



**Stronger growth  
to create more jobs**

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# A stronger economy to create more jobs

More jobs and stronger wage growth are expected

The Government's economic plan has delivered a record number of new jobs for Australians.

More than 1,000 jobs have been created every day on average over the past year, according to the Australian Bureau of Statistics. There were around 415,000 new jobs created in 2017, of which around three quarters were full-time.

The 16 consecutive months of net job creation to January 2018 was the longest positive run since official statistics began. In less than five years, almost a million jobs have been created under a Coalition Government.

Jobs growth has been broad-based across regions and industries, with the improved employment prospects encouraging more Australians to look for work.

This strength in the economy and jobs market is expected to continue, in line with leading indicators of employment growth such as job advertisements and business survey measures of hiring intentions.

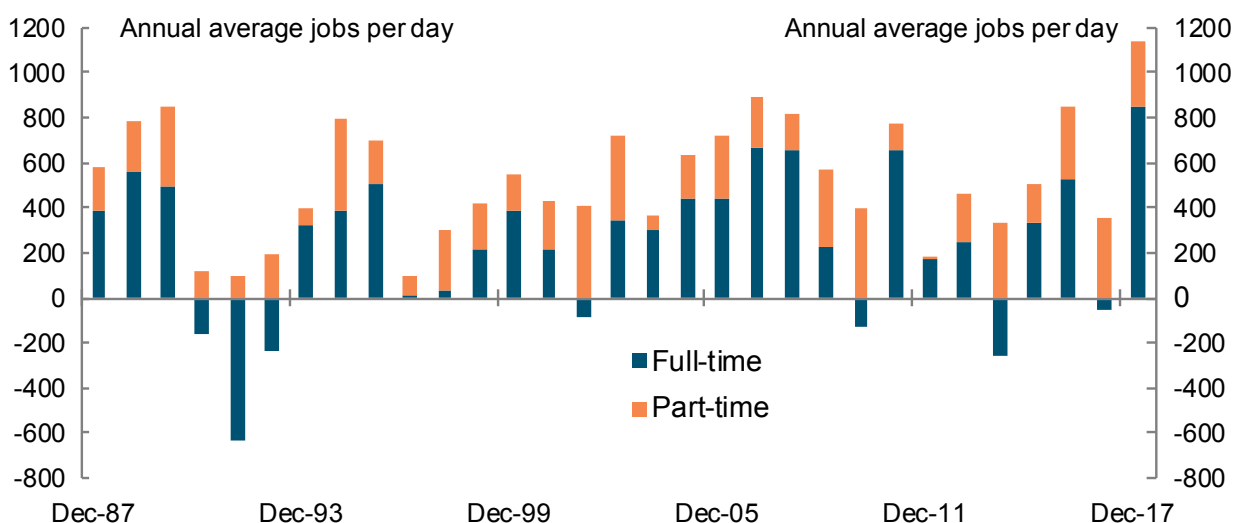
Consistent with continuing jobs growth, the unemployment rate is forecast to decline further and, as the labour market tightens, wage growth is expected to increase.

However, this renewed strength in our economy cannot be taken for granted.

We are sticking to our plan for a stronger economy because it is only through a stronger economy that more jobs and opportunities are created for Australians.

A stronger economy also supports a stronger Budget, which guarantees funding for essential services, supports lower taxes and allows the Government to build new infrastructure across Australia.

## More than 1,000 jobs a day were created in 2017



Source: ABS cat. no. 6202.0.  
Note: Over the year to December.

# Making Australian businesses more competitive

Empowering businesses to grow, invest and support a stronger economy

## Lower taxes to support growth

Lower taxes help Australian businesses to invest, grow, create more jobs, pay their workers more and remain competitive in a global economy.

The Government has already delivered tax relief for 3.3 million small and medium sized businesses, employing 6.8 million workers, under its Ten Year Enterprise Tax Plan which is delivering investment and creating jobs. And it remains committed to extending the tax cuts to all businesses.

## Building a smart economy by investing in science and technology

The Government is investing around \$2.4 billion to boost Australia's public technology infrastructure, including supercomputers, world class satellite imagery, a national space agency, research into artificial intelligence and more accurate GPS.

This investment supports businesses to grow and employ more Australians in a smarter economy.

## Delivering major transport infrastructure

This Budget includes \$24.5 billion in new projects and initiatives that benefit every State and Territory. These form part of the Government's \$75 billion transport infrastructure investment over the next decade.

This investment in road, rail and public transport projects will bust congestion, boost productivity and improve safety.

## A world health industry leader

A new 21st century Medical Industry Growth Plan will deliver \$1.3 billion to fund revolutionary genomic research projects investigating medicines that can be tailored to individual patients, clinical trials of new drugs and development of new medical technologies.

This will ensure Australia remains a global leader in medical technology, biotechnology and pharmaceuticals while improving the health of Australians by investing in medical research.

## Securing access to export markets

The Government has secured landmark export deals that will allow Australian businesses to access new markets. The Government has signed export trade deals with China, South Korea and Japan and has also signed on to the Trans-Pacific Partnership (TPP-11).

## Backing our farmers

The Government is backing our farmers by enhancing water infrastructure, upgrading GPS capabilities for regional Australians and increasing funding to manage and protect against pests, weeds and disease. The Government will also fund additional agricultural trade experts to help farmers export Australian products to the world.

# A competitive tax system

The Government is building a tax system that is internationally competitive, rewards effort and underpins a strong economy

Without sensible tax relief, we risk entering the next decade with a tax system that not only holds Australians back, but puts at risk a stronger economy that can fund our essential services.

Internationally, we are at risk of falling behind. Australia's high business taxes will become a drag on investment. While we stand still almost every other OECD country has lowered its effective tax rate on investment. Without change, we risk entering the next decade with a tax system that requires our businesses to pay one of the highest corporate rates of tax in the OECD.

The Government has already legislated tax cuts for Australian businesses with a turnover under \$50 million, taking their rates from 30 per cent to 27.5 per cent and eventually to 25 per cent, and we remain committed to extending those tax cuts to all businesses.

Our full Enterprise Tax Plan will reduce the company tax rate to around the median of the OECD. This will keep Australia competitive.

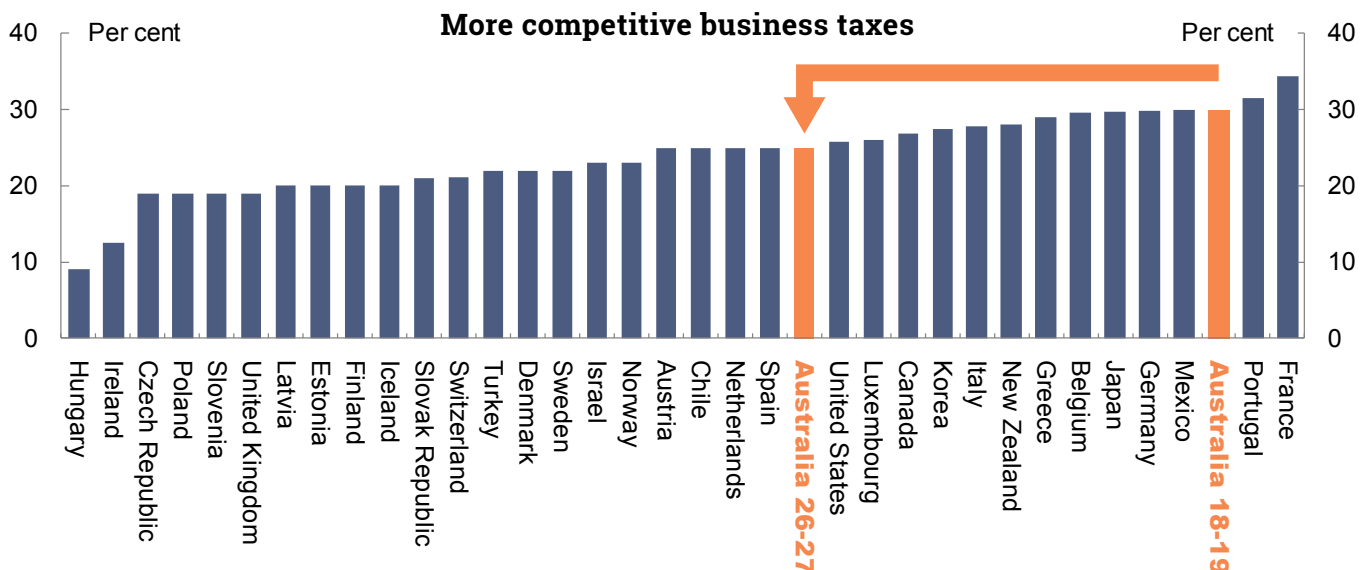
The productivity benefits of these changes will flow through to workers in the form of higher wages.

While tax should be lower, fairer and simpler, it also should be paid. Every individual and business should pay their fair share of tax.

The top ten companies paid 27 per cent of total corporate tax in 2015-16 – more than the amount paid by almost one million small companies across Australia.

ATO data shows that the top 50 companies paid 38 per cent of all corporate tax collected.

We are also clamping down on multinationals and those who think they are above the tax laws by targeting the black economy. The Diverted Profits Tax and the Multinational Anti-Avoidance Law combined with a number of other integrity measures mean that Australia has some of the most robust tax rules on companies applied globally.



Source: OECD Revenue Statistics and Treasury (May 2018)

Note: All listed rates are combined central and provincial government company tax rates (inclusive of surcharges). All listed rates are current as of 1 May 2018.

