigenous communities. Remote towns including Indigenous communities will benefit from the measure by being able to undertake safety and access upgrades for their airstrips.

Regional Development Australia Committees — reduced support

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|---|---------|---------|---------|---------|---------|
| Department of Infrastructure and Regional Development | - | -0.9 | -0.9 | -0.9 | -0.9 |

The Government will achieve savings of \$3.6 million over four years by not proceeding with some activities that support the Regional Development Australia (RDA) Committees.

Sufficient funding will be retained in the RDA Committee programme to support core activities such as probity checks and an independent review of RDA Committees in October 2016.

The savings from this measure will be redirected by the Government to repair the Budget and fund policy priorities.

Seatbelts on Regional School Buses programme — early termination

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|---|---------|---------|---------|---------|---------|
| Department of Infrastructure and Regional Development | - | -1.0 | - | - | - |

The Government will achieve savings of \$1.0 million in 2015-16 by terminating the *Seatbelts on Regional School Buses* programme from 1 July 2015, a year earlier than scheduled. Since the introduction of the programme, most state and territory governments have introduced policies to progressively require the operation of seatbelt-equipped buses on regional school routes and there is no longer a need for Commonwealth intervention in this area.

The savings from this measure will be redirected by the Government to repair the Budget and fund policy priorities.

Stronger Communities

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|---|---------|---------|---------|---------|---------|
| Department of Infrastructure and Regional Development | - | 22.5 | 22.5 | - | - |

The Government will provide \$45.0 million from 2015-16 to establish a programme to fund small capital projects put forward by community groups for an initial two year period. The projects will be required to deliver social benefits to the local community.

Tasmanian Freight Equalisation Scheme — extension to include exports and faster payments

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|---|---------|---------|---------|---------|---------|
| Department of Infrastructure and Regional Development | - | 27.7 | 56.3 | 57.3 | 58.3 |
| Department of Human Services | - | 2.4 | 0.6 | 0.3 | - |
| Total — Expense | - | 30.0 | 56.9 | 57.6 | 58.3 |

The Government will extend the Tasmanian Freight Equalisation Scheme (TFES) from 1 January 2016 to include a subsidy at a flat rate of \$700 per twenty-foot equivalent unit for exports. This is estimated to cost \$202.9 million over four years. The current scheme for domestic goods will be retained. In addition to this extension, the Government will reduce the time-frame for TFES claims from two years to six months from the time of shipment.

Further information can be found in the joint press release of 13 March 2015 issued by the Prime Minister and the Minister for Infrastructure and Regional Development.

PRIME MINISTER AND CABINET

A New Remote Indigenous Housing Strategy

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|--|---------|---------|---------|---------|---------|
| Department of the Prime Minister and Cabinet | - | - | - | - | - |
| Department of the Treasury | - | - | - | - | - |
| Total — Expense | - | - | - | - | - |

The Government will replace the existing National Partnership Agreement on Remote Indigenous Housing with a new Remote Indigenous Housing Strategy over three years from 2015-16 totalling \$1.1 billion.

Funding will be provided to the New South Wales, Western Australian, South Australian, Queensland and Northern Territory governments to build new houses and refurbish existing houses in remote Indigenous communities. Funding will also be provided to build employment-related accommodation in urban and regional areas for Indigenous Australians who relocate from remote communities for work or training.

Funding will also focus on achieving agreed outcomes, including increased Indigenous home ownership and employment, and improved property and tenancy management.

Funding of \$95 million associated with the existing National Partnership Agreement has been redirected to the *Reform of the Remote Jobs and Communities Programme* measure announced in the *Mid-Year Economic and Fiscal Outlook 2014-15*.

Australia hosting the Group of 20 — savings

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|--|---------|---------|---------|---------|---------|
| Department of the Prime Minister and Cabinet | -26.6 | - | - | - | - |

The Government has achieved savings of \$26.6 million in 2014-15 through a concerted effort to lower the cost of hosting the G20 Leaders' Summit.

The budget for the G20 Leaders' Summit was committed by the previous government. Upon forming Government, the Prime Minister asked that his Department look for increased efficiencies in relation to Australia hosting the 2014 G20 Leaders' meeting in Brisbane. This has resulted in \$33.6 million being returned to the Budget, a 10 per cent saving to the amount committed by the former Labor Government.

The savings from this measure will be redirected by the Government to repair the Budget and fund policy priorities.

Australian Honours and Awards System — additional funding

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|--|---------|---------|---------|---------|---------|
| Office of the Official Secretary to the Governor-General | - | 0.5 | 0.6 | 0.6 | 0.6 |

The Government will provide an additional \$2.4 million over four years for the Australian Honours and Awards System. The additional funding will support the increasing number of Australians recognised each year for their outstanding achievements and contributions to society and the introduction of new medals such as the National Police Service Medal.

Indigenous Advancement Strategy — indexation of funding

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|--|---------|---------|---------|---------|---------|
| Department of the Prime Minister and Cabinet | - | - | - | - | 4.8 |

The Government will provide \$4.8 million in 2018-19 to ensure a consistent rate of indexation applies across all elements of the Indigenous Advancement Strategy when regular indexation resumes at that time.

Indigenous Advancement Strategy — remote Indigenous internet training

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|--|---------|---------|---------|---------|---------|
| Department of the Prime Minister and Cabinet | - | 2.2 | 2.2 | 2.3 | - |
| Department of the Treasury | - | -2.2 | -2.2 | -2.3 | - |
| Total — Expense | - | - | - | - | - |

The Government will redirect funding of \$6.7 million over three years from 1 July 2015 to the Indigenous Advancement Strategy to provide remote Indigenous internet training. This will replace the existing *National Partnership Agreement on Remote Indigenous Public Internet Access*.

The funding will provide essential infrastructure such as computers, printers and internet access points to improve internet literacy and educational outcomes for children and adults in around 75 remote communities. This measure will help ensure that Indigenous people in remote communities have similar opportunities as other Australians to take advantage of the benefits associated with internet access.

Municipal and Essential Services — transition arrangements for South Australia

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|--|---------|---------|---------|---------|---------|
| Department of the Prime Minister and Cabinet | -15.0 | - | - | - | - |
| Department of the Treasury | 15.0 | - | - | - | - |
| Total — Expense | - | - | - | - | - |

The Government will provide \$15.0 million in 2014-15 to support the South Australian Government to take on full responsibility for the delivery of municipal and essential services in Indigenous communities except for the Anangu Pitjantjatjara Yankunytjatjara Lands from 1 July 2015.

Municipal and essential services are a state and territory responsibility and include the operation and maintenance of power, water and sewage services, garbage collection and disposal, roads, landscaping and dust control, and animal and environmental health programmes.

The cost of this measure will be met from within the existing resources of the Department of the Prime Minister and Cabinet.

Further information can be found in the press release of 13 April 2015 issued by the Minister for Indigenous Affairs.

National Partnership Agreement on Northern Territory Remote Aboriginal Investment

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|--|---------|---------|---------|---------|---------|
| Department of the Treasury | - | 147.7 | -10.3 | -11.9 | -12.6 |
| Department of the Prime Minister and Cabinet | - | -15.6 | -12.8 | -11.7 | -11.5 |
| Total — Expense | - | 132.1 | -23.1 | -23.6 | -24.1 |

The Government will redirect funding of \$988.2 million over eight years to establish a new National Partnership Agreement (NPA) on Northern Territory Remote Aboriginal Investment. The new NPA will replace the existing NPA on Stronger Futures in the Northern Territory, at a net additional cost of \$61.3 million over four years from 2015-16. The new NPA will prioritise schooling, community safety and employment.

The new NPA includes funding of \$154.8 million in 2015-16 for the Northern Territory Government to take on full responsibility for delivering municipal and essential services in remote Indigenous communities.

Commonwealth administered funding of \$1.4 billion, currently part of the NPA on Stronger Futures in the Northern Territory, will not be included in the new NPA. This funding will continue outside of the NPA framework and be administered by the departments of the Prime Minister and Cabinet, Social Services and Health to provide services and support for Indigenous Australians.

National Security — Independent National Security Legislation Monitor

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|--|---------|---------|---------|---------|---------|
| Department of the Prime Minister and Cabinet | - | 0.3 | 0.3 | 0.3 | 0.3 |

The Government will provide \$1.3 million over four years to fund the position of National Security Legislation Monitor in the Department of the Prime Minister and Cabinet. This measure recognises the scope and complexity of counter-terrorism legislation that the Government is pursuing to strengthen Australia’s national security.

The impact on the Budget of this measure is a result of outcomes from negotiations with the Senate. The Government is committed to putting the Budget on a sustainable trajectory.

The measure follows the Government’s decision not to proceed with the Independent National Security Legislation Monitor Repeal Bill 2014.

This national security measure underlines the Government’s commitment to a safe and secure Australia.

National Security — The Office of National Assessments and the Office of the Inspector-General of Intelligence and Security resourcing

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|--|----------|------------|------------|------------|------------|
| Office of National Assessments | - | 0.8 | 1.6 | 2.0 | 2.4 |
| Office of the Inspector-General of Intelligence and Security | - | 0.1 | 0.2 | 0.2 | 0.2 |
| Total — Expense | - | 0.8 | 1.8 | 2.2 | 2.7 |
| <i>Related capital (\$m)</i> | | | | | |
| Office of National Assessments | - | 0.1 | 0.2 | 0.2 | 0.3 |
| Office of the Inspector-General of Intelligence and Security | - | - | - | - | - |
| Total — Capital | - | 0.1 | 0.2 | 0.2 | 0.3 |

The Government will provide an additional \$7.6 million over four years from 2015-16 to the Office of National Assessments (ONA) and an additional \$0.7 million over four years to the Office of the Inspector-General of Intelligence and Security (OIGIS) by exempting the agencies from the Efficiency Dividend.

This national security measure underlines the Government’s commitment to a safe and secure Australia.

Remote Indigenous Home Loans

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|-------------------------------|---------|---------|---------|---------|---------|
| Indigenous Business Australia | - | - | - | - | - |

The Government will reform the delivery of Indigenous home loans to improve home ownership rates in remote areas.

To ensure home ownership does not create a barrier to accessing employment or education in other areas, home loans and financial supports will be portable for Indigenous Australians living in remote communities who choose to move to another location to take up a job or undertake education.

Additionally, Indigenous Australians will be supported in the transition from renting to home ownership by extending financial support grants to cover start-up and ongoing home ownership expenses (such as repairs and maintenance).

The cost of this measure will be met from within the existing resources of Indigenous Business Australia’s *Indigenous Home Ownership Programme*.

Smaller Government — Prime Minister and Cabinet Portfolio

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|-------------------------------|---------|---------|---------|---------|---------|
| Indigenous Business Australia | - | - | - | - | - |

The National Indigenous Participation Trust, Indigenous Investment Trust, Scarborough House Office Trust, Scarborough House Investment Trust, National Indigenous Property Trust and Indigenous Property Trust will cease operations. As a result this measure has no financial impact. A number of older trust accounts are being consolidated into the Indigenous Real Estate Investment Trust to simplify arrangements.

This measure is part of the fourth phase of the Smaller Government reforms which reduce the size and complexity of government.

The Smaller Government reforms are eliminating duplication and waste, streamlining services and reducing the cost of government administration.

SOCIAL SERVICES

ABSTUDY Under-16 Boarding Supplement — extend to hostels

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|-------------------------------|---------|---------|---------|---------|---------|
| Department of Social Services | - | 2.4 | 2.3 | 2.4 | 2.4 |
| Department of Human Services | .. | 0.4 | - | - | - |
| Total — Expense | .. | 2.8 | 2.3 | 2.4 | 2.4 |

The Government will provide \$10.0 million over five years to extend the ABSTUDY Under-16 Boarding Supplement to approved hostels from 1 July 2015. This measure will improve educational engagement and retention of secondary school students under 16 years from remote Indigenous communities.

Aged Care — alignment of aged care means testing arrangements

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|--|---------|---------|---------|---------|---------|
| Department of Human Services | 0.1 | 0.9 | 0.1 | 0.1 | 0.1 |
| Department of Veterans' Affairs | - | .. | -0.6 | -1.2 | -1.6 |
| Department of Social Services | - | -0.7 | -4.2 | -8.1 | -11.1 |
| Total — Expense | 0.1 | 0.2 | -4.8 | -9.2 | -12.7 |
| <i>Related capital (\$m)</i> | | | | | |
| <i>Department of Veterans' Affairs</i> | - | 0.2 | - | - | - |

The Government will achieve savings of \$26.2 million over five years by improving the fairness and equity of aged care means testing arrangements for new residents entering aged care from 1 January 2016.

This measure will align aged care means testing arrangements for residents who pay their accommodation costs by periodic payments with the arrangements that currently apply to those residents who pay via a lump sum. This will remove the rental income exemption under the aged care means test for aged care residents who are renting out their former home and paying their aged care accommodation costs by periodic payments. Existing protections such as annual fee caps and lifetime fee caps remain.

The savings from this measure will be redirected by the Government to repair the Budget and fund policy priorities.

Aged Care — Home Care Programme — increasing consumer choice

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|--------------------------------------|----------|-------------|-------------|-------------|------------|
| Department of Social Services | - | 13.6 | 16.2 | 10.6 | 8.9 |
| Department of Human Services | - | 0.9 | 1.3 | 1.0 | 0.2 |
| Department of Veterans' Affairs | - | 0.7 | - | - | - |
| Department of Finance | - | 0.1 | 0.1 | 0.1 | 0.1 |
| Total — Expense | - | 15.3 | 17.6 | 11.7 | 9.2 |
| <i>Related capital (\$m)</i> | | | | | |
| <i>Department of Social Services</i> | <i>-</i> | <i>8.1</i> | <i>11.8</i> | <i>-</i> | <i>-</i> |

The Government will provide \$73.7 million over four years to increase consumer choice and flexibility for older Australians in receipt of a Commonwealth funded Home Care Package.