# Our tax system is progressive

The Government supports a progressive tax system that sustains economic growth and rewards effort

We have a progressive income tax system in Australia, but we cannot push this to breaking point and excessively tax a smaller group of taxpayers without paying a heavy price. Penalising Australians for earning more will not create a stronger economy over the next decade.

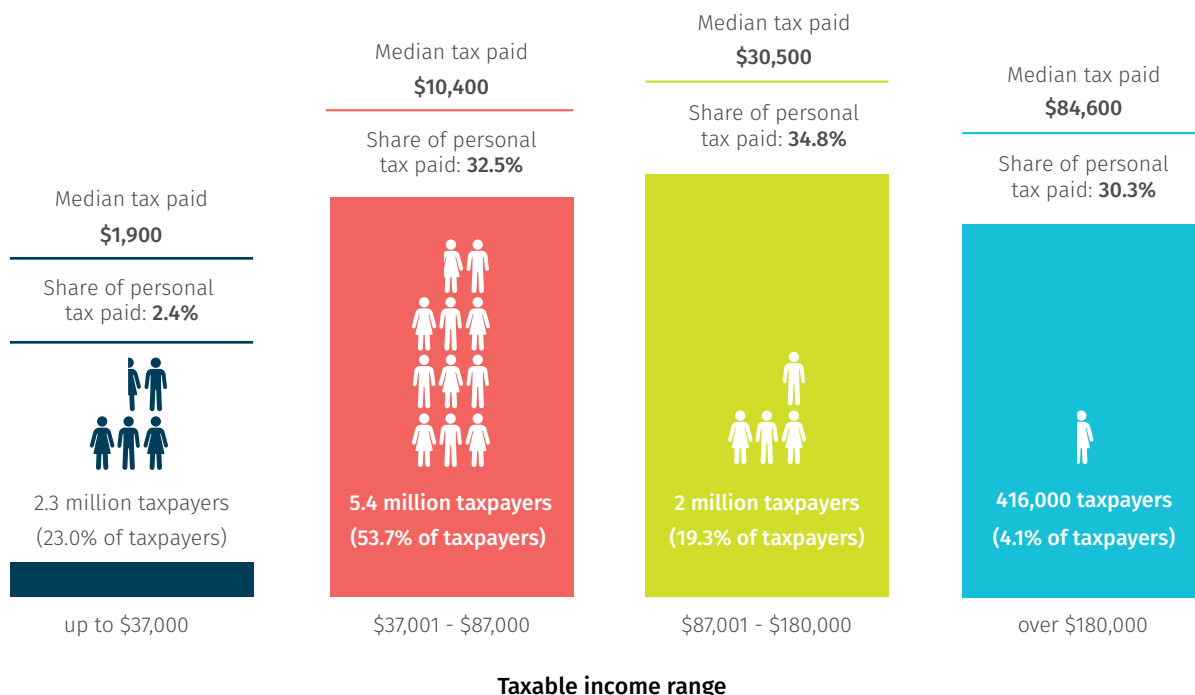
To build a stronger economy – to create jobs and guarantee the essential services that Australians rely on – we must ensure the tax system does not act as a drag on growth and aspiration. There must be reward for effort and incentive to get ahead.

As outlined in the ATO taxation statistics, the personal income tax burden is carried by the few, not the many.

In 2015-16, the top one per cent of taxpayers paid around 17 per cent of the \$186 billion of personal income tax. The top 10 per cent paid around 45 per cent of this total, compared with around 36 per cent 20 years earlier.

Not only does Australia rely heavily on a small group of taxpayers, many households receive more from the Government than they pay in income tax. In 2015-16, 3.6 million or 40 per cent of Australian households received more in Government payments than they paid in income taxes.

## Share of personal tax paid, median tax paid and number of taxpayers by taxable income range, 2015-16



Source: Australian Taxation Office, Taxation Statistics, 2015-16, Individuals Table 10A and unpublished personal income tax data.

Note: In this context, a personal income taxpayer is someone who lodged a tax return and paid more than \$0 in personal income tax for the year, for tax returns lodged by 31 October, 2017. Percentages may not add to 100% due to rounding.

## Government payments and income taxes, 2017-18

Household types and incomes (as percentage of AWOTE, unless otherwise stated)	Household income from work (\$)	Government payments to households* (\$)	Household income tax (\$)	Tax paid net of transfers (\$)
<b>Single Person</b>				
Not working	0	14,000	0	-14,000
Full time minimum wage	36,000	0	3,700	3,700
100%	82,400	0	20,000	20,000
<b>Sole Parent, with one child aged 4</b>				
Not working	0	29,800	0	-29,800
Full time minimum wage	36,000	17,400	4,400	-13,000
<b>Dual income couple, no children</b>				
Both full time minimum wage	72,000	0	7,300	7,300
67% & full time minimum wage	91,200	0	14,100	14,100
100% & 67%	137,600	0	30,400	30,400
<b>Single income couple, with children aged 4 and 10</b>				
Full time minimum wage	36,000	21,200	2,900	-18,200
67%	55,200	14,900	10,400	-4,500
100%	82,400	8,000	20,000	12,000
133%	109,600	0	30,400	30,400
<b>Dual income couple, with children aged 4 and 10</b>				
Full time minimum wage & half time minimum wage	54,000	12,700	3,700	-9,000
Both full time minimum wage	72,000	7,100	7,300	200
100% & full time minimum wage	118,400	0	23,600	23,600
100% & 67%	137,600	0	30,400	30,400
<b>Single pensioner</b>				
Not working	0	23,000	0	-23,000
<b>Pensioner couple</b>				
Not working	0	34,600	0	-34,600

Note: Outcomes are calculated assuming individuals are employed for the entire year, all income is from employment and that households are not liable for the Medicare Levy Surcharge. Superannuation contributions and taxes are not included.

\*Household payments include income support and Family Tax Benefit only. Households are assumed to meet activity requirements for income support. Numbers may not add due to rounding.





# Lower, fairer and simpler taxes

Rewarding effort, fostering aspiration and helping those in need

Our tax system must be fair for all Australians, one that rewards effort and fosters aspiration.

To build a strong economy, it is vital that workers are rewarded rather than penalised for their effort by our tax system.

Given personal income tax accounts for over half of the Government's tax revenue, it is imperative to get the settings right and build a better tax system while being fiscally responsible.

The tax burden borne by workers has continued to rise. Bracket creep reduces the rewards for effort, undermines the returns to quality education, and blunts the incentive to work hard, take risks, and succeed.

There were 2.4 million Australians with taxable incomes above \$87,000 in 2015-16, representing 23 per cent of taxpayers, but paying 65 per cent of personal income tax.

The Government's seven-year **Personal Income Tax Plan** will improve incentives to strive for success.

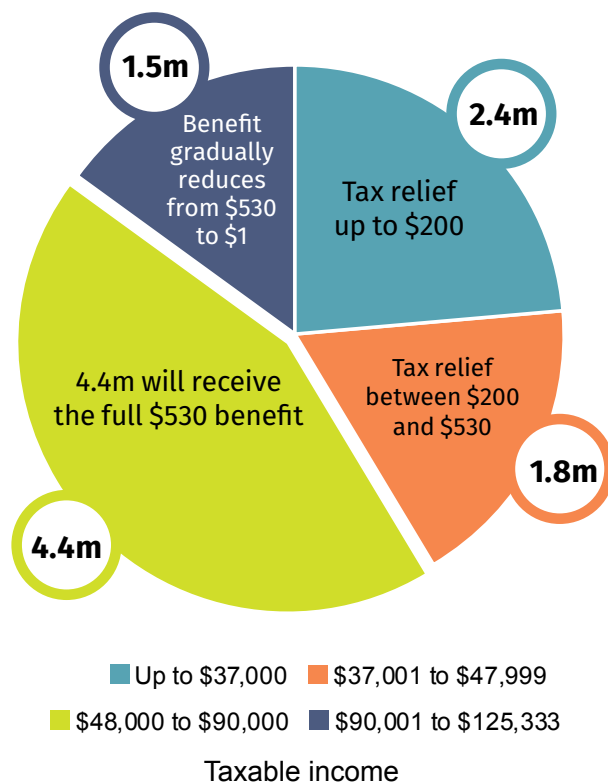
**Step one:** provide tax relief to low and middle income earners to help with cost of living pressures.

**Step two:** combat bracket creep.

**Step three:** simplify and flatten the system by removing the 37 per cent tax bracket completely, protecting middle income Australians from bracket creep over their working life.

The plan delivers a tax system that encourages aspirational Australians to get ahead. Individuals will be able to take on additional work and seek advancement, knowing their extra income will not be taxed more harshly.

Number of Australians receiving tax relief in step one



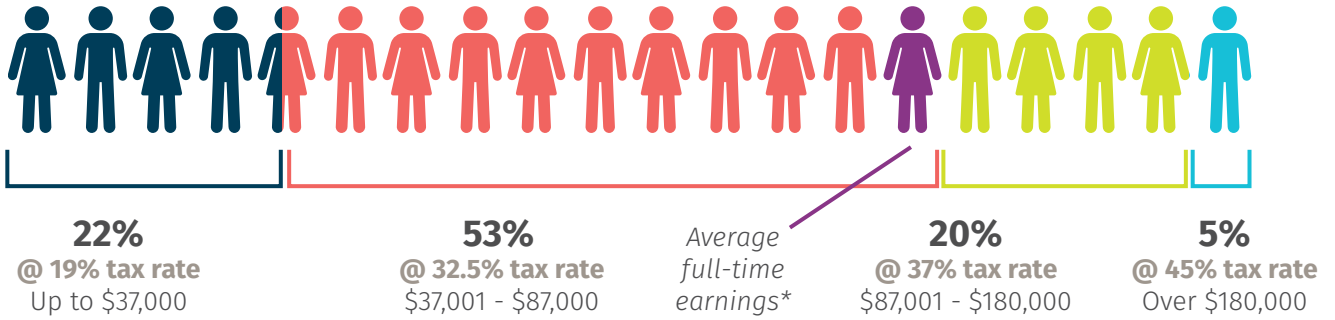
**By 2024-25 around 94 per cent of taxpayers are projected to face a marginal tax rate of 32.5 per cent or less compared with 63 per cent if we leave the system unchanged**

The plan is affordable and funded and will be made law to give Australians certainty about their future tax relief, now.