From 1 February 2017, Home Care Packages will be allocated directly to consumers by the *My Aged Care Gateway* rather than to service providers through the Aged Care Approvals Round.

To be eligible for a package, a consumer would be assessed by an Aged Care Assessment Team to determine the appropriate level of assistance and their care needs. The *My Aged Care Gateway* will be responsible for prioritising clients' access to packages at the regional level within the number of packages allocated through the planning ratio. This will enable aged care recipients to receive services from a provider of their choice, including the ability to change providers.

This measure includes \$19.9 million over two years in capital funding to enhance the *My Aged Care Gateway* functionality to manage the allocation of Home Care Packages to consumers.

Aged Care — Increasing short term restorative care places

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|---------------------------------|----------|-------------|-------------|--------------|--------------|
| Department of Human Services | - | 1.7 | 0.4 | 0.2 | 0.2 |
| Department of Veterans' Affairs | - | -0.1 | -1.9 | -4.8 | -9.7 |
| Department of Social Services | - | -2.6 | -6.5 | -10.6 | -22.4 |
| Total — Expense | - | -1.1 | -8.0 | -15.2 | -31.9 |

The Government will achieve savings of \$56.2 million over four years by incorporating short term restorative care places into the aged care planning ratio from 1 July 2016.

This measure will result in an overall increase in the number of short term restorative aged care places to support older Australians regain mobility and confidence to live safely at home after a period of hospitalisation and reduce the number of premature admissions into permanent residential care. The measure will ensure that the growth in short term restorative care places matches the growth in the aged population.

Aged Care — independent aged care complaints arrangements

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|--------------------------------------|---------|---------|---------|---------|---------|
| Department of Social Services | - | -0.4 | -0.9 | -0.9 | -0.9 |
| <i>Related capital (\$m)</i> | | | | | |
| <i>Department of Social Services</i> | - | 0.4 | - | - | - |

The Government will strengthen the independence of aged care complaints handling arrangements by transferring the responsibility for the administration of the Aged Care Complaints Scheme from the Secretary of the Department of Social Services to the Aged Care Commissioner from 1 January 2016.

The measure will achieve savings of \$2.8 million over four years by simplifying the aged care complaints handling process.

The savings from this measure will be redirected by the Government to repair the Budget and fund policy priorities.

Aged Care Workforce Development Fund — redesign

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|-------------------------------|---------|---------|---------|---------|---------|
| Department of Social Services | - | -10.0 | -10.0 | -10.0 | -10.2 |

The Government will redesign the Aged Care Workforce Fund (ACWF) to support more targeted training and skilling opportunities for the aged care workforce to better meet the increasing complexity of older people’s care needs. From 1 January 2016, the ACWF will be renamed the Aged Care Workforce Development Fund and will continue to provide \$220.9 million over four years.

This measure will achieve savings of \$40.2 million over four years by better targeting aged care workforce development support.

The savings from this measure will be redirected by the Government to repair the Budget and fund policy priorities.

Australian Aged Care Quality Agency Accreditation Services — cost recovery

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|-------------------------------------|---------|---------|---------|---------|---------|
| Department of Social Services | - | 0.2 | .. | - | - |
| Australian Aged Care Quality Agency | - | 0.1 | -10.0 | -11.3 | -9.8 |
| Total — Expense | - | 0.3 | -10.0 | -11.3 | -9.8 |

The Government will achieve a \$30.7 million improvement to the Budget bottom line over four years by expanding the scope of cost recovery arrangements for residential aged care accreditation services. A new fee schedule will be introduced from 1 July 2016 to recover the full operating costs of accreditation, education and training activities performed by the Australian Aged Care Quality Agency.

Residential aged care providers with less than 25 places or that receive a viability supplement will continue to be eligible for a partial or full exemption of their accreditation fees.

Proceeds from this measure will be redirected by the Government to repair the Budget and fund policy priorities.

Australian Disability Enterprises — additional support

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|-------------------------------|---------|---------|---------|---------|---------|
| Department of Social Services | - | 9.0 | 6.0 | 1.0 | 1.0 |

The Government will provide \$189.5 million over four years to assist Australian Disability Enterprises (ADEs) work towards new wage arrangements for supported employees in response to the suspension of the Business Services Wage Assessment Tool following the decision of the Full Federal Court in December 2012. This assistance comprises:

- \$140.3 million for wage supplementation paid directly to ADEs;
- \$32.2 million to develop and implement a new productivity-based wage assessment tool for use in ADEs; and
- \$17.0 million to improve the operation of ADEs through the development of a business diagnostic tool to gauge the health of their business, support their business model and develop their business skills.

Funding for wage supplementation and the development of a new wage tool has already been provided for by the Government.

Australian Working Life Residence — tightening proportionality requirements

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|-------------------------------|---------|---------|---------|---------|---------|
| Department of Social Services | - | - | - | - | - |
| Department of Human Services | - | - | - | - | - |
| Total — Expense | - | - | - | - | - |

The Government will achieve savings of \$168.6 million over four years from 1 January 2017 by reducing from 26 weeks to six weeks the period that some recipients of the Age Pension, Wife Pension, Widow B Pension and the Disability Support Pension can be paid their full basic means-tested rate while absent from Australia.

After six weeks absence from Australia, pensioners who have lived in Australia for less than 35 years will be paid at a reduced rate proportional to their period of Australian Working Life Residence (AWLR). The AWLR is the period a person has lived in Australia, as a permanent resident, between the age of 16 years and Age Pension age.

Pensioners overseas on the date of implementation will not be affected by this change unless they return to Australia and make a subsequent trip overseas. Pensioners with an AWLR of 35 years or more, or who are exempt from proportionality rules, such as recipients of the Disability Support Pension who are terminally ill or severely impaired and certain Widow B Pension and Wife Pension recipients, will not be affected.

Savings for this measure have already been provided for by the Government.

Carer support services — national gateway

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|-------------------------------|---------|---------|---------|---------|---------|
| Department of Social Services | - | 10.9 | 7.6 | 7.6 | 7.7 |

The Government will provide \$33.7 million over four years from 2015-16 to create a national gateway for carers to access information, support and referral to carer specific supports and services.

The gateway will consist of a website, including a service finder similar to that available on the *My Aged Care* website, and a national call centre via a dedicated 1800 number to assist carers locate and access services for themselves and for the person/s in their care.

Establishing a national gateway will improve access to information and services for carers, which is currently fragmented and difficult to navigate with services and supports spanning multiple sectors including aged care, community mental health and disability.

Cessation of the Large Family Supplement of Family Tax Benefit Part A

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|-------------------------------|---------|---------|---------|---------|---------|
| Department of Human Services | - | 1.3 | 1.5 | 0.1 | .. |
| Department of Social Services | - | 0.2 | -60.1 | -60.2 | -59.9 |
| Department of Health | - | - | .. | -0.1 | -0.1 |
| Total — Expense | - | 1.5 | -58.6 | -60.2 | -60.0 |

The Government will achieve savings of \$177.3 million over four years from the cessation of the additional Family Tax Benefit (FTB) Part A Large Family Supplement from 1 July 2016.

Families will continue to receive a per child rate of FTB Part A for each eligible child in their family.

The savings from this measure will be redirected by the Government to repair the Budget and fund policy priorities.

Community Development Financial Institutions — continued support

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|-------------------------------|---------|---------|---------|---------|---------|
| Department of Social Services | - | 1.7 | 1.7 | 1.5 | - |

The Government will provide \$4.9 million to continue support for Community Development Financial Institutions for an additional three years from 1 July 2015.

Community Development Financial Institutions provide a broad range of small loans, including personal loans and loans for developing small enterprises, to low income individuals and families who are not able to access affordable financial products and services, as well as financial literacy and capability services to help clients improve their money management skills and financial resilience.

Dementia and Aged Care Services Fund

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|-------------------------------|---------|---------|---------|---------|---------|
| Department of Social Services | - | -5.0 | -5.0 | -5.0 | -5.1 |

The Government will redesign the Aged Care Service Improvement and Healthy Ageing Grants (ACSIHAG) Fund to support more appropriate care services for frail older Australians and people with dementia.

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From 1 July 2015, the ACSIHAG Fund will be renamed the Dementia and Aged Care Services Fund and will continue to provide \$365.8 million over four years for high quality and appropriate care services for older Australians who require sickness, hospital or medical services including people with dementia, people from diverse backgrounds and Aboriginal and Torres Strait Islander people.

See also the related expense measure titled *Severe Behaviour Response Teams – establishment*.

This measure will achieve savings of \$20.1 million over four years by better targeting care services for older Australians.

The savings from this measure will be redirected by the Government to repair the Budget and fund policy priorities.

Disability and Carers Programme Adjustment

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|-------------------------------|---------|---------|---------|---------|---------|
| Department of Social Services | - | -0.5 | -0.5 | -1.2 | -1.2 |

The Government will achieve savings of \$3.4 million out of \$445 million over four years through efficiencies achieved by streamlining programmes.

The savings from this measure will be redirected by the Government to repair the Budget and fund policy priorities.

Disability Employment — a better way to work

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|---------------------------------|---------|---------|---------|---------|---------|
| Department of Social Services | - | 2.9 | -0.6 | -0.3 | -2.7 |
| <i>Related capital (\$m)</i> | | | | | |
| <i>Department of Employment</i> | - | 0.1 | - | - | - |

The Government will provide \$25.2 million over four years to improve access to employment services and enhance support for job seekers with disabilities.

The Government will provide funds for a new JobAccess Gateway, to provide a central entry point for disability employment information and services, that will be available to people with disability, employers, carers and advocates. Disability Employment Services will be extended to people with disabilities in post-school employment programmes and to eligible Australian Disability Enterprise workers. School leavers and Australian Disability Enterprise workers will have concurrent access to Disability Employment Services while they continue to receive their existing support to enable a better transition into employment in the open labour market.

This measure will be funded from savings achieved by tightening arrangements for outcome based fees paid to employment service providers to better align the employment outcomes achieved with the job seeker's actual work capacity, and will result in a net save to the Budget of \$0.6 million over four years.

Exclude Widow Allowance from the One-Week Ordinary Waiting Period for all Working Age Payments

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|-------------------------------|---------|---------|---------|---------|---------|
| Department of Social Services | - | 0.3 | 0.2 | 0.2 | 0.1 |
| Department of Human Services | - | 0.1 | .. | .. | .. |
| Total — Expense | - | 0.4 | 0.2 | 0.2 | 0.1 |

The Government will exclude new claimants of Widow Allowance from the One-Week Ordinary Waiting Period at a cost of \$0.9 million over four years. This measure amends the 2014-15 Budget measure *Apply the One-Week Ordinary Waiting Period to all Working Age Payments*.

This measure will commence on 1 July 2015.

All claimants of Newstart Allowance, Sickness Allowance, Parenting Payment and Youth Allowance (Other) will be required to wait one week before receiving payment, unless the claimant is exempt or the waiting period is waived. Current rules will be tightened for waivers for financial hardship.

Families package — child care — National Partnership Agreement on the National Quality Agenda for Early Childhood Education and Care

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|-------------------------------|---------|---------|---------|---------|---------|
| Department of the Treasury | - | - | 2.6 | 1.3 | - |
| Department of Social Services | - | - | - | - | - |
| Total — Expense | - | - | 2.6 | 1.3 | - |

The Government will provide \$61.1 million over three years from 2015-16 to extend the National Partnership Agreement on the National Quality Agenda for Early Childhood Education and Care.

Funding for this measure includes \$57.2 million, which has already been provisioned for by the Government and an additional \$3.8 million. The National Partnership Agreement will support the delivery of an integrated and unified national regulatory system for child care services.

Families Package — child care — Workforce Participation Stream

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|--------------------------------------|------------|--------------|--------------|----------------|----------------|
| Department of Social Services | - | 132.7 | 240.7 | 1,260.9 | 1,422.0 |
| Department of Human Services | 0.8 | 7.0 | 36.0 | 48.1 | 50.3 |
| Department of Finance | - | 0.1 | - | - | - |
| Total — Expense | 0.8 | 139.8 | 276.7 | 1,309.0 | 1,472.2 |
| <i>Related capital (\$m)</i> | | | | | |
| <i>Department of Social Services</i> | - | 0.8 | 0.1 | 0.1 | - |
| <i>Department of Human Services</i> | - | - | - | - | - |
| <i>Department of Finance</i> | - | - | - | - | - |
| Total — Capital | - | 0.8 | 0.1 | 0.1 | - |

The Government will provide an additional \$3.2 billion over five years from 2014-15 to support families with flexible, accessible and affordable child care so they can move into work, stay in work, train, study or undertake other recognised activities.

A new single Child Care Subsidy (CCS) will be introduced on 1 July 2017. Families meeting the activity test with annual incomes up to \$60,000 (2013-14 dollars) will be eligible for a subsidy of 85 per cent of the actual fee paid, up to an hourly fee cap. The subsidy will taper to 50 per cent for eligible families with annual incomes of \$165,000. The CCS will have no annual cap for families with annual incomes below \$180,000. For families with annual incomes of \$180,000 and above, the CCS will be capped at \$10,000 per child per year. The income threshold for the maximum subsidy will be indexed by the Consumer Price Index (CPI) with other income thresholds aligned accordingly. Eligibility will be linked to a new activity test to better align receipt of the subsidy with hours of work, study or other recognised activities.

The hourly fee cap in 2017-18 will be set at \$11.55 for long day care, \$10.70 for family day care, and \$10.10 for outside school hours care. The hourly fee caps will be indexed by CPI.

Additional support will be provided to eligible families through the Child Care Safety Net (see related expense measure *Families Package – child care safety net*).

A new Interim Home Based Carer Subsidy Programme will subsidise care provided by a nanny in a child's home from 1 January 2016. The pilot programme will extend fee assistance to the parents of approximately 10,000 children. Families selected to participate will be those who are having difficulty accessing child care with sufficient flexibility. Support for families will be based on the CCS parameters, but with a fee cap of \$7.00 per hour per child.