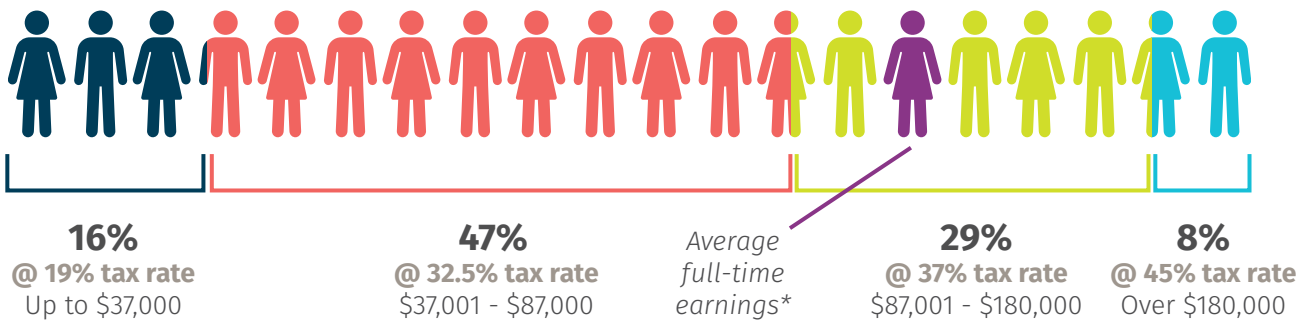
Together our reforms to company taxes, tax integrity and personal income taxes build a simpler tax system, reward hard working Australians and drive a stronger economy.

# The Government's seven-year Personal Income Tax Plan means more Australians will face lower rates of tax.

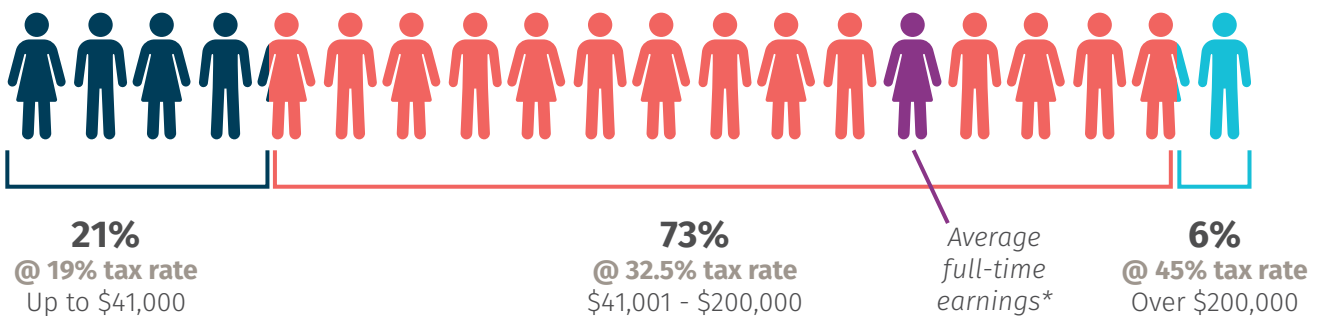
Proportion of taxpayers in each tax bracket in **2017-18** under the **current system**



Proportion of taxpayers in each tax bracket in **2024-25** under the **current system**



Proportion of taxpayers in each tax bracket in **2024-25** under the **Government's Plan**



\* Average full-time earnings includes both males and females, and excludes earnings from overtime work

# Immediate relief to low and middle income earners

The plan delivers targeted, affordable tax relief to low and middle income earners and helps protect middle income earners from bracket creep

## Step 1: Immediate relief to low and middle income earners

To help relieve household budget pressures, the Government will provide responsible tax relief to middle and lower income earners of up to \$530 in the 2018-19, 2019-20, 2020-21 and 2021-22 income years through a targeted non-refundable tax offset.

Those earning up to \$37,000 who face a 19 per cent tax rate will have their tax reduced by up to \$200. This will increase incrementally for those earning between \$37,000 and \$48,000. The maximum offset of \$530 will be available to taxpayers earning between \$48,000 and \$90,000. This benefit then gradually reduces to zero at a taxable income of just over \$125,000.

This will assist over 10 million Australians, with around 4.4 million people, including those on average full-time earnings, receiving the full \$530 benefit for 2018-19.

The benefit of the offset will be received as a lump sum on assessment after individuals lodge their tax returns. This offset is in addition to the low income tax offset. This targeted approach ensures that tax relief goes to middle and lower income earners.

## Step 2: Protecting against bracket creep

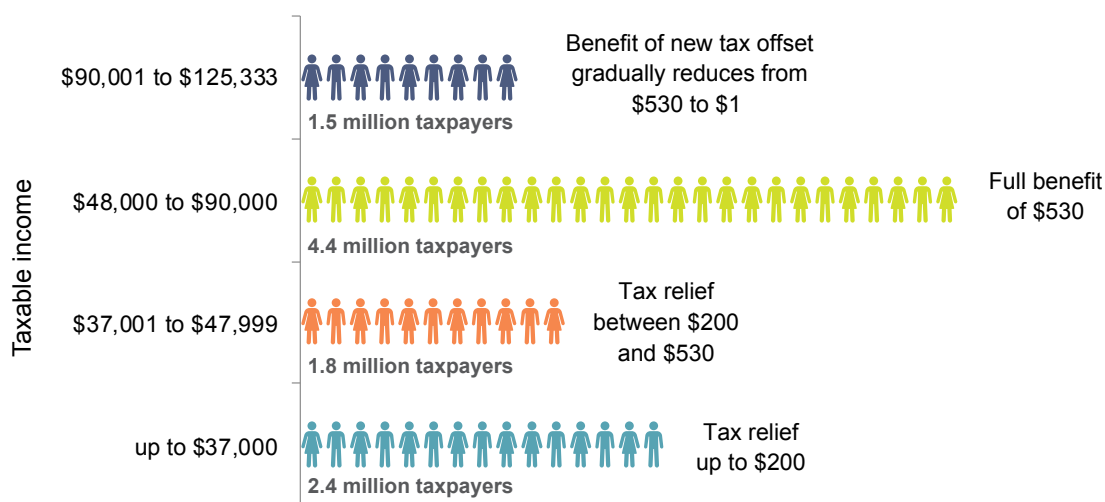
From 1 July 2018, the Government will provide a tax cut of up to \$135 per year to around 3 million people by increasing the top threshold of the 32.5 per cent tax bracket from \$87,000 to \$90,000. This will prevent around 200,000 Australians from paying tax at the 37 per cent marginal rate.

From 1 July 2022, the Government will lock in the tax relief from the new offset by increasing the top threshold of the 19 per cent bracket from \$37,000 to \$41,000, providing tax relief of up to \$540 per year, and increasing the low income tax offset from \$445 to \$645.

This change to the 19 per cent bracket will prevent around half a million Australians from paying tax at the 32.5 per cent marginal rate in 2022-23.

In addition, the Government will also provide tax relief of up to \$1,350 per year by increasing the top threshold of the 32.5 per cent bracket from \$90,000 to \$120,000 from 1 July 2022. This is projected to prevent around 1.8 million taxpayers facing the 37 per cent tax rate in 2022-23 due to wages growth and bracket creep.

### The new targeted tax offset will benefit over 10 million low and middle income earners, 2018-19



# Making our tax system simpler

Finalising the Government’s plan to build a better tax system so that aspirational middle income earners are not penalised for earning more

## Step 3: Making personal taxes simpler and flatter

In 2024-25, the Government will simplify and flatten the personal tax system by abolishing the 37 per cent tax bracket entirely. Australians earning more than \$41,000 will only pay 32.5 cents in the dollar all the way up to the top marginal tax rate threshold that will be adjusted to \$200,000.

As a result of this final step, around **94 per cent of taxpayers are projected to face a marginal tax rate of 32.5 per cent or less in 2024-25**. This compares with a projected 63 per cent of taxpayers in 2024-25 under current settings. The plan provides certainty to the majority of taxpayers that they will face the same marginal tax rate into the future, helping to improve incentives to take on additional work and seek a pay rise.