The CCS will replace the current child care fee assistance provided by the Child Care Benefit, Child Care Rebate and the Jobs, Education and Training Child Care Fee Assistance payments which will cease on 30 June 2017.

Further information on the Interim Home Based Carer Subsidy Programme can be found in the press release of 28 April 2015 issued by the Minister for Social Services.

Note: In 2017-18, the family income thresholds will be \$65,710 (maximum subsidy), \$170,710 (minimum subsidy) and \$185,710 (application of the annual cap of \$10,000). The annual cap will be indexed by CPI from 1 July 2018.

Families Package — Child Care Safety Net

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|--------------------------------------|---------|---------|---------|---------|---------|
| Department of Social Services | - | 5.7 | 78.7 | 135.5 | 105.3 |
| <i>Related capital (\$m)</i> | | | | | |
| <i>Department of Social Services</i> | - | 2.5 | - | - | - |

The Government will provide additional funding of \$327.7 million over four years from 2015-16 to provide targeted support to disadvantaged or vulnerable families to address barriers to accessing child care. The assistance will be provided through the Child Care Safety Net, which consists of three programmes – the Additional Child Care Subsidy (ACCS), a new Inclusion Support Programme (ISP) and the Community Child Care Fund (CCCF).

The ACCS will provide additional assistance to supplement the Child Care Subsidy (CCS) for eligible disadvantaged or vulnerable families (see related expense measure *Families Package – child care – workforce participation stream*).

The new ISP will assist families with children with additional needs to access child care. The ISP will provide more funding for services to get the necessary skilled staff and equipment to support children with special needs.

The CCCF will provide grants to child care services to improve access to child care in disadvantaged communities, increase the supply of child care places in areas of high demand and low availability, and improve affordability for low income families in areas where the average fees are greater than the CCS fee cap.

These measures will complement provision in the CCS to provide 24 hours per fortnight subsidised access for families on incomes below the income threshold for the maximum subsidy (\$60,000 per annum in 2013-14 dollars) who do not meet the activity test.

The Child Care Safety Net and provision for base funding within the CCS will replace the existing *Inclusion and Professional Support Programme* which will cease on 30 June 2016, and the *Community Support Programme* and *Budget Based Funded Programme* which will cease on 30 June 2017. The Government has also redirected funding for existing initiatives under the *Support for the Child Care System Programme* to this measure.

Further information on the Child Care Safety Net can be found in the press release of 8 May 2015 issued by the Minister for Social Services.

Families Package — more generous means testing arrangements for youth payments

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|-------------------------------|---------|---------|---------|---------|---------|
| Department of Social Services | - | 11.7 | 67.5 | 75.9 | 79.8 |
| Department of Human Services | 0.1 | 9.7 | 7.2 | 5.4 | 5.5 |
| Total — Expense | 0.1 | 21.4 | 74.6 | 81.3 | 85.3 |

The Government will provide \$262.7 million over five years to amend parental income testing arrangements to provide more support for families with dependent young people who qualify for certain income support payments, including Youth Allowance, ABSTUDY Living allowance (ABSTUDY), and the Assistance for Isolated Children Scheme.

From 1 January 2016, families with dependent children receiving income support payments would be subject to the Parental Income Test arrangements currently in place for Family Tax Benefit (FTB) Part A and will no longer be subject to the Family Assets Test or Family Actual Means Test. The removal of these two tests will result in a more consistent level of support for families, as young people move from FTB Part A to an individual income support payment.

In addition, from 1 July 2016, where a family has a dependent child who receives an individual income support payment and younger siblings who qualify the family to receive FTB Part A, a single Parental Income Test will be applied taking into account all income support benefits the family receive. This will result in a lower rate of reduction to the dependent child's individual payment than is currently the case where separate Parental Income Tests are applied to each payment.

From 1 January 2017, a Maintenance Income Test will be introduced for dependent children receiving individual income support payments. This test will apply to that child only and not include other child support amounts provided in relation to other children in the family. The same Maintenance Income Test already applies to FTB Part A.

This will be of particular benefit to rural and regional families whose children continue to study beyond year 12.

Family Tax Benefit Part A — reduced portability

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|-------------------------------|---------|---------|---------|---------|---------|
| Department of Social Services | - | - | - | - | - |
| Department of Human Services | - | - | - | - | - |
| Total — Expense | - | - | - | - | - |

The Government will achieve savings of \$42.1 million over five years by reducing the amount of time Family Tax Benefit (FTB) Part A will be paid to recipients who are outside Australia.

From 1 January 2016, families will only be able to receive FTB Part A for six weeks in a 12 month period while they are overseas. Currently, FTB Part A recipients who are overseas are able to receive their usual rate of payment for six weeks and then the base rate for a further 50 weeks.

Portability extension and exception provisions which allow longer portability under special circumstances will continue to apply.

Savings for this measure have already been provided for by the Government.

Financial Counselling, Capability and Resilience Services in Income Management Locations — continuation

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|-------------------------------|---------|---------|---------|---------|---------|
| Department of Social Services | - | 12.4 | 13.1 | - | - |

The Government will provide \$25.6 million over two years to continue Commonwealth Financial Counselling and Capability support services in existing income management locations until 30 June 2017. Under this measure up to 32 service delivery hubs will provide professional counselling services, financial literacy education, an Indigenous mentoring programme, and an expanded Indigenous Home Ownership Education service.

Income management helps people manage their welfare payments better by quarantining a proportion of funds to provide for food, housing, electricity and education costs. When combined with other support services, such as financial counselling and education, income management seeks to encourage more socially responsible behaviour and protect vulnerable Australians.

See also the related expense measure titled *Income Management – two year extension*.

Growing Jobs and Small Business — increasing the age of eligibility for Newstart Allowance and Sickness Allowance — delay

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|-------------------------------|---------|---------|---------|---------|---------|
| Department of Social Services | - | 148.6 | 53.7 | 11.6 | 1.8 |
| Department of Human Services | -1.1 | -29.7 | -12.3 | -1.0 | -0.5 |
| Total — Expense | -1.1 | 118.9 | 41.4 | 10.5 | 1.3 |

The Government will delay implementation of the 2014-15 Budget measure *Increasing the age of eligibility for Newstart Allowance and Sickness Allowance* until 1 July 2016 at a cost of \$171.0 million over five years.

The age of eligibility for Newstart Allowance and Sickness Allowance will increase from 22 to 25 years of age, from 1 July 2016. Current recipients of Newstart Allowance and Sickness Allowance, aged 22 to 24 years of age on 30 June 2016, will remain on those allowances.

This measure will strengthen the incentive for young unemployed people to participate in education, training and employment.

The Government's *Growing Jobs and Small Business* package will help small business invest more, grow, and employ more Australians.

Growing Jobs and Small Business — Youth Employment Strategy — intensive support for vulnerable job seekers

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|-------------------------------|---------|---------|---------|---------|---------|
| Department of Employment | - | 15.5 | 27.6 | 27.9 | 12.5 |
| Department of Social Services | - | 13.6 | 15.1 | 3.1 | 0.1 |
| Department of Human Services | - | 3.2 | -5.6 | -5.7 | -6.0 |
| Total — Expense | - | 32.3 | 37.1 | 25.3 | 6.6 |
| <i>Related capital (\$m)</i> | | | | | |
| Department of Employment | - | 4.4 | - | - | - |

The Government will provide \$105.7 million over five years from 2015-16 to improve employment, educational and social outcomes for parents and young people who are unemployed, have a mental health condition, are refugees or are vulnerable migrants. This funding includes:

- \$55.2 million over five years for community and non-government organisations to implement up to 40 trials to identify and engage early with disadvantaged youth who have multiple barriers to employment and support them to engage with the labour market;
- \$19.4 million over four years for two employment support trials to help improve employment outcomes for young people up to the age of 25 with mental illness,

who are at risk of disengaging from education and/or at risk of long term welfare dependency;

- \$22.1 million over four years to support young refugees and other vulnerable young migrants to build skills and confidence to equip them to participate in education or work; and
- \$8.9 million over four years for early intervention assistance in ten locations with high numbers of disadvantaged parents, to ensure that parents with barriers to employment are job ready. A two year trial commencing 1 April 2016 will extend eligibility to parents not on income support, with participation on a voluntary basis.

The Government's *Growing Jobs and Small Business* package will help small business invest more, grow, and employ more Australians.

Growing Jobs and Small Business — Youth Employment Strategy — revised waiting period for youth income support

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|---------------------------------|---------|---------|---------|---------|---------|
| Department of Social Services | - | 522.4 | 499.7 | 505.3 | 560.3 |
| Department of Employment | - | .. | - | - | - |
| Administrative Appeals Tribunal | - | -0.8 | -0.3 | -0.2 | -0.5 |
| Department of Human Services | -4.0 | -60.2 | -61.0 | -58.1 | -58.8 |
| Total — Expense | -4.0 | 461.5 | 438.5 | 447.0 | 501.0 |
| <i>Related capital (\$m)</i> | | | | | |
| <i>Department of Employment</i> | - | 0.8 | - | - | - |

The Government will reverse the 2014-15 Budget measure *Stronger Participation Incentives for Job Seekers under 30* and instead require young people under 25 years of age without significant barriers to employment to actively seek work for a four week waiting period before receiving income support payments. These changes are estimated to cost \$1,844.7 million over five years.

From 1 July 2016, all new claimants of Newstart Allowance, Youth Allowance (Other) and Special Benefit under 25 years of age and who are eligible for a Stream A in *jobactive*, will be subject to a new rapid activation strategy, RapidConnect Plus, that will require the claimant to undertake a number of additional job search activities within the first four weeks before they receive income support.

Participants in Disability Employment Services and *jobactive* participants who are assessed as requiring greater assistance to obtain employment (that is, are classified as Stream B or C), job seekers who are principal carer parents, or who have a temporary activity test exemption, and young people leaving state care will be exempt.

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The Government remains committed to helping young job seekers into work. The funding provided in the 2014-15 Budget to the Department of Employment to assist job seekers under 30 years with a full work capacity in *jobactive* will remain.

See also the related measure titled *Growing Jobs and Small Business – Youth Employment Strategy – intensive support for vulnerable job seekers*.

The Government's *Growing Jobs and Small Business* package will help small business invest more, grow, and employ more Australians.

Income Management — two year extension

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|-------------------------------|---------|---------|---------|---------|---------|
| Department of Human Services | 0.9 | 57.0 | 76.3 | - | - |
| Department of Social Services | - | 6.7 | 5.8 | - | - |
| Total — Expense | 0.9 | 63.7 | 82.1 | - | - |

The Government will provide \$146.7 million over three years to extend existing income management arrangements in all current locations for two years until 30 June 2017.

This will continue income management in the Perth Metropolitan, Peel and Kimberley regions, Laverton, Kiwirrkurra and Ngaanyatjarra Lands in Western Australia; Anangu Pitjantjatjara Yankunytjatjara Lands, Ceduna and Playford in South Australia; Cape York, Rockhampton, Livingstone and Logan in Queensland; Bankstown in New South Wales; Greater Shepparton in Victoria; and in the Northern Territory.

Administrative and service delivery arrangements will be streamlined by phasing out Voluntary Incentive and Matched Savings Payments and reducing the number of interactions between the Department of Human Services and income management participants.

See also the related expense measure titled *Financial Counselling, Capability and Resilience Services in Income Management Locations – continuation*.

Intercountry Adoption — national support service

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|--|------------|------------|------------|------------|------------|
| Department of Social Services | 3.2 | 6.5 | 6.3 | 6.9 | 7.0 |
| Department of Foreign Affairs and Trade | 0.6 | 1.6 | - | - | - |
| Department of Immigration and Border Protection | 0.2 | 0.6 | 0.6 | 0.6 | 0.7 |
| Department of Finance | 0.1 | - | - | - | - |
| Attorney-General's Department | - | - | -0.3 | -0.5 | -0.5 |
| Total — Expense | 4.0 | 8.8 | 6.7 | 7.0 | 7.1 |
| <i>Related revenue (\$m)</i> | | | | | |
| <i>Department of Immigration and Border Protection</i> | .. | .. | .. | .. | .. |
| <i>Related capital (\$m)</i> | | | | | |
| <i>Department of Foreign Affairs and Trade</i> | 0.1 | 0.1 | - | - | - |

The Government will provide \$33.7 million over five years from 2014-15 to establish and deliver a national support service for families adopting or seeking to adopt children through the intercountry adoption process.

The Intercountry Adoption support service will be a navigation hub to guide people through the intercountry adoption process and connect them with appropriate support services. The service will include a website and 1800 information line.

The service will provide information throughout the intercountry adoption process and streamline visa, citizenship and passport processes for intercountry adoption clients.

The Government will also pursue intercountry adoption programmes with new countries and strengthen relationships with existing partner countries. States and territories will continue to be responsible for managing adoption applications and assessing eligibility for intercountry adoptions.

Investment Approaches to Welfare

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|--------------------------------------|---------|---------|---------|---------|---------|
| Department of Social Services | - | 14.0 | 11.1 | 3.9 | 4.0 |
| <i>Related capital (\$m)</i> | | | | | |
| <i>Department of Social Services</i> | - | 0.7 | - | - | - |

The Government will provide \$20.7 million over four years to develop a detailed annual actuarial valuation of the lifetime liability of Australia's welfare system from 2015, including identifying groups of people most at risk of welfare dependency and the factors that lead to long term dependency.

The Government will also provide \$13.0 million over two years to maintain four longitudinal surveys and undertake a review of the future longitudinal data necessary to support actuarial assessments. The surveys include the Household, Income and Labour Dynamics in Australia data collection, the Longitudinal Study of Australian Children, the Longitudinal Study of Indigenous Children and the Longitudinal Study of Humanitarian Migrants.