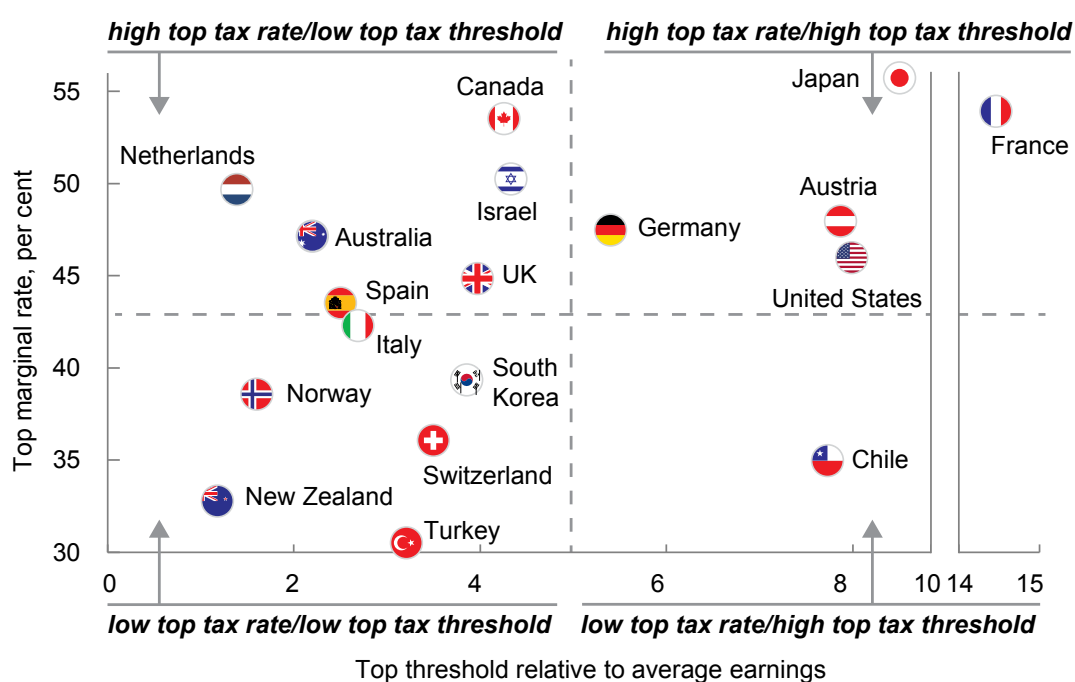
Australia has relatively high rates of tax, cutting in at relatively low levels of income compared with other

Rate	Thresholds in 2017-18	New thresholds in 2024-25
Nil	Up to \$18,200	Up to \$18,200
19 per cent	\$18,201 - \$37,000	\$18,201 - \$41,000
32.5 per cent	\$37,001 - \$87,000	\$41,001 - \$200,000
37 per cent	\$87,001 - \$180,000	-
45 per cent	Above \$180,000	Above \$200,000

countries. Australia’s top marginal tax rate cuts in at around 2.2 times average full-time earnings, compared with four times in Canada and the UK, and eight times in the US. Without change, Australia’s ratio is projected to drop to around 1.7, reducing our international competitiveness and ability to attract and retain talent. Under the Government’s plan, this ratio will fall more modestly to around 1.9.

The plan strikes the right balance between improving the system for all Australians and ensuring that the top earners pay their fair share.

### Current top marginal tax rates comparison, selected OECD countries



Source: Treasury calculations, 2017 OECD Revenue Statistics and Tax Database.

# Tax relief for working Australians

Low and middle income Australians will pay less tax from 2018-19

## Snapshot of annual tax relief by taxable income in 2018-19

Taxable income (\$)	Current tax liability* (\$)	Tax liability after tax relief in 2018-19 (\$)	Annual reduction in tax paid (\$)
20,000	0	0	0
21,000	87	0	87
22,000	279	79	200
23,000	569	369	200
24,000	859	659	200
25,000	1,149	949	200
26,000	1,439	1,239	200
27,000	1,729	1,529	200
28,000	1,977	1,777	200
29,000	2,187	1,987	200
30,000	2,397	2,197	200
40,000	4,947	4,657	290
50,000	8,547	8,017	530
60,000	12,147	11,617	530
70,000	15,697	15,167	530
80,000	19,147	18,617	530
<b>84,600<sup>^</sup></b>	<b>20,734</b>	<b>20,204</b>	<b>530</b>
90,000	22,732	22,067	665
100,000	26,632	26,117	515
120,000	34,432	34,217	215
140,000	42,232	42,097	135
200,000	67,232	67,097	135

\*Current tax liability is for an individual in 2017-18 and includes the Medicare levy of 2 per cent and the low income tax offset.

<sup>^</sup>**Average wage:** estimated average full time ordinary earnings for men and women in 2018-19.



**Example 1:** Al is a truck driver and Paige is a sales consultant, they have two children. Al earns \$78,000 and Paige \$52,000 in 2018-19.

- With 2017-18 tax rates and thresholds, Al would have paid tax of \$18,457 and Paige \$9,267.
- In 2018-19, with step 1 of the plan in place, Al and Paige each receive an offset of \$530 after they lodge their tax returns (after 30 June 2019). Together they receive a combined \$1,060 in tax relief and will continue to benefit from the plan in future years.



**Example 2:** Isabella manages a retail business and earns \$90,000 in the 2018-19 financial year. She is single.

- With 2017-18 tax rates and thresholds, Isabella would have paid tax of \$22,732. With step 1 and the \$90,000 threshold change of step 2 of the plan in place, Isabella receives total tax relief of \$665 for 2018-19. This comprises a \$530 tax offset received after Isabella lodges her tax return and \$135 in 2018-19 from the increase in the top threshold of the 32.5 per cent tax bracket from \$87,000 to \$90,000. Isabella will continue to benefit from the plan in future years.

# Protecting against bracket creep

Supporting aspirational Australians with income tax relief

## Snapshot of annual tax relief by taxable income in 2022-23\*

Taxable income (\$)	Current tax liability* (\$)	Tax liability after tax relief in 2022-23 (\$)	Annual reduction in tax paid (\$)
20,000	0	0	0
21,000	87	0	87
22,000	279	79	200
23,000	569	369	200
24,000	859	659	200
25,000	1,149	949	200
26,000	1,439	1,239	200
27,000	1,729	1,529	200
28,000	1,977	1,777	200
29,000	2,187	1,987	200
30,000	2,397	2,197	200
40,000	4,947	4,492	455
50,000	8,547	8,007	540
60,000	12,147	11,607	540
70,000	15,697	15,157	540
80,000	19,147	18,607	540
90,000	22,732	22,057	675
100,000	26,632	25,507	1,125
120,000	34,432	32,407	2,025
140,000	42,232	40,207	2,025
200,000	67,232	65,207	2,025

\*Current tax liability is for an individual in 2017-18 and includes the Medicare levy of 2 per cent and the low income tax offset. Does not take account of ongoing cumulative relief from the previous step.



**Example 3:** James, a nurse, is married to Sian a paramedic. James and Sian have two children. James earns \$80,000 and Sian earns \$65,000.

- With 2017-18 tax rates and thresholds, James would have paid tax of \$19,147 and Sian \$13,947.
- In 2018-19, with step 1 of the plan in place, James and Sian each receive the maximum offset of \$530 on assessment after they lodge their tax returns. Together they receive a combined \$1,060 in tax relief and receive the same tax relief every year from 2018-19 to 2021-22 totalling \$4,240.

In 2022-23, James earns \$92,000, and Sian, who has been promoted and is regularly working overtime, earns \$105,000.

- With step 2 of the plan in place by 2022-23, James will pay tax of \$22,747 and Sian \$27,232. Their family will receive tax relief of \$2,115 compared with 2017-18 settings. They will continue to benefit from the plan in future years.
- If the Government had not changed tax rates or thresholds since 2017-18, James would have paid tax of \$23,512 and Sian \$28,582.

# Making taxes simpler and flatter

Around 94 per cent of taxpayers are projected to face a marginal tax rate of 32.5 per cent or less in 2024-25

## Snapshot of annual tax relief by taxable income in 2024-25\*

Taxable income (\$)	Current tax liability* (\$)	Tax liability after tax relief in 2024-25 (\$)	Annual reduction in tax paid (\$)
20,000	0	0	0
21,000	87	0	87
22,000	279	79	200
23,000	569	369	200
24,000	859	659	200
25,000	1,149	949	200
26,000	1,439	1,239	200
27,000	1,729	1,529	200
28,000	1,977	1,777	200
29,000	2,187	1,987	200
30,000	2,397	2,197	200
40,000	4,947	4,492	455
50,000	8,547	8,007	540
60,000	12,147	11,607	540
70,000	15,697	15,157	540
80,000	19,147	18,607	540
90,000	22,732	22,057	675
100,000	26,632	25,507	1,125
120,000	34,432	32,407	2,025
140,000	42,232	39,307	2,925
160,000	50,032	46,207	3,825
180,000	57,832	53,107	4,725
200,000	67,232	60,007	7,225

\*Current tax liability is for an individual in 2017-18 and includes the Medicare levy of 2 per cent and the low income tax offset. Does not take account of ongoing cumulative relief from previous steps.



**Example 4:** Eli is a doctor married to Carla who is at home caring for their three young children. Eli earns \$100,000.

- With 2017-18 tax rates and thresholds, Eli would have paid tax of \$26,632.
- For 2018-19, with step 1 of the plan in place and the \$90,000 threshold change of step 2 of the plan in place, Eli receives a \$380 offset after he lodges his tax return and also receives a \$135 tax cut in 2018-19 from the increase in the top threshold of the 32.5 per cent tax bracket. In total he receives tax relief of \$515 for 2018-19.

Eli receives the same tax relief every year from 2018-19 to 2021-22 totalling \$2,060.

- Benefitting from step 2 of the plan in 2022-23, Eli will receive tax relief of \$1,125 compared with 2017-18 settings due to the threshold increases, reducing his tax bill to \$25,507. Eli receives the same tax relief in 2023-24.

In 2024-25, Eli is earning \$150,000.

- Under step 3 of the plan from 2024-25, Eli will receive tax relief of \$3,375, reducing his tax bill to \$42,757, compared with 2017-18 settings.
- If the Government had not changed tax rates or thresholds since 2017-18, Eli would have paid tax of \$46,132.

Over the course of the seven year plan, Eli will pay tax of \$198,239 and receive accumulated tax relief of \$7,685.