Low Income Supplement — cessation

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|-------------------------------|---------|---------|---------|---------|---------|
| Department of Social Services | - | - | - | - | - |
| Department of Human Services | - | - | - | - | - |
| Total — Expense | - | - | - | - | - |

The Government will achieve savings of \$42.9 million over four years by ceasing the Low Income Supplement from 1 July 2017. Recipients of most Government payments will continue to receive carbon tax compensation through the Energy Supplement, which provides up to \$14.10 per fortnight depending on individual circumstances.

The savings from this measure will be redirected by the Government to repair the Budget and fund policy priorities.

Savings for this measure have already been provided for by the Government.

Microfinance Projects — continuation

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|-------------------------------|---------|---------|---------|---------|---------|
| Department of Social Services | - | 12.4 | 12.7 | 12.4 | 12.7 |

The Government will provide \$63.4 million over five years (including \$13.0 million in 2019-20) to support the continuation of microfinance services that assist low income and vulnerable Australians to access mainstream financial services and build financial resilience.

The services and products supported under this measure include the no and low interest loans delivered through StepUP and the No Interest Loan Scheme, which provide small loans to people on low incomes, and Saver Plus which provides financial education workshops and matched savings payments that provide a dollar-for-dollar incentive of up to \$500 to participants who reach their savings goals. To date, microfinance projects have leveraged approximately \$60.0 million from corporate partners to meet costs associated with loan capital and matched savings payments.

This measure will also provide support for the development and promotion of Financial Inclusion Action Plans, which commit organisations to taking tangible action to address financial exclusion.

National Awareness Campaign to Reduce Violence Against Women and their Children

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|-------------------------------|---------|---------|---------|---------|---------|
| Department of Social Services | - | 10.5 | 5.6 | 0.6 | - |

The Government will provide \$16.7 million over three years from 2015-16 as the Commonwealth's contribution to a national awareness campaign focused on reducing violence against women and their children. The campaign will aim to drive nation-wide change in the culture, attitudes and behaviours that underpin violence against women and their children.

The Council of Australian Governments agreed at its meeting on 17 April 2015, to jointly fund a \$30.0 million national awareness campaign. The Commonwealth will contribute \$15.0 million toward campaign funding, as well as providing \$1.7 million for the development and administration of the campaign.

Further information can be found in the press release of 4 March 2015 issued by the Prime Minister, and the Minister Assisting the Prime Minister for Women.

National Disability Insurance Agency Full Scheme ICT

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|---|----------|-------------|--------------|-------------|------------|
| Department of Human Services | - | 28.2 | 9.9 | 1.9 | - |
| Department of Social Services | - | 19.4 | 13.2 | 3.0 | 3.0 |
| Department of Industry and Science | - | 0.3 | 0.3 | 0.3 | 0.3 |
| Department of Finance | - | 0.1 | 0.1 | 0.1 | 0.1 |
| National Disability Insurance Agency | - | -2.3 | 0.1 | 9.1 | 4.1 |
| Total — Expense | - | 45.7 | 23.7 | 14.5 | 7.6 |
| <i>Related capital (\$m)</i> | | | | | |
| <i>Department of Human Services</i> | - | 5.6 | - | - | - |
| <i>National Disability Insurance Agency</i> | - | -11.2 | -10.9 | - | - |
| Total — Capital | - | -5.7 | -10.9 | - | - |

The Government will provide \$143.0 million over four years for an Information and Communication Technology (ICT) system for the National Disability Insurance Agency (NDIA) to support the full implementation of the National Disability Insurance Scheme (NDIS).

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The NDIA is currently supported by an interim ICT system managed by the Department of Social Services, which was designed to support around 30,000 participants during the NDIS trials only. The full Scheme ICT system will be developed and managed by the Department of Human Services to enable the NDIA to support over 460,000 participants and their providers once full Scheme is reached in 2019-20, and to provide the NDIA with the actuarial and case management capabilities expected of a fully developed insurance scheme.

The NDIA will redirect \$50.3 million of resourcing provided for the interim ICT system in the 2012-13 Budget measure *National Disability Insurance Scheme – First Stage* to partially fund the development and implementation of a full Scheme ICT solution.

National Disability Insurance Scheme — early access for children in the Nepean Blue Mountains area of Western Sydney

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|--------------------------------------|---------|---------|---------|---------|---------|
| National Disability Insurance Agency | 0.6 | 15.9 | -7.7 | -8.8 | - |
| Department of Social Services | - | -0.3 | -0.1 | .. | - |
| Total — Expense | 0.6 | 15.7 | -7.8 | -8.8 | - |
| <i>Related capital (\$m)</i> | | | | | |
| National Disability Insurance Agency | - | 4.4 | - | -4.6 | - |
| Department of Social Services | - | - | - | - | - |
| Total — Capital | - | 4.4 | - | -4.6 | - |

The Government will facilitate early access to the National Disability Insurance Scheme (NDIS) for approximately 2,000 children (under 18 years of age) in the Nepean Blue Mountains area of Western Sydney from 1 September 2015.

The early access will be jointly funded with the New South Wales Government consistent with current NDIS trial bilateral agreements.

Further information can be found in the press release of 22 March 2015 issued by the Assistant Minister for Social Services.

National Disability Insurance Scheme — Sector Development Fund transfer

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|--------------------------------------|---------|---------|---------|---------|---------|
| Department of Social Services | 57.5 | 26.8 | 30.0 | - | - |
| Department of the Treasury | - | 2.6 | - | - | - |
| Department of Human Services | 0.6 | 0.7 | - | - | - |
| National Disability Insurance Agency | -27.8 | -30.0 | -30.0 | - | - |
| Total — Expense | 30.3 | .. | - | - | - |

The Government will transfer funding and responsibility for the Sector Development Fund (SDF) from the National Disability Insurance Agency (NDIA) to the Department of Social Services. The SDF was established in 2012-13 for the purpose of supporting the development of the disability support sector in preparation for the implementation of the National Disability Insurance Scheme (NDIS).

This will allow the NDIA to focus on its key responsibility of implementing the roll-out of care packages for people with disability who are eligible for the NDIS.

The Government will also re-purpose \$1.3 million over two years from 2014-15 to the Department of Human Services to support the delivery of NDIS trials and \$2.6 million in 2015-16 to support the delivery of the MyWay trial in Western Australia.

National Partnership Agreement on Homelessness — extension

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|-------------------------------|---------|---------|---------|---------|---------|
| Department of the Treasury | - | 115.0 | 115.0 | - | - |
| Department of Social Services | - | - | - | - | - |
| Total — Expense | - | 115.0 | 115.0 | - | - |

The Government will provide \$230.0 million over two years to extend the National Partnership Agreement on Homelessness to 30 June 2017. This will provide funding certainty for homelessness services and enable them to continue to support Australia's vulnerable homeless population.

The Government recognises that domestic violence is a leading cause of homelessness and will ensure that funding priority is given to those service providers who are assisting women and children who are homeless or at risk of homelessness and affected by domestic violence.

Further information can be found in the press release of 23 March 2015 issued by the Minister for Social Services.

New Income Management Arrangements — trial and industry consultation

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|-------------------------------|---------|---------|---------|---------|---------|
| Department of Social Services | - | 2.7 | - | - | - |

The Government will provide funding of \$2.7 million in 2015-16 to facilitate consultation and engagement with communities and industry on future income management arrangements. The consultations will enable government to identify best practice technology and service delivery arrangements for a commercially delivered debit card arrangement.

The Government will also provide funding over three years from 2014-15 to undertake a trial of new debit card arrangements in up to three communities, based on the recommendations made in the report *Creating Parity – the Forrest Review*, with locations to be determined in consultation with key stakeholders.

The trial will evaluate the effectiveness of restricted debit card arrangements which will limit access to discretionary cash for certain welfare recipients. The trial is expected to reduce harm resulting from alcohol, drugs and gambling, while also testing a role for community leaders in influencing social norms.

The funding associated with the trial is not for publication (nfp) as negotiations with potential commercial providers are yet to be finalised.

New Way of Working for Grants — transitional arrangements

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|-------------------------------|---------|---------|---------|---------|---------|
| Department of Social Services | 26.0 | 14.7 | 14.9 | - | - |

The Government will provide \$55.6 million over three years from 2014-15 to ensure continuity of front line community services as funding arrangements transition to the *New Way of Working for Grants* framework. The *New Way of Working for Grants* will reduce red tape, improve service delivery and provide greater flexibility to service delivery organisations.

As part of this process, a number of grant activities have been discontinued, with savings of \$30.0 million already accounted for by Government.

Further information can be found in the press release of 30 January 2015 issued by the Minister for Social Services.

No Jab No Pay

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|-------------------------------|---------|---------|---------|---------|---------|
| Department of Human Services | 0.3 | 18.7 | 7.8 | 3.0 | 2.9 |
| Department of Finance | - | 0.1 | - | - | - |
| Department of Social Services | - | -90.8 | -156.3 | -149.9 | -144.1 |
| Total — Expense | 0.3 | -72.1 | -148.5 | -146.9 | -141.2 |

The Government will ensure that children fully meet immunisation requirements before their families can access certain Government payments, which will result in a saving of \$508.3 million over five years.

From 1 January 2016, families will no longer be eligible for subsidised child care or the Family Tax Benefit Part A end-of-year supplement unless their child is up-to-date with all childhood immunisations.

Exemptions will only apply for medical reasons.

See also the related measure *Improving Immunisation Coverage Rates* in the Health Portfolio.

Further information can be found in the press release of 12 April 2015 issued by the Prime Minister and the Minister for Social Services, and of 19 April 2015 issued by the Minister for Social Services.

Not proceeding with elements of the measure to maintain eligibility thresholds for Australian Government payments for three years

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|---------------------------------|---------|---------|---------|---------|---------|
| Department of Veterans' Affairs | - | - | - | 2.8 | 5.4 |
| Department of Social Services | - | - | -0.2 | 40.6 | 83.8 |
| Department of Human Services | - | - | -0.3 | -4.0 | -0.1 |
| Total — Expense | - | - | -0.5 | 39.4 | 89.0 |

The Government will not proceed with elements of the 2014-15 Budget measure *Maintain eligibility thresholds for Australian Government payments for three years* that relate to the pension income test free areas and deeming thresholds at a cost of \$128.0 million over three years from 2016-17.

The pension income test free areas and deeming thresholds will continue to be indexed annually by the Consumer Price Index. Major pension related payments include the Age Pension, Carer Payment, Disability Support Pension, and the Veterans' Service Pension.

See the measure *Social Security Assets Test – rebalance asset test thresholds and taper rate* for changes to the assets test thresholds.

Not proceeding with the measure to Reset the Income Test Deeming Rate Thresholds

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|---------------------------------|---------|---------|---------|---------|---------|
| Department of Veterans' Affairs | - | - | - | 2.2 | 2.1 |
| Department of Social Services | - | - | -0.1 | 44.2 | 60.0 |
| Department of Human Services | - | - | -1.6 | -13.7 | -3.9 |
| Total — Expense | - | - | -1.8 | 32.6 | 58.2 |

The Government will not proceed with the 2014-15 Budget measure *Reset the Income Test Deeming Rate Thresholds* at a cost of \$89.1 million over three years from 2016-17.

Removing Double-Dipping from Parental Leave Pay

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|-----------------------------------|---------|---------|---------|---------|---------|
| Department of Human Services | - | 8.9 | 5.4 | 2.5 | 2.4 |
| Department of Social Services | - | 0.9 | -473.5 | -595.5 | -619.8 |
| Administrative Appeals Tribunal | - | - | 0.5 | 0.2 | 0.2 |
| Total — Expense | - | 9.8 | -467.6 | -592.8 | -617.1 |
| <i>Related revenue (\$m)</i> | | | | | |
| <i>Australian Taxation Office</i> | - | - | -200.0 | -250.0 | -250.0 |

The Government will achieve savings of \$967.7 million over four years by removing the ability for individuals to double dip when applying for the existing Parental Leave Pay (PLP) scheme, from 1 July 2016.

Currently individuals are able to access Government assistance in the form of PLP, in addition to any employer-provided parental leave entitlements.

The Government will remove the ability for individuals to double dip, by taking payments from both their employer and the Government.

The Government will ensure that all primary carers would have access to parental leave payments that are at least equal to the maximum PLP benefit (currently 18 weeks at the national minimum wage).

The savings from this measure will be redirected by the Government to repair the Budget and fund policy priorities.

Severe Behaviour Response Teams — establishment

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|-------------------------------|---------|---------|---------|---------|---------|
| Department of Social Services | - | 12.7 | 13.2 | 13.9 | 14.7 |

The Government will provide \$54.5 million over four years to establish Severe Behaviour Response Teams to provide timely and expert advice to residential aged care providers to address the care needs of people with the most severe behavioural and psychological symptoms of dementia.

Further information can be found in the press release of 4 February 2015 issued by the Assistant Minister for Social Services.

Social Security Agreement with Estonia

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|-------------------------------|---------|---------|---------|---------|---------|
| Department of Human Services | - | 1.9 | 1.4 | 0.4 | 0.4 |
| Department of Social Services | - | 0.2 | .. | -0.1 | -0.1 |
| Total — Expense | - | 2.2 | 1.4 | 0.3 | 0.2 |

The Government will provide \$4.2 million over four years to implement a new Social Security Agreement with the Republic of Estonia consistent with similar agreements made with 29 other countries.

The agreement will commence from 1 July 2016, subject to the completion of legal and treaty processes for both countries, and will improve access to the Age Pension for people who have spent part of their working life in both Australia and Estonia.

Social Security Assets Test — rebalance asset test thresholds and taper rate

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|--|---------|---------|---------|---------|----------|
| Department of Human Services | 0.3 | 0.1 | 10.8 | -2.1 | -2.1 |
| Administrative Appeals Tribunal | - | - | 3.4 | - | - |
| Department of Health | - | - | - | - | .. |
| Department of Veterans' Affairs | - | - | -10.1 | -20.0 | -17.7 |
| Department of Social Services | - | -0.2 | -449.0 | -952.8 | -1,003.9 |
| Total — Expense | 0.3 | -0.1 | -444.9 | -974.9 | -1,023.6 |
| <i>Related capital (\$m)</i> | | | | | |
| <i>Department of Veterans' Affairs</i> | - | - | 0.2 | - | - |

The Government will achieve savings of \$2.4 billion over five years by increasing the asset test thresholds and the withdrawal rate at which pensions are reduced once the threshold is exceeded.

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This measure will improve the targeting of Australian Government payments to those most in need by providing additional assistance for those with moderate asset holdings, while reducing assistance to those with more significant asset holdings.

Pensioners who lose pension entitlement on 1 January 2017 as a result of these changes will automatically be issued with a Commonwealth Seniors Health Card or a Health Care Card for those under Age Pension age.

In addition, the Government will not proceed with the 2014-15 Budget measure *Index Pension and Pension Equivalent Payments by the Consumer Price Index*. Pension and pension equivalent payment rates will continue to be indexed under current arrangements – by the higher of the increases in the Consumer Price Index (CPI) or the Pensioner and Beneficiary Living Cost Index (PBLCI) and benchmarked against Male Total Average Weekly Earnings (MTAWE).

The savings from this measure will be redirected by the Government to repair the Budget and fund policy priorities.

Further information can be found in the press release of 7 May 2015 issued by the Minister for Social Services.

Social Security Income Test — improve integrity of social security income test arrangements

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|---------------------------------|---------|---------|---------|---------|---------|
| Department of Human Services | 0.1 | 3.1 | 0.6 | 0.2 | 0.1 |
| Administrative Appeals Tribunal | - | 0.2 | 0.2 | - | - |
| Department of Social Services | - | -60.1 | -129.8 | -136.3 | -143.6 |
| Total — Expense | 0.1 | -56.9 | -129.1 | -136.1 | -143.5 |

The Government will improve fairness and equity in social security payments and achieve savings of \$465.5 million over five years by ensuring that a larger proportion of a superannuant's actual defined benefit income is taken into account when applying the relevant social security income test.

Under this measure the proportion of income that can be excluded from any income test (the deductible amount) will be capped at ten per cent from 1 January 2016.

A defined benefit income stream is a pension paid from a public sector or other corporate defined benefit superannuation fund where the pension paid generally reflects years of service and the final salary of the beneficiary.

Under current arrangements, some defined benefit superannuants are able to have a large proportion of their superannuation income excluded from the pension income test. This measure ensures greater fairness and equity in the treatment of self-funded retirees and pensioners by introducing a cap on the superannuation income stream amount that can be excluded from relevant social security income tests.

Recipients of Veterans' Affairs pensions and/or defined benefit income streams paid by military superannuation funds are exempt from this measure.

The savings from this measure will be redirected by the Government to repair the Budget and fund policy priorities.

Stronger Relationships Trial — cessation

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|-------------------------------|---------|---------|---------|---------|---------|
| Department of Social Services | -17.1 | -0.1 | - | - | - |

The Government will achieve savings of \$17.2 million over two years by ceasing the Stronger Relationships Trial from 9 February 2015. The Australian Government will honour the \$200 subsidy until 30 June 2015 for couples who registered prior to 9 February 2015.

The savings from this measure will be redirected by the Government to repair the Budget and fund policy priorities.

Further information can be found in the press release of 1 February 2015 issued by the Minister for Social Services.

Wound Management Scoping Study — redirection of funding

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|-------------------------------|---------|---------|---------|---------|---------|
| Department of Social Services | -0.3 | - | - | - | - |

The Government will achieve savings of \$0.3 million in 2014-15 by not proceeding with the *Support Senior Australians – Wound Management Scoping Study* measure, announced in the *2013-14 Budget*.

The savings from this measure will be redirected by the Government to repair the Budget and fund policy priorities.

TREASURY

Asia Pacific Project Preparation Facility — Australian contribution

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|----------------------------|---------|---------|---------|---------|---------|
| Department of the Treasury | - | 5.0 | 5.0 | - | - |

The Government will provide \$10.0 million over two years from 2015-16 to the Asian Development Bank's Asia Pacific Project Preparation Facility (AP3F). The AP3F is being established to prepare bankable public-private partnership infrastructure projects in the Asia-Pacific region so they can attract and secure financing from private sector sources. The AP3F will help address impediments to private sector investment, including through supporting project design and by assisting in preparing, structuring and placing projects with private investors.

Further information can be found in the joint press release of 1 May 2015 issued by the Treasurer and the Minister for Foreign Affairs.

Australian Bureau of Statistics — business transformation

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|---------------------------------|-------------|-------------|--------------|-------------|-------------|
| Australian Bureau of Statistics | -9.0 | 20.8 | 151.9 | -5.0 | -7.7 |
| Department of Finance | - | - | - | - | - |
| Total — Expense | -9.0 | 20.8 | 151.9 | -5.0 | -7.7 |
| <i>Related revenue (\$m)</i> | | | | | |
| Australian Bureau of Statistics | -1.6 | -3.6 | -4.1 | -3.3 | - |
| <i>Related capital (\$m)</i> | | | | | |
| Australian Bureau of Statistics | -13.3 | -2.4 | 4.6 | 14.3 | 4.7 |

The Government will provide \$234.7 million over five years from 2014-15 (including \$85.2 million in capital funding) to enhance the core capacity of the Australian Bureau of Statistics (ABS).

This includes \$219.6 million over four years from 2015-16 to implement a major business transformation programme, that will re-engineer business processes and systems that support the production of statistical outputs. A further \$36.8 million will be provided in 2019-20. Investment in ABS statistical infrastructure is expected to realise savings of around \$26 million a year from 2020-21.

The funding also includes \$11.2 million over four years from 2015-16 for the production of input output tables which underpin Australia's national accounts.

The Government will also provide \$0.5 million over four years to the Department of Finance to undertake gateway reviews of the business transformation project.

Funding for this measure has already been provided for by the Government.

Australian Securities and Investments Commission — Competition for Market Services — continuation

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|---|---------|---------|---------|---------|---------|
| Australian Securities and Investments Commission | - | 3.2 | 3.1 | 3.2 | 3.2 |
| <i>Related revenue (\$m)</i> | | | | | |
| <i>Australian Securities and Investments Commission</i> | - | 3.2 | 3.1 | 3.2 | 3.2 |

The Government will provide \$12.7 million over four years to the Australian Securities and Investments Commission (ASIC) to maintain the Changes to Market Structure and Competition for Market Services policy and market integrity rules. This will help protect retail investors by ensuring the integrity of the financial markets by detecting and prosecuting market misconduct. The funding for the measure will be offset by fees levied by ASIC.

Community engagement campaign on economic issues

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|----------------------------|---------|---------|---------|---------|---------|
| Department of the Treasury | 6.2 | - | - | - | - |

The Government will provide funding to the Department of the Treasury in 2014-15 for a community engagement campaign to assist the community in understanding Australia's economic challenges, as outlined in the 2015 Intergenerational Report.

This measure includes \$1.1 million to be provided to the Department of Social Services for a community engagement campaign to assist the community in understanding the Age Pension and pensioner concessions.

Funding for this measure has already been provided for by the Government.

Cutting Red Tape — lost and unclaimed superannuation

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|----------------------------|---------|---------|---------|---------|---------|
| Australian Taxation Office | - | - | - | - | - |

The Government will implement a package of measures that will reduce red tape for superannuation funds and individuals by removing redundant reporting obligations and by streamlining lost and unclaimed superannuation administrative arrangements. The changes will make it easier for individuals to be reunited with their lost and unclaimed superannuation. The measures will have effect from 1 July 2016.

The cost of implementing the measures will be met from within the existing resources of the Australian Taxation Office.

Developing Northern Australia — Northern Australia Infrastructure Facility

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|-----------------------------------|---------|---------|---------|---------|---------|
| Department of the Treasury | - | 1.0 | 388.3 | 388.8 | 388.8 |
| <i>Related revenue (\$m)</i> | | | | | |
| <i>Department of the Treasury</i> | - | - | 61.3 | 122.3 | 182.8 |

The Government will establish a concessional loan facility of up to \$5 billion, with the objective of increasing private sector investment in infrastructure in northern Australia. The loan facility will be open for applications from 1 July 2015. The loan facility will not impact on the underlying cash balance, but has a negative fiscal balance impact of \$793.9 million over three years from 2016-17, reflecting the impact of booking in full the concessional component of the loans in the year that they are made. The Government is expected to receive interest payments from 2021-22.

The Government will also provide \$8.5 million to the Department of the Treasury over five years from 2015-16 to engage expert advice on the appropriate eligibility criteria and governance for the proposed facility and for financial, commercial and legal advice required before entering into any loan contract.

The cost of the Government's borrowing to finance the loan facility has a negative underlying cash and fiscal balance impact of \$138.0 million over three years from 2016-17.

This measure will form part of the Government's White Paper on Developing Northern Australia.

Developing Northern Australia — Northern Australia Insurance Premiums Taskforce — establishment

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|----------------------------|---------|---------|---------|---------|---------|
| Department of the Treasury | - | 1.4 | - | - | - |

The Government will provide \$2.1 million over two years to establish a taskforce to assess ways to reduce home, contents and strata insurance premiums in Northern Australia. Given that the biggest driver of higher insurance prices in some regions of Northern Australia is cyclone risk, the taskforce will examine whether the Government could provide support to a reinsurance pool or a mutual insurer that provides cyclone-specific cover.

This funding includes \$0.7 million to be redirected from the \$1.2 million provided to the Department of the Treasury in the 2014-15 Budget measure titled *Australian Reinsurance Pool Corporation – assess future options*.

Further information can be found in the press release of 30 March 2015 issued by the Assistant Treasurer.

This measure will form part of the Government's White Paper on Developing Northern Australia.

Growing Jobs and Small Business — crowd-sourced equity funding for public companies

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|---|---------|---------|---------|---------|---------|
| Australian Securities and Investments Commission | - | 1.2 | 1.8 | 1.7 | 1.6 |
| <i>Related capital (\$m)</i> | | | | | |
| <i>Australian Securities and Investments Commission</i> | - | 1.4 | - | - | - |

The Government will provide \$7.8 million over four years from 2015-16 to the Australian Securities and Investments Commission to implement and monitor a regulatory framework to facilitate the use of crowd-source equity funding (CSEF), including simplified reporting and disclosure requirements.

CSEF is an emerging form of funding that allows entrepreneurs to raise funds online from a large number of small investors and has the potential to increase funding options available for entrepreneurs to assist in the development of their business.

The Government's *Growing Jobs and Small Business* package will help small business invest more, grow, and employ more Australians.

Growing Jobs and Small Business — streamlining business registration

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|---|------------|-------------|------------|------------|------------|
| Australian Taxation Office | 0.3 | 8.4 | 4.6 | 0.1 | - |
| Department of Industry and Science | - | 0.7 | 1.4 | 0.9 | 0.9 |
| Australian Securities and Investments Commission | - | .. | 1.6 | - | - |
| Total — Expense | 0.3 | 9.1 | 7.5 | 1.0 | 0.9 |
| <i>Related capital (\$m)</i> | | | | | |
| <i>Australian Taxation Office</i> | <i>0.5</i> | <i>5.5</i> | <i>0.4</i> | <i>-</i> | <i>-</i> |
| <i>Australian Securities and Investments Commission</i> | <i>-</i> | <i>4.5</i> | <i>0.6</i> | <i>-</i> | <i>-</i> |
| <i>Department of Industry and Science</i> | <i>-</i> | <i>2.2</i> | <i>-</i> | <i>-</i> | <i>-</i> |
| Total — Capital | 0.5 | 12.1 | 0.9 | - | - |

The Government will make a provision of \$32.4 million over five years from 2014-15 (including capital of \$13.5 million over three years from 2014-15) for the Australian Taxation Office, Australian Securities and Investments Commission and the Department of Industry and Science, to develop a single online portal for business and company registration; publish new computer code to enable developers to build new registration software; and reduce the number of business identifiers.

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Funding for this proposal is contingent on a second pass business case.

The Government's *Growing Jobs and Small Business* package will help small business invest more, grow and employ more Australians.

Inspector-General of Taxation — additional funding

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|--------------------------------------|---------|---------|---------|---------|---------|
| Inspector-General of Taxation | - | 3.3 | 3.4 | 3.4 | 3.5 |
| <i>Related capital (\$m)</i> | | | | | |
| <i>Inspector-General of Taxation</i> | 0.8 | 0.2 | - | - | - |

The Government will provide \$14.6 million over five years to the Inspector-General of Taxation to support its operations.

This funding is in addition to the 2014-15 Budget measure titled *Inspector-General of Taxation – transfer of tax complaints handling*.

Reducing red tape — reforms to the Australian Taxation Office

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|-----------------------------------|---------|---------|---------|---------|---------|
| Australian Taxation Office | - | 20.3 | 7.5 | -14.3 | -48.9 |
| <i>Related capital (\$m)</i> | | | | | |
| <i>Australian Taxation Office</i> | - | 18.8 | 5.9 | 5.4 | 5.5 |

The Government will provide \$130.9 million over four years (including capital of \$35.6 million) to deliver an improved experience for clients in their dealings with the Australian Taxation Office (ATO).

Red tape will be reduced and future administrative savings delivered through investment in three foundational initiatives: a digital by default service for provision of information and making payments, improvements to data and analytics infrastructure and enhancing streamlined income tax returns through the myTax system for taxpayers with more complex tax affairs.

The package of service improvements supports the Government's commitment to reduce red tape and forms part of the Government's digital transformation agenda.

The costs of this measure will be met from within the existing resourcing of the ATO. The measure has no net impact on total ATO resourcing over the forward estimates period.