**Example 5:** Leif is an architect and lives with his wife of five years, Olivia, who cares for their three-year old child and works part-time as a graphic designer. In both 2018-19 and 2019-20 Leif earns \$73,000 and Olivia \$30,000.

- With 2017-18 tax rates and thresholds, Leif would have paid tax of \$16,732 and Olivia \$2,397.
- For 2018-19 and 2019-20, with step 1 of the plan in place, Leif and Olivia receive an offset of \$530 and \$200 per year respectively after they lodge their tax returns.

In 2020-21, Leif receives recognition for his innovative designs and Olivia takes on additional work now that their child is at school. Leif earns \$85,000 and Olivia earns \$40,000. They continue to earn these amounts in 2021-22.

- In 2020-21 and 2021-22, with step 1 of the plan still in place, Leif will receive tax relief of \$530 and Olivia \$290 per year compared with the tax they would have paid in 2017-18.

In 2022-23, Leif starts to advance in the business he is working for so that he earns \$95,000. Olivia receives a modest wage increase to \$43,000. They continue to earn these amounts in 2023-24.

- In 2022-23 and 2023-24, with step 2 of the plan in place, each year Leif will receive tax relief of \$900 and Olivia \$540 due to the threshold increases, compared with the tax they would have paid in 2017-18.

By 2024-25, Leif starts to make a name for himself in the business and his income increases to \$125,000. Olivia continues to earn \$43,000.

- In 2024-25, with step 3 of the plan in place, Leif will receive tax relief of \$2,250 and Olivia \$540.

Over the course of the seven-year plan, Leif will pay tax of \$154,784 and receive tax relief of \$6,170. Olivia will pay tax of \$30,169 and receive tax relief of \$2,600. Together, they will receive tax relief of \$8,770 over the seven years.



**Example 6:** Brian and Jennifer have three kids and work full-time. Brian is a data analyst and Jennifer is a senior paralegal. In each year, from 2018-19 to 2024-25 they earn \$80,000 and \$90,000 respectively.

Under step 1 of the plan and the \$90,000 threshold change of step 2 of the plan, they receive combined tax relief of \$1,195 for 2018-19 from the tax offset and the increase in the top threshold of the 32.5 per cent bracket.

Extending this out to 2024-25 with the 2022-23 and 2024-25 changes of the plan coming into effect, and assuming for simplicity their incomes are unchanged, their family will receive accumulated tax relief of \$8,425 over the seven year plan.



# Cumulative tax relief

## under the Government's Personal Income Tax Plan to 2024-25

The table below sums the annual benefit at different income levels under the Government's Personal Income Tax Plan of the targeted non-refundable tax offset, increasing the low income tax offset and changes to income tax thresholds. The benefits are summed from 2018-19 through to the final year of the changes in 2024-25.

### Cumulative tax relief and tax paid from 2018-19 to 2024-25 under the Government's plan\*

Taxable Income:	\$30,000		\$50,000		\$80,000		\$90,000	
	Tax paid**	Tax relief	Tax paid	Tax relief	Tax paid	Tax relief	Tax paid	Tax relief
2018-19	\$2,197	\$200	\$8,017	\$530	\$18,617	\$530	\$22,067	\$665
2019-20	\$4,394	\$400	\$16,034	\$1,060	\$37,234	\$1,060	\$44,134	\$1,330
2020-21	\$6,591	\$600	\$24,051	\$1,590	\$55,851	\$1,590	\$66,201	\$1,995
2021-22	\$8,788	\$800	\$32,068	\$2,120	\$74,468	\$2,120	\$88,268	\$2,660
2022-23	\$10,985	\$1,000	\$40,075	\$2,660	\$93,075	\$2,660	\$110,325	\$3,335
2023-24	\$13,182	\$1,200	\$48,082	\$3,200	\$111,682	\$3,200	\$132,382	\$4,010
2024-25	\$15,379	\$1,400	\$56,089	\$3,740	\$130,289	\$3,740	\$154,439	\$4,685

Taxable Income:	\$120,000		\$160,000		\$200,000	
	Tax paid	Tax relief	Tax paid	Tax relief	Tax paid	Tax relief
2018-19	\$34,217	\$215	\$49,897	\$135	\$67,097	\$135
2019-20	\$68,434	\$430	\$99,794	\$270	\$134,194	\$270
2020-21	\$102,651	\$645	\$149,691	\$405	\$201,291	\$405
2021-22	\$136,868	\$860	\$199,588	\$540	\$268,388	\$540
2022-23	\$169,275	\$2,885	\$247,595	\$2,565	\$333,595	\$2,565
2023-24	\$201,682	\$4,910	\$295,602	\$4,590	\$398,802	\$4,590
2024-25	\$234,089	\$6,935	\$341,809	\$8,415	\$458,809	\$11,815

\*The cumulative tax paid is the sum of an individual's annual tax liability relative to the base year of 2017-18 and includes the 2 per cent Medicare levy.

\*\*Tax paid after incorporating the tax relief under the Personal Income Tax Plan.

# Dual income couple - equal income split

## Change in household tax paid

Taxable Income - Spouse 1	Taxable Income - Spouse 2	Household Taxable Income	Current Tax Liability	From 2018-19		From 2022-23		From 2024-25	
				Tax Liability	Change in Tax	Tax Liability	Change in Tax	Tax Liability	Change in Tax
30,000	30,000	60,000	4,794	4,394	-400	4,394	-400	4,394	-400
35,000	35,000	70,000	6,894	6,494	-400	6,494	-400	6,494	-400
40,000	40,000	80,000	9,894	9,314	-580	8,984	-910	8,984	-910
45,000	45,000	90,000	13,494	12,614	-880	12,414	-1,080	12,414	-1,080
50,000	50,000	100,000	17,094	16,034	-1,060	16,014	-1,080	16,014	-1,080
55,000	55,000	110,000	20,694	19,634	-1,060	19,614	-1,080	19,614	-1,080
60,000	60,000	120,000	24,294	23,234	-1,060	23,214	-1,080	23,214	-1,080
65,000	65,000	130,000	27,894	26,834	-1,060	26,814	-1,080	26,814	-1,080
70,000	70,000	140,000	31,394	30,334	-1,060	30,314	-1,080	30,314	-1,080
75,000	75,000	150,000	34,844	33,784	-1,060	33,764	-1,080	33,764	-1,080
80,000	80,000	160,000	38,294	37,234	-1,060	37,214	-1,080	37,214	-1,080
85,000	85,000	170,000	41,744	40,684	-1,060	40,664	-1,080	40,664	-1,080
90,000	90,000	180,000	45,464	44,134	-1,330	44,114	-1,350	44,114	-1,350
100,000	100,000	200,000	53,264	52,234	-1,030	51,014	-2,250	51,014	-2,250
110,000	110,000	220,000	61,064	60,334	-730	57,914	-3,150	57,914	-3,150
120,000	120,000	240,000	68,864	68,434	-430	64,814	-4,050	64,814	-4,050
130,000	130,000	260,000	76,664	76,394	-270	72,614	-4,050	71,714	-4,950
140,000	140,000	280,000	84,464	84,194	-270	80,414	-4,050	78,614	-5,850
160,000	160,000	320,000	100,064	99,794	-270	96,014	-4,050	92,414	-7,650
180,000	180,000	360,000	115,664	115,394	-270	111,614	-4,050	106,214	-9,450
200,000	200,000	400,000	134,464	134,194	-270	130,414	-4,050	120,014	-14,450

\*The table provides stylised cameos based on the tax payable for these households, excluding any transfer payments. The tax liability and reduction in tax is calculated only taking into account the basic tax scales, low income tax offset, low and middle income tax offset and the Medicare levy (at 2 per cent with the change to the Medicare levy low income thresholds). Actual outcomes for many individuals and households would differ.

# Dual income couple - two-thirds and one-third split

## Change in household tax paid

				From 2018-19		From 2022-23		From 2024-25	
Taxable Income - Primary Earner	Taxable Income - Spouse	Household Taxable Income	Current Tax Liability	Tax Liability	Change in Tax	Tax Liability	Change in Tax	Tax Liability	Change in Tax
40,200	19,800	60,000	5,019	4,723	-296	4,547	-472	4,547	-472
46,900	23,100	70,000	8,029	7,332	-697	7,289	-740	7,289	-740
53,600	26,400	80,000	11,398	10,668	-730	10,658	-740	10,658	-740
60,300	29,700	90,000	14,589	13,859	-730	13,849	-740	13,849	-740
67,000	33,000	100,000	17,689	16,959	-730	16,949	-740	16,949	-740
73,700	36,300	110,000	20,694	19,964	-730	19,954	-740	19,954	-740
80,400	39,600	120,000	24,088	23,280	-808	23,127	-961	23,127	-961
87,100	42,900	130,000	27,592	26,681	-912	26,508	-1,085	26,508	-1,085
93,800	46,200	140,000	31,393	30,309	-1,084	30,007	-1,386	30,007	-1,386
100,500	49,500	150,000	35,194	34,157	-1,038	33,507	-1,688	33,507	-1,688
107,200	52,800	160,000	38,995	38,058	-937	37,006	-1,989	37,006	-1,989
113,900	56,100	170,000	42,796	41,960	-837	40,506	-2,291	40,506	-2,291
120,600	59,400	180,000	46,597	45,861	-736	44,032	-2,565	44,005	-2,592
134,000	66,000	200,000	54,199	53,534	-665	51,634	-2,565	51,004	-3,195
147,400	72,600	220,000	61,712	61,047	-665	59,147	-2,565	57,914	-3,798
160,800	79,200	240,000	69,215	68,550	-665	66,650	-2,565	64,814	-4,401
174,200	85,800	260,000	76,718	76,053	-665	74,153	-2,565	71,714	-5,004
187,600	92,400	280,000	85,072	84,308	-764	82,264	-2,808	78,614	-6,458
200,000	100,000	300,000	93,864	93,214	-650	90,714	-3,150	85,514	-8,350

\*The table provides stylised cameos based on the tax payable for these households, excluding any transfer payments. The tax liability and reduction in tax is calculated only taking into account the basic tax scales, low income tax offset, low and middle income tax offset and the Medicare levy (at 2 per cent with the change to the Medicare levy low income thresholds). Actual outcomes for many individuals and households would differ.

# Single person household

## Change in household tax paid

Taxable Income	Current Tax Liability	From 2018-19		From 2022-23		From 2024-25	
		Tax Liability	Change in Tax	Tax Liability	Change in Tax	Tax Liability	Change in Tax
30,000	2,397	2,197	-200	2,197	-200	2,197	-200
35,000	3,447	3,247	-200	3,247	-200	3,247	-200
40,000	4,947	4,657	-290	4,492	-455	4,492	-455
45,000	6,747	6,307	-440	6,207	-540	6,207	-540
50,000	8,547	8,017	-530	8,007	-540	8,007	-540
55,000	10,347	9,817	-530	9,807	-540	9,807	-540
60,000	12,147	11,617	-530	11,607	-540	11,607	-540
65,000	13,947	13,417	-530	13,407	-540	13,407	-540
70,000	15,697	15,167	-530	15,157	-540	15,157	-540
75,000	17,422	16,892	-530	16,882	-540	16,882	-540
80,000	19,147	18,617	-530	18,607	-540	18,607	-540
85,000	20,872	20,342	-530	20,332	-540	20,332	-540
90,000	22,732	22,067	-665	22,057	-675	22,057	-675
100,000	26,632	26,117	-515	25,507	-1,125	25,507	-1,125
110,000	30,532	30,167	-365	28,957	-1,575	28,957	-1,575
120,000	34,432	34,217	-215	32,407	-2,025	32,407	-2,025
130,000	38,332	38,197	-135	36,307	-2,025	35,857	-2,475
140,000	42,232	42,097	-135	40,207	-2,025	39,307	-2,925
160,000	50,032	49,897	-135	48,007	-2,025	46,207	-3,825
180,000	57,832	57,697	-135	55,807	-2,025	53,107	-4,725
200,000	67,232	67,097	-135	65,207	-2,025	60,007	-7,225

\*The table provides stylised cameos based on the tax payable for these households, excluding any transfer payments. The tax liability and reduction in tax is calculated only taking into account the basic tax scales, low income tax offset, low and middle income tax offset and the Medicare levy (at 2 per cent with the change to the Medicare levy low income thresholds). Actual outcomes for many individuals and households would differ.

# Household with single income earner

## Change in household tax paid

				From 2018-19		From 2022-23		From 2024-25	
Taxable Income - Primary Earner	Taxable Income - Spouse	Household Taxable Income	Current Tax Liability	Tax Liability	Change in Tax	Tax Liability	Change in Tax	Tax Liability	Change in Tax
30,000	0	30,000	1,797	1,597	-200	1,597	-200	1,597	-200
35,000	0	35,000	2,747	2,547	-200	2,547	-200	2,547	-200
40,000	0	40,000	4,438	4,148	-290	3,983	-455	3,983	-455
45,000	0	45,000	6,638	6,198	-440	6,098	-540	6,098	-540
50,000	0	50,000	8,547	8,017	-530	8,007	-540	8,007	-540
55,000	0	55,000	10,347	9,817	-530	9,807	-540	9,807	-540
60,000	0	60,000	12,147	11,617	-530	11,607	-540	11,607	-540
65,000	0	65,000	13,947	13,417	-530	13,407	-540	13,407	-540
70,000	0	70,000	15,697	15,167	-530	15,157	-540	15,157	-540
75,000	0	75,000	17,422	16,892	-530	16,882	-540	16,882	-540
80,000	0	80,000	19,147	18,617	-530	18,607	-540	18,607	-540
85,000	0	85,000	20,872	20,342	-530	20,332	-540	20,332	-540
90,000	0	90,000	22,732	22,067	-665	22,057	-675	22,057	-675
100,000	0	100,000	26,632	26,117	-515	25,507	-1,125	25,507	-1,125
110,000	0	110,000	30,532	30,167	-365	28,957	-1,575	28,957	-1,575
120,000	0	120,000	34,432	34,217	-215	32,407	-2,025	32,407	-2,025
130,000	0	130,000	38,332	38,197	-135	36,307	-2,025	35,857	-2,475
140,000	0	140,000	42,232	42,097	-135	40,207	-2,025	39,307	-2,925
160,000	0	160,000	50,032	49,897	-135	48,007	-2,025	46,207	-3,825
180,000	0	180,000	57,832	57,697	-135	55,807	-2,025	53,107	-4,725
200,000	0	200,000	67,232	67,097	-135	65,207	-2,025	60,007	-7,225

\*The table provides stylised cameos based on the tax payable for these households, excluding any transfer payments. The tax liability and reduction in tax is calculated only taking into account the basic tax scales, low income tax offset, low and middle income tax offset and the Medicare levy (at 2 per cent with the change to the Medicare levy low income thresholds). Actual outcomes for many individuals and households would differ.

# Backing small businesses

Supporting small businesses to grow, export and create jobs

## Lower taxes to support growth

Lower taxes help Australian businesses to invest, grow and employ more workers as well as pay them more.

The Government has already legislated tax cuts for around 3.3 million small and medium Australian businesses with annual turnover up to \$50 million, employing 6.8 million workers, as part of the **Ten Year Enterprise Tax Plan**. It has increased the unincorporated small business tax discount rate from 5 per cent to 8 per cent (up to a cap of \$1,000). This rate will increase to 16 per cent by 2026-27. The **small business entity turnover threshold has also been lifted from \$2 million to \$10 million**, which has extended access to a range of small business tax concessions.

The Government remains committed to its fully-funded Ten Year Enterprise Tax Plan which will lower the company tax rate for all companies to 25 per cent over ten years.

The successful **\$20,000 instant asset write-off**, first introduced in the 2015-16 Budget, will be extended for a further 12 months to 30 June 2019. This will improve cash flow for small business, helping them to reinvest in their business and replace or upgrade their assets. Extending this measure means small businesses will have more opportunities to invest and grow.

## Cutting red tape

The Government has **streamlined GST reporting** for around 2.7 million small businesses by reducing the number of BAS GST questions to only three and scrapping the requirement for a 20 question worksheet. This saves small businesses time and money so owners can get back to running their business. When fully implemented, Simpler BAS is estimated to save each small business an average of \$590 per year.

## Levelling the playing field

The Government is making sure small businesses do not get ripped off by businesses that deliberately go bust to avoid paying their bills with tough new measures to **counter illegal phoenixing**.

Additional protection has been provided to small businesses by extending unfair contract terms protections, while the **new Australian Financial Complaints Authority** will ensure that many more small businesses have access to free, fast and binding dispute resolution.





# Empowering our businesses to take on the world

## Helping small businesses go global

The Government is making it easier for businesses to expand their reach and access overseas markets.

In addition to securing new export opportunities for businesses, the Government is investing \$20 million in SME Export Hubs. The Hubs will foster greater cooperation between Australian businesses, helping them grow as they work together to sell their products to the world.

## Building capability in the Defence industry sector

The Government's Defence Industrial Capability Plan is supporting businesses that are building capability in the defence industry sector and across the defence supply chain, including through a \$200 billion investment in defence over the next decade. A new Sovereign Industrial Capability Grants Program worth up to \$17 million per year will help small businesses in the defence industry buy equipment.

## Creating new opportunities for small business

The Government is helping small businesses gain access to capital to turn their great ideas into viable businesses. Crowd-sourced Equity Funding for public companies is now in place, expanding funding options for start ups and early stage businesses, while the introduction of Open Banking has the potential to unlock more innovative ways for small businesses to access credit and create more competitive banking products for customers.

## Prioritising Australian skills

The Government is providing an additional \$250 million for the Skilling Australians Fund and will work with the States and Territories to ensure businesses can employ skilled Australians to continue to grow their businesses.



# A 21st century Medical Industry Growth Plan

A \$1.3 billion investment to create new jobs, expand economic opportunities and improve the health of Australians

Australia is a world leader in medical technology and research, biotechnology and pharmaceuticals. The \$1.3 billion National Health and Medical Industry Growth Plan will ensure Australia continues to be a global leader in health, improve health outcomes for all Australians and develop the next generation of medical industries to support Australian jobs.

## Genomics Health Futures Mission

The Government will invest \$500 million from the Medical Research Future Fund as a landmark ten year commitment to the Genomics Health Futures Mission.

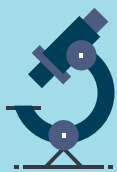
Genomics is the study of both single genes and an individual's entire genetic makeup; exploring how and why different people react differently to diseases and treatments.

The use of genomics has the potential to revolutionise health care to support more accurate diagnosis and treatment. Genomics creates the potential for personalised medicines, by tailoring drugs to patients, improving the prevention and control of disease by enabling specific screening, and increasing awareness of the susceptibility of particular individuals to disease.

The first project will be *Mackenzie's Mission*, a \$20 million trial in pre-conception screening for diseases including spinal muscular atrophy, cystic fibrosis and fragile X syndrome.

This 10-year commitment will support a stronger economy through the creation of new jobs, as well as long term research and improvements to health outcomes that will provide a legacy for Australians decades into the future.