This measure delivers on the Government's election commitment.

Reversal of Banking and Life Insurance unclaimed provisions

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|---|---------|---------|---------|---------|---------|
| Australian Securities and Investments Commission | - | -78.9 | -83.0 | -86.1 | -89.2 |
| <i>Related revenue (\$m)</i> | | | | | |
| <i>Australian Securities and Investments Commission</i> | - | -119.2 | -122.2 | -125.3 | -128.4 |

The Government will protect the savings of Australians through improvements to the way that unclaimed money in savings accounts and life insurance policies are managed. The government will restore the time before they are transferred to the government from three years to seven years, reversing the changes made by the previous government in 2012.

Children's bank accounts will also be exempt to ensure funds put aside in these accounts will never be transferred to the government.

The Government will also make changes to protect the privacy of individuals that do have genuinely inactive accounts transferred to the Australian Securities and Investment Commission (ASIC) to address concerns around identity theft and to stop unscrupulous people preying on vulnerable Australians. Requirements for ASIC to publish the Unclaimed Money Gazette will be removed and restrictions introduced to generally limit FOI requests to an individual's own details.

Changes will take effect from 31 December 2015 with a negative cash impact of \$285.1 million and a fiscal balance impact of \$158.0 million over four years from 2015-16.

Western Australia Infrastructure Projects

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|---|---------|---------|---------|---------|---------|
| Department of the Treasury | 499.1 | - | - | - | - |
| Department of Infrastructure and Regional Development | - | - | - | - | - |
| Total — Expense | 499.1 | - | - | - | - |

The Australian Government will provide \$499.1 million in 2014-15 towards economic infrastructure projects in Western Australia. This funding will assist Western Australia adjust to the downturn in the resources sector.

Further information can be found in the joint press release of 6 May 2015 issued by the Prime Minister, the Deputy Prime Minister and the Minister for Finance.

World Bank Global Infrastructure Facility — Australian contribution

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|----------------------------|---------|---------|---------|---------|---------|
| Department of the Treasury | - | 12.5 | 12.5 | - | - |

The Government will provide \$25.0 million over two years from 2015-16 to the World Bank's Global Infrastructure Facility (GIF). The GIF is being established as a global platform to facilitate greater private sector investment in the infrastructure of emerging market and developing countries. The GIF will focus on both upstream advice to create the right investment environments and downstream assistance on financial structures.

Further information can be found in the joint press release of 19 April 2015 issued by the Treasurer and the Minister for Foreign Affairs.

VETERANS' AFFAIRS**Anzac Centenary Program 2014-18 — additional funding**

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|---------------------------------|---------|---------|---------|---------|---------|
| Department of Veterans' Affairs | - | 9.1 | 9.7 | 11.4 | 5.2 |
| Attorney-General's Department | - | - | 0.3 | 0.3 | 0.3 |
| Total — Expense | - | 9.1 | 10.0 | 11.7 | 5.5 |

The Government will provide \$36.4 million over four years in additional funding for a programme of initiatives to commemorate the 100th anniversary of the First World War and the Anzac Centenary. This will assist the community to honour the service and sacrifice of Australians throughout the anniversary period from 2014 to 2018.

The Anzac Centenary Program encompasses all wars, conflicts and peacekeeping operations in which Australians have been involved.

This measure includes:

- an additional \$17.9 million to safely and effectively manage the increased demand to attend overseas commemorative services during the Anzac Centenary;
- \$8.8 million to fund additional domestic commemorative services during the Anzac Centenary;
- \$5.2 million for additional security arrangements for the extended range of overseas and domestic commemorative services being undertaken over the Anzac Centenary period;
- \$3.1 million for the development of smart-technology applications and documentaries focused on the Australian experience on the Western Front and the legacy of Sir John Monash; and
- an additional \$1.5 million to continue the online education and community awareness portal (Anzac Portal) over the full period of the Anzac Centenary. The online portal will share historical information with the Australian community and will be used to promote awareness of commemorative events.

Dental and Allied Health Provider Fees — continuation of the indexation pause

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|---------------------------------|---------|---------|---------|---------|---------|
| Department of Veterans' Affairs | - | -0.9 | -18.6 | -27.4 | -22.7 |

The Government will achieve savings of \$69.6 million over four years by extending the pause on indexation of Department of Veterans' Affairs dental and allied health provider payments until 1 July 2018. This measure extends the 2014-15 Budget measure titled *Dental and Allied Health Provider Fees – defer and align indexation*.

The Department of Veterans' Affairs will undertake a review of dental and allied health services arrangements specific to the veteran community to complement the broader review of the Medicare Benefits Schedule to be conducted by the Department of Health.

The savings from this measure will be redirected by the Government to fund other veterans' policy priorities.

See also the related expense measure titled *Medicare Benefits Schedule – review and reform* in the Health Portfolio.

Disposal of Greenslopes Property Queensland

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|---------------------------------|---------|---------|---------|---------|---------|
| Department of Veterans' Affairs | - | nfp | - | - | - |

The Government will provide funding to remediate and sell three adjoining blocks of land at Greenslopes, Queensland as the land is now considered to be surplus to Commonwealth needs. The net proceeds of the sale are to be returned to the Consolidated Revenue Fund.

The financial implications of this measure are not for publication (NFP) at this time for commercial confidentiality reasons.

Expansion of the Rehabilitation Appliances Program to Enhance the Delivery of Falls Prevention Items

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|---------------------------------|---------|---------|---------|---------|---------|
| Department of Veterans' Affairs | - | - | - | - | - |

The Government will achieve savings of \$62.3 million over five years by transferring most of the items provided under the *HomeFront* programme into an expanded *Rehabilitation Appliances Program*. The expanded *Rehabilitation Appliances Program* will enhance the provision of falls prevention items to veterans by eliminating unnecessary duplication and enabling a more streamlined assessment process for veterans.

The *HomeFront* programme and the *Veterans' Home Maintenance Line* programme have been discontinued.

The savings from this measure will be redirected by the Government to repair the Budget and fund policy priorities.

Extension of Trial for In-Home Telehealth for Veterans

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|---------------------------------|---------|---------|---------|---------|---------|
| Department of Veterans' Affairs | - | 2.3 | 1.4 | - | - |

The Government will provide \$3.7 million over two years from 1 July 2015 to extend the duration of the current trial of in-home telehealth for veterans for another 18 months to support an effective evaluation of the trial.

The trial will continue to demonstrate the potential for telemonitoring and teleconsultations to improve the quality of care and health outcomes for participating veterans.

Increased Number of Case Co-ordinators

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|---------------------------------|---------|---------|---------|---------|---------|
| Department of Veterans' Affairs | - | 2.5 | 2.5 | 2.5 | 2.5 |

The Government will provide \$10.0 million over four years to fund additional case co-ordinators to expand services to an increasing number of members and former members of the Defence forces with complex needs, particularly those returning from recent conflicts. Case co-ordinators provide support to clients and their families with complex medical, physical and social needs through a single point of contact.

***Military Rehabilitation and Compensation Act 2004* — single appeal path**

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|--|---------|---------|---------|---------|---------|
| Department of Veterans' Affairs | - | 0.8 | -0.4 | -1.3 | -1.4 |
| <i>Related capital (\$m)</i> | | | | | |
| <i>Department of Veterans' Affairs</i> | - | 0.1 | - | - | - |

The Government will achieve savings of \$2.2 million over four years by simplifying the appeal process under the *Military Rehabilitation and Compensation Act 2004* (MRCA). The new single appeal path to the Veterans' Review Board and then the Administrative Appeals Tribunal will rationalise the appeal process under the MRCA by aligning it with the appeal process under the *Veterans' Entitlements Act 1986*.

The savings from this measure will be redirected by the Government to fund other measures to assist veterans.

Official Histories of Iraq, Afghanistan and East Timor

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|--------------------------------|---------|---------|---------|---------|---------|
| Australian War Memorial | - | 1.6 | 2.3 | 2.3 | 2.3 |
| <i>Related capital (\$m)</i> | | | | | |
| <i>Australian War Memorial</i> | - | 0.3 | - | - | - |

The Government will provide \$12.7 million over seven years (including \$2.4 million in 2019-20, \$1.3 million in 2020-21, and \$0.2 million in 2021-22) to compile a six-volume Official History of Australian Operations in Iraq (2003-11) and Afghanistan (2001-14) and a one-volume Official History of Australian Peacekeeping Operations in East Timor (1999-2012) for publication by July 2022.

The Government will appoint an Independent Official Historian for the Official Histories of Iraq, Afghanistan and East Timor.

Ongoing Restoration of Funding for Building Excellence in Support and Training Programme

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|---------------------------------|---------|---------|---------|---------|---------|
| Department of Veterans' Affairs | - | - | - | - | 1.0 |

The Government will provide an additional \$1.0 million annually from 1 July 2018 to provide ongoing assistance to ex-service organisations for advocacy and welfare services to the veteran community.

This measure extends the 2014-15 Budget measure *Building Excellence in Support and Training – additional funding* and further delivers on the Government's election commitment.

Repatriation Pharmaceutical Benefits Scheme — new listings and price amendments

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|---------------------------------|---------|---------|---------|---------|---------|
| Department of Veterans' Affairs | .. | 0.1 | 0.1 | 0.1 | 0.1 |

The Government will provide \$0.2 million over five years from 1 June 2015 for new listings on the Repatriation Schedule of Pharmaceutical Benefits (the Schedule) and for price amendments for certain medicines already listed on the Schedule. The new listings have been recommended by the Repatriation Pharmaceutical Reference Committee, which advises on the clinical appropriateness of items to be made available under the Repatriation Pharmaceutical Benefits Scheme (RPBS).

The RPBS was established to meet the specific clinical needs of veterans with health conditions arising from war or military service.

Safety, Rehabilitation and Compensation Act 1988 reforms — calculating permanent impairment and the maximum payable

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|--|---------|---------|---------|---------|---------|
| Department of Veterans' Affairs | - | 4.1 | 3.9 | 4.1 | 4.3 |
| <i>Related capital (\$m)</i> | | | | | |
| <i>Department of Veterans' Affairs</i> | - | 0.1 | - | - | - |

The Government will provide \$16.6 million over four years to improve benefits available to veterans under the *Safety, Rehabilitation and Compensation Act 1988* (the Act) by introducing a new model for calculating permanent impairment payments that would significantly increase the maximum compensation payable from \$243,329 to \$350,000.

Australian Defence Force members who claim under Part XI of the Act will not be affected by this measure.

The cost of this measure will be offset by redirecting savings from the related measure *Safety, Rehabilitation and Compensation Act 1988 reforms – Multiple Injuries Arising Out of the One Event*.

Further information can be found in the joint press release of 25 March 2015 issued by the Minister for Veterans' Affairs and the Assistant Minister for Defence.

Safety, Rehabilitation and Compensation Act 1988 reforms — multiple injuries arising out of the one event

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|--|---------|---------|---------|---------|---------|
| Department of Veterans' Affairs | - | -4.5 | -5.1 | -5.3 | -5.6 |
| <i>Related capital (\$m)</i> | | | | | |
| <i>Department of Veterans' Affairs</i> | - | 0.1 | - | - | - |

The Government will achieve savings of \$20.5 million over four years by amending the *Safety, Rehabilitation and Compensation Act 1988* to enable multiple injuries arising from a single occurrence to be combined for the purpose of calculating permanent impairment compensation.

The savings from this measure will be redirected by the Government to fund the related expense measure *Safety, Rehabilitation and Compensation Act 1988 reforms – Calculating Permanent Impairment and the Maximum Payable*.

Further information can be found in the joint press release of 25 March 2015 issued by the Minister for Veterans' Affairs and the Assistant Minister for Defence.

Sir John Monash Centre — Villers-Bretonneux, France

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|---------------------------------|----------|------------|------------|------------|------------|
| Department of Veterans' Affairs | - | 1.4 | 2.1 | 4.7 | 2.6 |
| Department of Defence | - | - | - | - | - |
| Total — Expense | - | 1.4 | 2.1 | 4.7 | 2.6 |
| <i>Related capital (\$m)</i> | | | | | |
| Department of Veterans' Affairs | - | - | - | 0.1 | - |
| Department of Defence | - | - | - | - | - |
| Total — Capital | - | - | - | 0.1 | - |

The Government will provide \$99.5 million over four years to construct the Sir John Monash Centre at Villers-Bretonneux in France as a lasting international legacy of the Centenary of Anzac. The Centre will be an international standard interpretive centre that will explain Australia's involvement in, and significant achievements on, the Western Front during the First World War.

The capital cost of this measure will be met from within the existing resources of the Department of Defence. The operational costs of this measure will be met by the Department of Veterans' Affairs.

Funding for this measure has already been provided for by the Government.

Further information can be found in the press release of 26 April 2015 issued jointly by the Prime Minister and the Minister for Veterans' Affairs.

The Veterans' Vocational Rehabilitation Scheme — enhancement

| Expense (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|---------------------------------|---------|---------|---------|---------|---------|
| Department of Veterans' Affairs | - | 0.2 | 0.2 | 0.2 | 0.2 |

The Government will provide \$0.7 million over four years to expand the Veterans' Vocational Rehabilitation Scheme (the Scheme) to encourage workforce participation and provide better outcomes for veterans through enhanced medical management and psychological assistance services.

Changes will also be made to the workforce participation guidelines affecting eligibility for Disability Pension so that those veterans receiving a Disability Pension will not be disadvantaged by accessing the enhanced Scheme.