## \$500 million Genomics Health Futures Mission



Research and new technology



Predictive testing



Early diagnosis



Improved prevention



Personalised treatments



## Investing in medical research

The Government's \$20 billion Medical Research Future Fund (MRFF) is providing record funding for medical research to improve and save lives. To date, investments from the MRFF have supported research into rare cancers and rare diseases, including brain cancer, preventative health and increased clinical trials.

## Accelerating health innovation

Further new investments will be funded from the MRFF to place Australia at the forefront of health innovation, including \$240 million for the Frontier Health and Medical Research Program, which will support new ideas and discoveries.

The Government will provide \$125 million for research into chronic conditions with a focus on diabetes and heart disease.

## Expanding clinical trials

The Growth Plan also includes \$248 million to allow more clinical trials to occur in Australia and support international collaboration. In addition, the Government is developing a feasibility study to create a one stop shop for clinical trials. These initiatives will make it easier for companies, sponsors and investigators to navigate the system and invest in clinical trials across Australia.

## More collaboration and better use of data

Funding of \$94.3 million will be provided for Biomedtech programs and Industry Researcher Collaborations, to increase biomedical research and strengthen links between Australian researchers and industry.

A further \$30 million will be invested to enhance the data sharing capabilities of the Australian Institute of Health and Welfare, improving access to data which will help Australian researchers.

# Investing in science and technology

## Supporting the Australian science and technology sectors

From Wi-Fi and the black box flight recorder to the medical application of penicillin, Australians have been responsible for a range of world-changing inventions.

To stay at the cutting edge and remain internationally competitive in retaining and attracting the best researchers, entrepreneurs and scientists to Australia, the Government is building on the \$1.1 billion previously invested through the National Innovation and Science Agenda.

High-quality infrastructure is critical to Australia's economic growth and standard of living. It is an essential building block for researchers and businesses working to deliver better goods and services and crucial to maintaining Australia's competitiveness.

### Research infrastructure builds a smarter economy

The Government is investing an additional \$1.9 billion in Australia's national research infrastructure, bringing total investment through the National Collaborative Research Infrastructure Strategy to \$4.1 billion over 12 years.

This includes upgrading two supercomputers to help advance medical research, nanotechnology, mining, construction and urban planning with high-speed calculations. For example, supercomputers support research to maximise combustion in supersonic engines and model the physics of extreme waves to capture energy.

These investments will help Australia remain globally competitive and help Australian businesses develop new products and services, grow industries and employ more people.

Australia's strong research sector has delivered life-saving benefits through access to national research infrastructure. This includes the cervical cancer vaccine and a new needle-free way to deliver vaccines.

### Bridging the digital divide

The National Broadband Network will enable all Australians to participate in the digital economy and enjoy the full economic and social benefits made possible by faster internet speeds. The network rollout will be around 75 per cent complete by the end of 2018 and is on track to be completed by 2020.

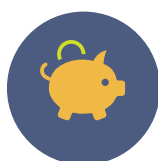
### Better GPS for Australian business

The Government is investing \$225 million to improve the accuracy of GPS in Australia. This will improve productivity by allowing business to create new technologies. Growing Australia's digital economy will also benefit developed sectors including the transport, mining, aviation and construction sectors.

More accurate GPS can improve transport logistics, surveying, agriculture and marine navigation. For example, GPS technology can help logistics companies plan supply movements more efficiently, minimising the time vehicles are left idling between assignments.



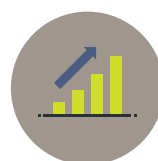
Building research infrastructure



Cheaper goods and services



Better outcomes for consumers



Boosting economic growth



More job opportunities

# New opportunities for Australian industry

Building the industries and jobs Australia needs to compete

The Government is opening up opportunities for Australians to participate in new types of work, create new products and services and access new export markets.

## Promoting and growing FinTech

The Australian FinTech sector will be supported through additional funding to promote Australia as a global FinTech leader and the recent signing of the UK-Australia FinTech Bridge. The Bridge will provide unique opportunities for Australian FinTech firms to grow and expand overseas and will foster closer collaboration between Australia and the UK.

## Giving consumers power over their data

The Government will legislate a Consumer Data Right to give Australians greater control over their data.

This will revolutionise the provision of data services by giving Australians the ability to take control of their personal data and share it safely with trusted and accredited service providers.

Banking will be the first industry to adopt the Consumer Data Right, followed by energy and telecommunications, before it is rolled out to other industries economy-wide. The Consumer Data Right will support the creation of new, more competitive products and services, and create jobs.

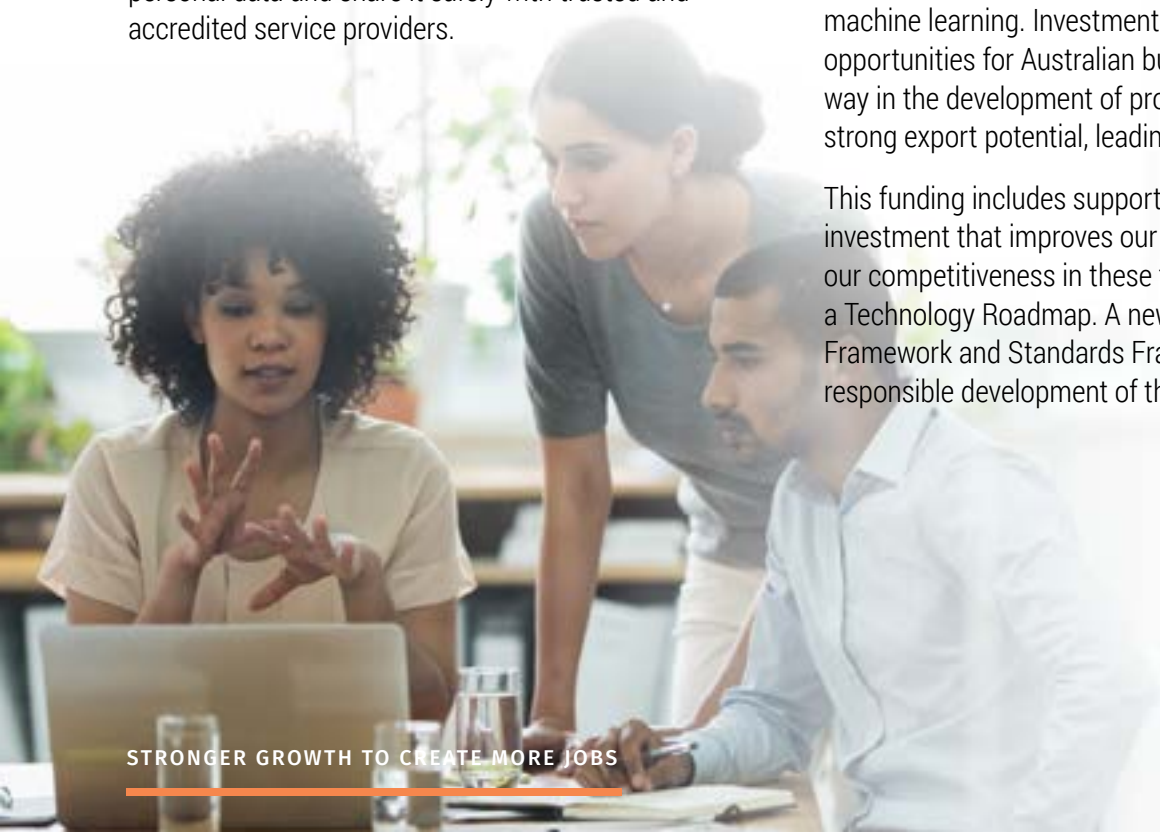
## Developing Australia's space industry

The Government will provide \$26 million to establish a national space agency to drive investment, create jobs and continue Australia's participation in the global space economy. A \$15 million International Space Investment will provide grants to strategic space projects that generate employment and business opportunities for Australians.

## Building Australia's artificial intelligence capability

The Government is providing \$29.9 million to grow Australia's capabilities in artificial intelligence (AI) and machine learning. Investment in AI offers significant opportunities for Australian businesses to lead the way in the development of products and services with strong export potential, leading to more local jobs.

This funding includes support for planning future investment that improves our expertise and maintains our competitiveness in these technologies through a Technology Roadmap. A new national Ethics Framework and Standards Framework will guide the responsible development of these technologies.



# Backing our farmers

Improving Australia's agricultural competitiveness and access to export markets

## New export opportunities

Australian farmers are benefiting from the Government's export trade deals with China, Japan and South Korea. Australia's total agricultural exports increased by 27 per cent between 2012-13 and 2016-17. Farmers will further benefit from the Trans-Pacific Partnership.

Australia's expert agricultural trade counsellors in our key export countries help farmers navigate the rules in these markets. Building on this successful initiative from the Agricultural Competitiveness White Paper, this Budget provides \$51.3 million to expand our network of agricultural trade counsellors in Asia, Europe and Latin America.

Extending the Indonesia-Australia Red Meat and Cattle Partnership with \$3.6 million over five years will continue to strengthen our beef exports to Indonesia.

## Helping farmers remain competitive

This Budget includes \$6.3 million to extend funding to give farmers access to a broader range of agricultural and veterinary chemicals. This will ensure continued collaboration between growers, chemical manufacturers and rural research and development corporations.

A further \$4.7 million will improve the collection of agricultural labour force data to better understand the skills and labour gaps that farm businesses face.

## Better GPS and satellite data to improve farm performance

\$225 million for better GPS technology will enable farmers to access precision agricultural technologies that allow them to more accurately sow seeds in between rows of harvested crops and manage the distribution of water, fertiliser and herbicides. These technologies will help farmers improve productivity and yields, reduce agricultural waste and chemical run-off and avoid having to overwork the soil.