Part 3: Capital Measures

Table 3: Capital measures since the 2014-15 MYEFO^(a)

| Page | | 2014-15 \$m | 2015-16 \$m | 2016-17 \$m | 2017-18 \$m | 2018-19 \$m |
|------|---|----------------|----------------|----------------|----------------|----------------|
| | AGRICULTURE | | | | | |
| | <i>Department of Agriculture</i> | | | | | |
| 118 | Emerging International Airports(b) | - | 0.3 | - | - | - |
| 137 | Norfolk Island Reform(b) | - | 1.0 | - | - | - |
| | Portfolio total | - | 1.3 | - | - | - |
| | ATTORNEY-GENERAL'S | | | | | |
| | <i>Administrative Appeals Tribunal</i> | | | | | |
| 116 | Strengthening the Integrity of Welfare Payments(b) | - | - | - | - | - |
| | <i>Australian Commission for Law Enforcement Integrity</i> | | | | | |
| 123 | National Security — strengthen and enhance Australia's border protection services — further measures(b) | - | 0.3 | - | - | 0.2 |
| | <i>Australian Federal Police</i> | | | | | |
| 193 | Australian Federal Police Data Centre Transition Project | - | - | - | - | - |
| 193 | Australian Federal Police Melbourne Office | - | nfp | nfp | - | - |
| 64 | National Security — Operation Sovereign Borders — Disruption Deterrence Task Group — continuation(b) | - | .. | .. | - | - |
| | <i>Australian Transaction Reports and Analysis Centre</i> | | | | | |
| 116 | Strengthening the Integrity of Welfare Payments(b) | - | 1.8 | 6.6 | 2.0 | 0.6 |
| | <i>Family Court and Federal Circuit Court</i> | | | | | |
| 66 | Streamlining and improving the sustainability of Courts(b) | - | - | 1.2 | 0.7 | 0.8 |
| | <i>Federal Court of Australia</i> | | | | | |
| 66 | Streamlining and improving the sustainability of Courts(b) | - | 0.7 | 0.6 | 0.3 | 0.4 |
| | <i>Office of the Director of Public Prosecutions</i> | | | | | |
| 116 | Strengthening the Integrity of Welfare Payments(b) | - | - | - | - | - |
| | Portfolio total | - | 2.8 | 8.3 | 3.0 | 1.9 |
| | COMMUNICATIONS | | | | | |
| | <i>Digital Transformation Office</i> | | | | | |
| 68 | Digital Transformation Agenda — Stage One and establishment of the Digital Transformation Office(b) | - | 2.2 | 0.2 | - | - |
| | <i>Various Agencies</i> | | | | | |
| 67 | Digital Transformation Agenda — Portfolio Contributions(b) | -0.8 | - | - | - | - |
| | Portfolio total | -0.8 | 2.2 | 0.2 | - | - |

Table 3: Capital measures since the 2014-15 MYEFO^(a) (continued)

| Page | | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|------|---|---------|------------|---------|--------------|-------------|
| | | \$m | \$m | \$m | \$m | \$m |
| | CROSS PORTFOLIO | | | | | |
| | <i>Various Agencies</i> | | | | | |
| 70 | Administered Programme Indexation Pause — two year extension(b) | - | - | - | -0.5 | -1.0 |
| | Portfolio total | - | - | - | -0.5 | -1.0 |
| | DEFENCE | | | | | |
| | <i>Department of Defence</i> | | | | | |
| 184 | Sir John Monash Centre — Villers-Bretonneux, France(b) | - | - | - | - | - |
| | Portfolio total | - | - | - | - | - |
| | EDUCATION AND TRAINING | | | | | |
| | <i>Department of Education and Training</i> | | | | | |
| 80 | VET FEE-HELP — enhanced compliance regime(b) | - | 3.6 | - | - | - |
| | Portfolio total | - | 3.6 | - | - | - |
| | EMPLOYMENT | | | | | |
| | <i>Department of Employment</i> | | | | | |
| 152 | Disability Employment — A Better Way to Work(b) | - | 0.1 | - | - | - |
| | Growing Jobs and Small Business | | | | | |
| 82 | — Engaging Early School Leavers(b) | - | 0.3 | - | - | - |
| 83 | — Further Strengthening the Job Seeker Compliance Arrangements(b) | - | 0.4 | - | - | - |
| 84 | — Wage Subsidies — redesign(b) | - | 0.3 | - | - | - |
| 158 | — Youth Employment Strategy — intensive support for vulnerable job seekers(b) | - | 4.4 | - | - | - |
| 159 | — Youth Employment Strategy — revised waiting period for youth income support(b) | - | 0.8 | - | - | - |
| 85 | Growing Jobs and Small Business Package — National Work Experience Programme(b) | - | 0.1 | - | - | - |
| 137 | Norfolk Island Reform(b) | - | 0.1 | - | - | - |
| | Portfolio total | - | 6.4 | - | - | - |
| | ENVIRONMENT | | | | | |
| | <i>Department of the Environment</i> | | | | | |
| 194 | Sustainable Rural Water Use and Infrastructure Programme — reduced funding | - | - | - | -16.0 | -6.7 |
| | Portfolio total | - | - | - | -16.0 | -6.7 |
| | FINANCE | | | | | |
| | <i>Department of Finance</i> | | | | | |
| 91 | Central Budget Management System — further redevelopment(b) | nfp | nfp | nfp | nfp | nfp |

Table 3: Capital measures since the 2014-15 MYEFO^(a) (continued)

| Page | | 2014-15 \$m | 2015-16 \$m | 2016-17 \$m | 2017-18 \$m | 2018-19 \$m |
|------|---|----------------|----------------|----------------|----------------|----------------|
| | FINANCE (continued) | | | | | |
| 154 | Families Package — Child Care — Workforce Participation Stream(b) | - | - | - | - | - |
| 195 | Information technology security enhancements for Parliamentarians | - | 6.0 | - | - | - |
| 98 | National Security — Australian Secret Intelligence Service — strengthening capabilities(b) | - | - | - | - | - |
| 66 | Streamlining and improving the sustainability of Courts(b) | - | 7.9 | 11.4 | 6.1 | 4.6 |
| 117 | Welfare Payment Infrastructure Transformation — Tranche One(b) | - | - | - | - | - |
| | Portfolio total | - | 13.9 | 11.4 | 6.1 | 4.6 |
| | FOREIGN AFFAIRS AND TRADE | | | | | |
| | <i>Australian Secret Intelligence Service</i> | | | | | |
| 98 | National Security — Australian Secret Intelligence Service — strengthening capabilities(b) | - | 6.9 | 46.8 | 53.1 | 30.8 |
| | <i>Department of Foreign Affairs and Trade</i> | | | | | |
| 95 | Australian embassy in Baghdad — continuation(b) | - | 11.0 | 0.2 | - | - |
| 96 | Australia's diplomatic engagement in Afghanistan — continuation(b) | - | 5.0 | 1.3 | - | - |
| 196 | Bangkok and Jakarta Chanceries — divestment | - | nfp | nfp | nfp | nfp |
| 96 | Expanding Australia's Diplomatic Footprint(b) | - | 20.7 | 15.5 | 0.2 | 0.2 |
| 161 | Intercountry Adoption — national support service(b) | 0.1 | 0.1 | - | - | - |
| 196 | Washington Chancery — construction | - | 0.7 | 9.4 | 30.8 | 36.2 |
| | Portfolio total | 0.1 | 44.3 | 73.2 | 84.1 | 67.2 |
| | HEALTH | | | | | |
| | <i>Department of Health</i> | | | | | |
| 104 | My Health Record — a new direction for electronic health records in Australia(b) | - | -9.5 | -6.7 | - | - |
| 111 | Reducing the Burden of the Industrial Chemicals Regulatory Framework to Industry(b) | - | 3.5 | 3.5 | - | - |
| 116 | Strengthening the Integrity of Welfare Payments(b) | - | - | - | - | - |
| 197 | Supply and Replenishment of the National Medical Stockpile | - | 6.9 | 25.5 | - | - |
| | Portfolio total | - | 1.0 | 22.3 | - | - |
| | HUMAN SERVICES | | | | | |
| | <i>Department of Human Services</i> | | | | | |
| 68 | Digital Transformation Agenda — Stage One and establishment of the Digital Transformation Office(b) | - | 0.3 | - | - | - |

Table 3: Capital measures since the 2014-15 MYEFO^(a) (continued)

| Page | | 2014-15 \$m | 2015-16 \$m | 2016-17 \$m | 2017-18 \$m | 2018-19 \$m |
|---|---|----------------|----------------|----------------|----------------|----------------|
| HUMAN SERVICES (continued) | | | | | | |
| 154 | Families Package — Child Care — Workforce Participation Stream(b) | - | - | - | - | - |
| 119 | Management of the Immigration Detention Network(b) | - | - | - | - | - |
| 102 | Medicare Benefits Schedule — changes to GP rebates — reversal(b) | -0.3 | -0.2 | - | - | - |
| 104 | My Health Record — a new direction for electronic health records in Australia(b) | - | -0.7 | -2.1 | -0.4 | - |
| 163 | National Disability Insurance Agency Full Scheme ICT(b) | - | 5.6 | - | - | - |
| 106 | National Immunisation Programme — new and amended listings(b) | - | 2.4 | 2.8 | 0.4 | - |
| 137 | Norfolk Island Reform(b) | - | 1.5 | 0.1 | - | - |
| 126 | Smaller Government — Immigration and Border Protection efficiencies(b) | - | - | - | - | - |
| 116 | Strengthening the Integrity of Welfare Payments(b) | - | 0.1 | 1.1 | 0.7 | 0.4 |
| 117 | Welfare Payment Infrastructure Transformation (WPIT) — Tranche One(b) | - | 18.6 | 27.8 | .. | - |
| | Portfolio total | -0.3 | 27.5 | 29.6 | 0.8 | 0.4 |
| IMMIGRATION AND BORDER PROTECTION | | | | | | |
| <i>Department of Immigration and Border Protection</i> | | | | | | |
| 118 | Emerging International Airports(b) | - | 2.8 | 3.3 | 0.5 | - |
| 119 | Management of the Immigration Detention Network(b) | -8.2 | -10.5 | - | - | - |
| 123 | National Security — strengthen and enhance Australia's border protection services — further measures(b) | - | 18.5 | 35.4 | 33.6 | 0.7 |
| 137 | Norfolk Island Reform(b) | - | 5.4 | - | - | - |
| 124 | Refugee resettlement arrangements for Illegal Maritime Arrivals in offshore processing centres(b) | 0.1 | 141.8 | - | - | - |
| 126 | Smaller Government — Immigration and Border Protection efficiencies(b) | - | 4.3 | 2.6 | - | - |
| | Portfolio total | -8.1 | 162.2 | 41.4 | 34.0 | 0.7 |
| INDUSTRY AND SCIENCE | | | | | | |
| <i>Australian Nuclear Science and Technology Organisation</i> | | | | | | |
| <i>Australian Nuclear Science and Technology Organisation</i> | | | | | | |
| 198 | – interim radioactive waste storage | - | 4.7 | 9.0 | 8.7 | - |
| 198 | – repatriation of intermediate level radioactive waste | - | 4.5 | 4.1 | 5.0 | 6.4 |

Table 3: Capital measures since the 2014-15 MYEFO^(a) (continued)

| Page | | 2014-15 \$m | 2015-16 \$m | 2016-17 \$m | 2017-18 \$m | 2018-19 \$m |
|------|---|----------------|----------------|----------------|----------------|----------------|
| | INDUSTRY AND SCIENCE (continued) | | | | | |
| | <i>Department of Industry and Science</i> | | | | | |
| 68 | Digital Transformation Agenda — Stage One and establishment of the Digital Transformation Office(b) | - | 1.2 | - | - | - |
| 175 | Growing Jobs and Small Business — streamlining business registration(b) | - | 2.2 | - | - | - |
| | Portfolio total | - | 12.6 | 13.0 | 13.6 | 6.4 |
| | INFRASTRUCTURE AND REGIONAL DEVELOPMENT | | | | | |
| | <i>Department of Infrastructure and Regional Development</i> | | | | | |
| 137 | Norfolk Island Reform(b) | - | 5.4 | 12.5 | 4.0 | 5.0 |
| | Portfolio total | - | 5.4 | 12.5 | 4.0 | 5.0 |
| | PARLIAMENT | | | | | |
| | <i>Department of Parliamentary Services</i> | | | | | |
| 199 | Parliamentary Departments — additional funding | - | - | - | - | - |
| | Portfolio total | - | - | - | - | - |
| | PRIME MINISTER AND CABINET | | | | | |
| | <i>Department of the Prime Minister and Cabinet</i> | | | | | |
| 200 | Smaller Government — Property Divestment Strategy — regional properties | - | -2.5 | -2.5 | -2.5 | -2.5 |
| | <i>Office of National Assessments</i> | | | | | |
| 144 | National Security — The Office of National Assessments and the Office of the Inspector-General of Intelligence and Security resourcing(b) | - | 0.1 | 0.2 | 0.2 | 0.3 |
| | <i>Office of the Commonwealth Ombudsman</i> | | | | | |
| 63 | National Security — Implementation of mandatory telecommunications data retention(b) | - | 0.4 | - | - | - |
| | <i>Office of the Inspector-General of Intelligence and Security</i> | | | | | |
| 144 | National Security — The Office of National Assessments and the Office of the Inspector-General of Intelligence and Security resourcing(b) | - | - | - | - | - |
| | <i>Office of the Official Secretary to the Governor-General</i> | | | | | |
| 200 | Preserving Australia's heritage properties | - | 1.6 | 2.2 | 2.5 | 1.6 |
| | Portfolio total | - | -0.5 | -0.1 | 0.3 | -0.6 |
| | SOCIAL SERVICES | | | | | |
| | <i>Department of Social Services</i> | | | | | |
| | <i>Aged Care</i> | | | | | |
| 147 | — Home Care Programme — increasing consumer choice(b) | - | 8.1 | 11.8 | - | - |

Table 3: Capital measures since the 2014-15 MYEFO^(a) (continued)

| Page | 2014-15 \$m | 2015-16 \$m | 2016-17 \$m | 2017-18 \$m | 2018-19 \$m |
|---|----------------|----------------|----------------|----------------|----------------|
| SOCIAL SERVICES (continued) | | | | | |
| Aged Care | | | | | |
| 148 | - | 0.4 | - | - | - |
| – independent aged care complaints arrangements(b) | | | | | |
| 68 | - | 34.2 | 26.4 | 8.2 | - |
| Digital Transformation Agenda — Stage One and establishment of the Digital Transformation Office(b) | | | | | |
| Families Package | | | | | |
| 154 | - | 0.8 | 0.1 | 0.1 | - |
| – Child Care — Workforce Participation Stream(b) | | | | | |
| 155 | - | 2.5 | - | - | - |
| – Child Care Safety Net(b) | | | | | |
| 161 | - | 0.7 | - | - | - |
| Investment Approaches to Welfare(b) | | | | | |
| 164 | - | - | - | - | - |
| National Disability Insurance Scheme — early access for children in the Nepean Blue Mountains area of Western Sydney(b) | | | | | |
| 116 | - | - | - | - | - |
| Strengthening the Integrity of Welfare Payments(b) | | | | | |
| <i>National Disability Insurance Agency</i> | | | | | |
| 163 | - | -11.2 | -10.9 | - | - |
| National Disability Insurance Agency Full Scheme ICT(b) | | | | | |
| 164 | - | 4.4 | - | -4.6 | - |
| National Disability Insurance Scheme — early access for children in the Nepean Blue Mountains area of Western Sydney(b) | | | | | |
| Portfolio total | | | | | |
| | - | 39.9 | 27.4 | 3.6 | - |
| TREASURY | | | | | |
| <i>Australian Bureau of Statistics</i> | | | | | |
| 172 | -13.3 | -2.4 | 4.6 | 14.3 | 4.7 |
| Australian Bureau of Statistics — business transformation(b) | | | | | |
| <i>Australian Securities and Investments Commission</i> | | | | | |
| Growing Jobs and Small Business | | | | | |
| 175 | - | 1.4 | - | - | - |
| – crowd-sourced equity funding for public companies(b) | | | | | |
| 175 | - | 4.5 | 0.6 | - | - |
| – streamlining business registration(b) | | | | | |
| <i>Australian Taxation Office</i> | | | | | |
| 15 | - | - | 4.4 | - | - |
| Combatting multinational tax avoidance — new transfer pricing documentation standards(c) | | | | | |
| 68 | - | 14.8 | - | - | - |
| Digital Transformation Agenda — Stage One and establishment of the Digital Transformation Office(b) | | | | | |
| 175 | 0.5 | 5.5 | 0.4 | - | - |
| Growing Jobs and Small Business — streamlining business registration(b) | | | | | |
| 20 | - | - | 0.8 | - | - |
| GST — applying to digital products and services imported by consumers(c) | | | | | |

Table 3: Capital measures since the 2014-15 MYEFO^(a) (continued)

| Page | | 2014-15 \$m | 2015-16 \$m | 2016-17 \$m | 2017-18 \$m | 2018-19 \$m |
|------|--|----------------|----------------|----------------|----------------|----------------|
| | TREASURY (continued) | | | | | |
| 9 | Higher Education Loan Programme — recovery of repayments from overseas debtors(c) | - | - | 0.9 | - | - |
| 137 | Norfolk Island Reform(b) | - | 0.9 | - | - | - |
| 26 | Personal income tax — changes to tax residency rules for temporary working holiday makers(c) | - | 0.5 | - | - | - |
| 176 | Reducing red tape — reforms to the Australian Taxation Office(b) | - | 18.8 | 5.9 | 5.4 | 5.5 |
| 31 | Strengthening Australia's foreign investment framework(c) | - | 9.2 | 1.1 | - | - |
| | <i>Department of the Treasury</i> | | | | | |
| 31 | Strengthening Australia's foreign investment framework(c) | - | 1.7 | - | - | - |
| 116 | Strengthening the Integrity of Welfare Payments(b) | - | - | - | - | - |
| | <i>Inspector General of Taxation</i> | | | | | |
| 176 | Inspector-General of Taxation — additional funding(b) | 0.8 | 0.2 | - | - | - |
| | Portfolio total | -12.0 | 55.1 | 18.7 | 19.7 | 10.2 |
| | VETERANS' AFFAIRS | | | | | |
| | <i>Australian War Memorial</i> | | | | | |
| 182 | Official Histories of Iraq, Afghanistan and East Timor(b) | - | 0.3 | - | - | - |
| | <i>Department of Veterans' Affairs</i> | | | | | |
| 146 | Aged Care — Alignment of Aged Care Means Testing Arrangements(b) | - | 0.2 | - | - | - |
| 181 | Military Rehabilitation and Compensation Act 2004 — single appeal path(b) | - | 0.1 | - | - | - |
| | Safety, Rehabilitation and Compensation Act 1988 reforms | | | | | |
| 183 | – calculating permanent impairment and the maximum payable(b) | - | 0.1 | - | - | - |
| 183 | – multiple injuries arising out of the one event(b) | - | 0.1 | - | - | - |

Table 3: Capital measures since the 2014-15 MYEFO^(a) (continued)

| Page | | 2014-15 \$m | 2015-16 \$m | 2016-17 \$m | 2017-18 \$m | 2018-19 \$m |
|------|--|----------------|----------------|----------------|----------------|----------------|
| | VETERANS' AFFAIRS (continued) | | | | | |
| 184 | Sir John Monash Centre — Villers-Bretonneux, France(b) | - | - | - | 0.1 | - |
| 169 | Social Security Assets Test — rebalance asset test thresholds and taper rate(b) | - | - | 0.2 | - | - |
| | Portfolio total | - | 0.7 | 0.2 | 0.1 | - |
| | Decisions taken but not yet announced | -13.0 | -423.7 | 677.3 | 10.5 | 131.2 |
| | Depreciation expense | 2.6 | -52.3 | -21.8 | -31.2 | -28.5 |
| | Total capital measures(d) | -31.5 | -97.6 | 913.8 | 132.2 | 190.8 |

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

.. Not zero, but rounded to zero.

- Nil.

nfp not for publication.

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

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

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

(d) Measures may not add due to rounding.

ATTORNEY-GENERAL'S**Australian Federal Police Data Centre Transition Project**

| Capital (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|---------------------------|---------|---------|---------|---------|---------|
| Australian Federal Police | - | - | - | - | - |

The Government will provide \$17.6 million over four years from 2015-16 for the first phase of the Australian Federal Police's (AFP) new data centre strategy. The first phase of the strategy will start to transition the AFP's data centre activities to align with the whole of government Data Centre Policy.

The cost of this measure will be met from within the AFP's existing resources.

Australian Federal Police Melbourne Office

| Capital (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|---------------------------|---------|---------|---------|---------|---------|
| Australian Federal Police | - | nfp | nfp | - | - |

The Government will provide funding over two years for the refurbishment of a new Melbourne Office for the Australian Federal Police (AFP). This will allow the AFP to meet its business and operational requirements for the next 15 to 25 years.

The cost of this measure will be met from within the AFP's existing resources.

The expenditure for this measure is not for publication (nfp) pending commercial negotiations.

ENVIRONMENT

Sustainable Rural Water Use and Infrastructure Programme — reduced funding

| Capital (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|-------------------------------|---------|---------|---------|---------|---------|
| Department of the Environment | - | - | - | -16.0 | -6.7 |

The Government will achieve savings of \$22.7 million over two years from 2017-18 from the *Sustainable Rural Water Use and Infrastructure Programme* through a reduction in funding for water buybacks. The Government will continue to provide \$3.8 billion over nine years from 2015-16 for the programme.

The savings from this measure will be redirected by the Government to repair the Budget and fund policy priorities.

FINANCE

Information technology security enhancements for Parliamentarians

| Capital (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|------------------------------|---------|---------|---------|---------|---------|
| Department of Finance | - | 6.0 | - | - | - |
| <i>Related expense (\$m)</i> | | | | | |
| <i>Department of Finance</i> | - | 1.7 | 1.7 | 1.7 | 1.8 |

The Government will provide \$12.9 million over four years from 2015-16 to the Department of Finance to install more secure networking equipment and to provide additional capability for secure wireless infrastructure in electorate offices and Commonwealth Parliamentary Offices connecting to the Parliamentary Computing Network. The replacement of obsolete communications equipment will result in improved information technology security for electorate offices and parliamentary systems in Parliament House.

FOREIGN AFFAIRS AND TRADE

Bangkok and Jakarta Chanceries — divestment

| Capital (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|---|---------|---------|---------|---------|---------|
| Department of Foreign Affairs and Trade | - | nfp | nfp | nfp | nfp |

The Government will achieve proceeds from the sale of the existing chanceries in Jakarta and Bangkok. New chanceries are currently being constructed in these locations.

For commercial confidentiality reasons, the overall positive financial impact of this measure is not for publication (nfp) at this time.

The proceeds from this measure will be redirected to offset the *Washington Chancery – construction* measure.

Washington Chancery — construction

| Capital (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|---|---------|---------|---------|---------|---------|
| Department of Foreign Affairs and Trade | - | 0.7 | 9.4 | 30.8 | 36.2 |

The Government will provide \$236.9 million over seven years from 2015-16, for the construction of a new Australian chancery in Washington DC, to replace the existing embassy building which has major defects. Funding includes the demolition and temporary relocation of the embassy during construction of the new chancery.

HEALTH

Supply and Replenishment of the National Medical Stockpile

| Capital (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|------------------------------|---------|---------|---------|---------|---------|
| Department of Health | - | 6.9 | 25.5 | - | - |
| <i>Related expense (\$m)</i> | | | | | |
| <i>Department of Health</i> | - | 1.1 | 0.7 | - | - |

The Government will provide \$34.2 million over two years for the replenishment of pandemic influenza medicines and antidotes and antitoxins used in response to chemical, biological, radiological or nuclear events as part of the National Medical Stockpile.

The National Medical Stockpile is a strategic reserve of medicines, vaccines, antidotes and protective equipment for use in the national response to a public health emergency.

INDUSTRY AND SCIENCE

Australian Nuclear Science and Technology Organisation — interim radioactive waste storage

| Capital (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|--|---------|---------|---------|---------|---------|
| Australian Nuclear Science and Technology Organisation | - | 4.7 | 9.0 | 8.7 | - |

The Government will provide \$22.3 million over three years from 2015-16 to enable the Australian Nuclear Science and Technology Organisation (ANSTO) to rationalise existing radioactive waste stores and increase interim waste storage capacity at its Lucas Heights site in New South Wales. The measure will provide additional storage capacity for up to 45 cubic metres of intermediate level waste and 1,200 cubic metres of low level waste.

ANSTO's current waste storage facilities are expected to reach full capacity by 2017. The measure will ensure ANSTO can continue to store additional radioactive waste beyond 2017, pending the establishment of the National Radioactive Waste Management Facility.

Australian Nuclear Science and Technology Organisation — repatriation of intermediate level radioactive waste

| Capital (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|---|---------|---------|---------|---------|---------|
| Australian Nuclear Science and Technology Organisation | - | 4.5 | 4.1 | 5.0 | 6.4 |
| <i>Related expense (\$m)</i> | | | | | |
| <i>Australian Nuclear Science and Technology Organisation</i> | - | 0.2 | 1.5 | 4.0 | 1.1 |

The Government will provide \$26.8 million over four years from 2015-16 (including \$20.0 million in capital funding) to enable the return of intermediate level radioactive waste from the United Kingdom by 2019-20 in accordance with an intergovernmental agreement. The repatriated waste will be stored at the Australian Nuclear Science and Technology Organisation's facilities at Lucas Heights pending transfer to the future National Radioactive Waste Management Facility.

PARLIAMENT**Parliamentary Departments — additional funding**

| Capital (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|---|---------|---------|---------|---------|---------|
| Department of Parliamentary Services | - | - | - | - | - |
| <i>Related expense (\$m)</i> | | | | | |
| <i>Department of Parliamentary Services</i> | - | 0.9 | 0.9 | 0.8 | 0.9 |
| <i>Department of Finance</i> | - | 0.7 | 0.7 | 0.7 | 0.7 |
| <i>Department of the House of Representatives</i> | - | 0.2 | 0.2 | 0.2 | 0.2 |
| <i>Department of the Senate</i> | - | 0.2 | 0.2 | 0.2 | 0.2 |
| <i>Parliamentary Budget Office</i> | - | .. | 0.1 | .. | .. |
| <i>Total — Expense</i> | - | 2.0 | 2.1 | 2.0 | 2.0 |

The Government will provide \$112.2 million over five years to the four Parliamentary Departments and to the Department of Finance to support capital works and some recurrent funding.

Capital works will address critical failures and long term under investment identified in the Building Condition Assessment Report for Parliament House commissioned in the 2014-15 Budget.

This will be addressed through the strategic assets management plan. Provision for this capital funding has already been included in the forward estimates.

PRIME MINISTER AND CABINET

Preserving Australia's heritage properties

| Capital (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|--|---------|---------|---------|---------|---------|
| Office of the Official Secretary to the Governor-General | - | 1.6 | 2.2 | 2.5 | 1.6 |

The Government will provide \$7.9 million over four years for ongoing works to maintain the condition of Government House in Canberra and Admiralty House in Sydney.

This measure continues the Vice Regal Heritage Property Master Plan which was due to terminate on 30 June 2015.

Smaller Government — Property Divestment Strategy — regional properties

| Capital (\$m) | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|--|---------|---------|---------|---------|---------|
| Department of the Prime Minister and Cabinet | - | -2.5 | -2.5 | -2.5 | -2.5 |

The Government will realise proceeds of \$10.0 million over four years from 2015-16 from the sale of up to 23 properties across regional Western Australia, Queensland, South Australia and the Northern Territory that are surplus to the existing service delivery requirements of the Department of the Prime Minister and Cabinet.

The proceeds from this measure will be redirected by the Government to repair the Budget and fund policy priorities.