The Government is also investing \$36.9 million to provide greater access to reliable, standardised satellite data that identify physical changes to the Australian environment. This will help Australian agricultural, mining and marine industries improve their efficiency, reduce waste and improve environmental management practices.

The Bureau of Meteorology's technology platform will be upgraded to ensure farmers can continue to receive the essential weather information they need.





## Securing Australia's valuable biosecurity status

Australia's world-leading biosecurity system helps our farmers maintain a competitive advantage in the global marketplace and is critical to protecting Australia's \$48.7 billion in agricultural exports. This Budget provides an additional \$102 million for our biosecurity system, which will:

- strengthen our biosecurity enforcement capacity
- trial new diagnostic technologies for a seamless border process
- build our capacity to respond to pest and disease incursions.

The Government is also funding the fight against some of Australia's most costly and damaging weeds and pests. A \$20 million injection will help manage the fruit fly outbreak in northern Tasmania. A further \$6.6 million for research and development and key infrastructure will help combat pest animals and weeds.

## Securing water infrastructure

The Government is allocating funding to projects to assist farmers by making irrigation systems more efficient, improving water quality and creating jobs.

- A \$140 million grant and \$50 million loan for Western Australia's Myalup-Wellington project.
- \$176 million towards building the Rookwood Weir in Queensland.
- \$25.3 million for Tasmania's Scottsdale Irrigation Scheme.
- \$11.6 million for Queensland's Mareeba Dimbulah Water Supply Scheme.
- \$3 million for Queensland's Nogoia MacKenzie Water Supply Scheme.



# Supporting regional jobs

Ensuring the benefits of our economic growth are shared across the country

## Building our regions

Regional Australia employs around one-third of Australia's workforce. In 2017, jobs growth outside our major cities outpaced regional population growth.

To secure ongoing growth and investment in rural and regional communities, the Government is providing \$200 million for a third round of the Building Better Regions Fund, which supports regional infrastructure and community investments. This is in addition to the Regional Growth Fund, which is investing \$272 million in larger regional infrastructure projects that support long-term economic growth and create jobs in regions undergoing structural adjustment.

Construction work on the \$9.3 billion Melbourne to Brisbane Inland Rail project will commence this year, supporting 16,000 jobs at the peak of construction.

## Growing the forestry industry

The 67,000 Australians currently working in the forest products sector will benefit from the development of a \$20 million National Forestry Industry Plan to drive growth in the renewable timber and wood fibre sectors.

## Protecting the Reef and tourism jobs

The World Heritage-listed Great Barrier Reef contributes \$6.4 billion to the economy, and supports 64,000 jobs and many small businesses across regional Australia.

The Government is investing more than \$500 million to secure the future of the Reef, including by improving water quality, combatting crown-of-thorns starfish and conducting scientific research. This investment will safeguard the Reef, support jobs and economic growth and protect one of our international icons.

## Supporting Australian film industry jobs

The Government will provide \$140 million to attract big budget film productions to Australia. The initiative will support local jobs in the film industry and related industries across the country and secure Australia's position as one of the world's leading film production destinations.





# Affordable, reliable and sustainable energy

Better energy for Australian consumers and businesses

The Government is ensuring the energy market delivers affordable, reliable and sustainable energy, which is essential to support Australians' standard of living and economic growth.

## The National Energy Guarantee

The National Energy Guarantee will deliver investment certainty, ensure the right electricity generation assets are built where they are needed, and drive down electricity prices. It will require electricity retailers to deliver on a reliability guarantee to ensure there is enough power to keep the lights on, and an emissions guarantee to help reduce emissions in line with our international commitments.

More affordable and reliable power will allow Australian businesses to invest with confidence and create more jobs.

## Securing gas for Australian businesses

The Government has secured agreement from major east coast gas exporters to ensure they offer sufficient gas to domestic users, before choosing to export. The Government is further promoting gas supply and improving the function of gas markets, and the ACCC has been directed to monitor the market. Government actions have helped reduce commercial gas price offers by half since early last year and to secure sufficient gas for businesses to grow and employ more Australians.

## Creating new jobs and opportunities

The game-changing Snowy Hydro 2.0 will provide 2,000 megawatts of additional electricity capacity and create around 5,000 jobs in the region during construction.

Image: Copyright Snowy Hydro Limited

# Busting congestion. Connecting our regions. Improving safety.

Investing in major transport infrastructure that grows the economy and create jobs

This Budget includes \$24.5 billion in funding for new major transport projects and initiatives that will benefit every State and Territory. These form part of the Government's \$75 billion transport infrastructure investment over the next decade.

The investment in road, rail and public transport projects will reduce congestion, keep our roads safe, connect people to jobs and get our produce to market.

The new major projects add to the more than 500 major projects the Government has funded across Australia since 2013.

## New national initiatives

The Government is establishing the \$3.5 billion Roads of Strategic Importance (RoSI) initiative. Under RoSI, funding will be provided to upgrade key freight routes to improve road safety and better connect key sectors, such as agriculture and mining, to export markets. RoSI includes \$400 million for roads in Tasmania, \$100 million for the Barton Highway that will benefit the Australian Capital Territory and New South Wales and \$1.5 billion for roads in Northern Australia, which will create hundreds of jobs, including for Indigenous Australians.

A \$1 billion Urban Congestion Fund will be established to bust congestion in cities, helping people get home safer and sooner.

The Government will provide \$250 million to a newly established Major Project Business Case Fund for development and planning of nationally significant projects.

The Government will also provide a further \$160 million to upgrade sections of Outback Way, taking total funding to \$330 million.

## New major projects

The Government is providing funding for new major projects including:

- in NSW, the Federal and New South Wales Governments will be equal partners in funding the first stage of the North South Rail Link in Western Sydney. The Government is providing \$971 million for the Pacific Highway Coffs Harbour Bypass, and \$400 million to duplicate the Port Botany Rail Line.
- in Victoria, a commitment of up to \$5 billion to the Melbourne Airport Rail Link and funding of \$1.75 billion for the North East Link.
- in Queensland, an additional \$3.3 billion for continuing upgrades of the Bruce Highway, including \$800 million for the Cooroy to Curra Section D project, and \$1 billion for the M1 Pacific Motorway between Eight Mile Plains and Daisy Hill and Varsity Lakes and Tugun.
- in Western Australia, a further \$1.05 billion for the METRONET rail project, \$944 million for the Perth congestion package and \$560 million for the Bunbury Outer Ring Road.
- in South Australia, \$1.4 billion for future priorities on the Adelaide North-South Road Corridor and \$220 million for the Gawler Rail Line electrification.



- in Tasmania, \$461 million for the replacement of the Bridgewater Bridge and an additional \$59.8 million for the second stage of the Tasmanian Freight Rail Revitalisation program.
- in the Australian Capital Territory, \$100 million for the Monaro Highway Upgrade.
- in the Northern Territory, \$180 million for the Central Arnhem Road Upgrade and \$100 million for the Buntine Highway Upgrade.

These add to major projects that the Government is currently funding including:

- \$5.6 billion for the Pacific Highway in New South Wales
- \$1.5 billion of funding and a \$2 billion concessional loan for the WestConnex project in Sydney
- \$2.9 billion for the Western Sydney Infrastructure Plan
- \$1.55 billion for the Victorian Regional Rail Package
- \$500 million for the M80 Ring Road and \$500 million for the Monash Freeway upgrade in Melbourne
- \$6.7 billion for the Bruce Highway and \$1.1 billion for the Toowoomba Second Range Crossing in Queensland
- \$1.6 billion for the North-South Corridor in South Australia
- \$1.3 billion for METRONET in Perth, including \$490 million for the Forrestfield Airport Link
- \$400 million for the Midland Highway in Tasmania

These projects are collectively supporting up to 50,000 jobs.

## Snowy Hydro purchase

The funding received by NSW and Victoria for their shares of Snowy Hydro – \$4.2 billion and \$2.1 billion respectively – will be invested into productive infrastructure in those States.

## Inland Rail

The Government is delivering the Melbourne to Brisbane Inland Rail project by providing \$9.3 billion. Preparatory work on Inland Rail is underway and construction is due to commence this year. Inland Rail will support an estimated 16,000 jobs during construction.

## Western Sydney Airport

The Government is providing an investment of up to \$5.3 billion in WSA Co to build Western Sydney Airport. Construction is due to commence this year and operations by 2026. Western Sydney Airport will support up to 28,000 jobs by 2031 and will drive an extra 200,000 jobs and industry across the Western Sydney region.

## Asset Recycling Initiative

The Government is providing over \$2.2 billion to New South Wales, the Northern Territory and the Australian Capital Territory under the Asset Recycling Initiative, which is expected to unlock over \$17 billion in infrastructure spending.

# Busting congestion. Connecting our regions. Improving safety.

## Major projects underway

### National projects

- **\$9.3 billion** Melbourne to Brisbane Inland Rail

### NSW

- **Up to \$5.3 billion** Western Sydney Airport
- **\$1.5 billion** of funding and a **\$2 billion** concessional loan for the WestConnex project in Sydney
- **\$2.9 billion** Western Sydney Infrastructure Plan

### VIC

- **\$500 million** M80 Ring Road
- **\$500 million** Monash Freeway Upgrade

### QLD

- **\$6.7 billion** Bruce Highway

### WA

- **\$1.3 billion** METRONET, including **\$490 million** for the Forrestfield Airport Link

### SA

- **\$1.6 billion** Adelaide North-South Corridor

### TAS

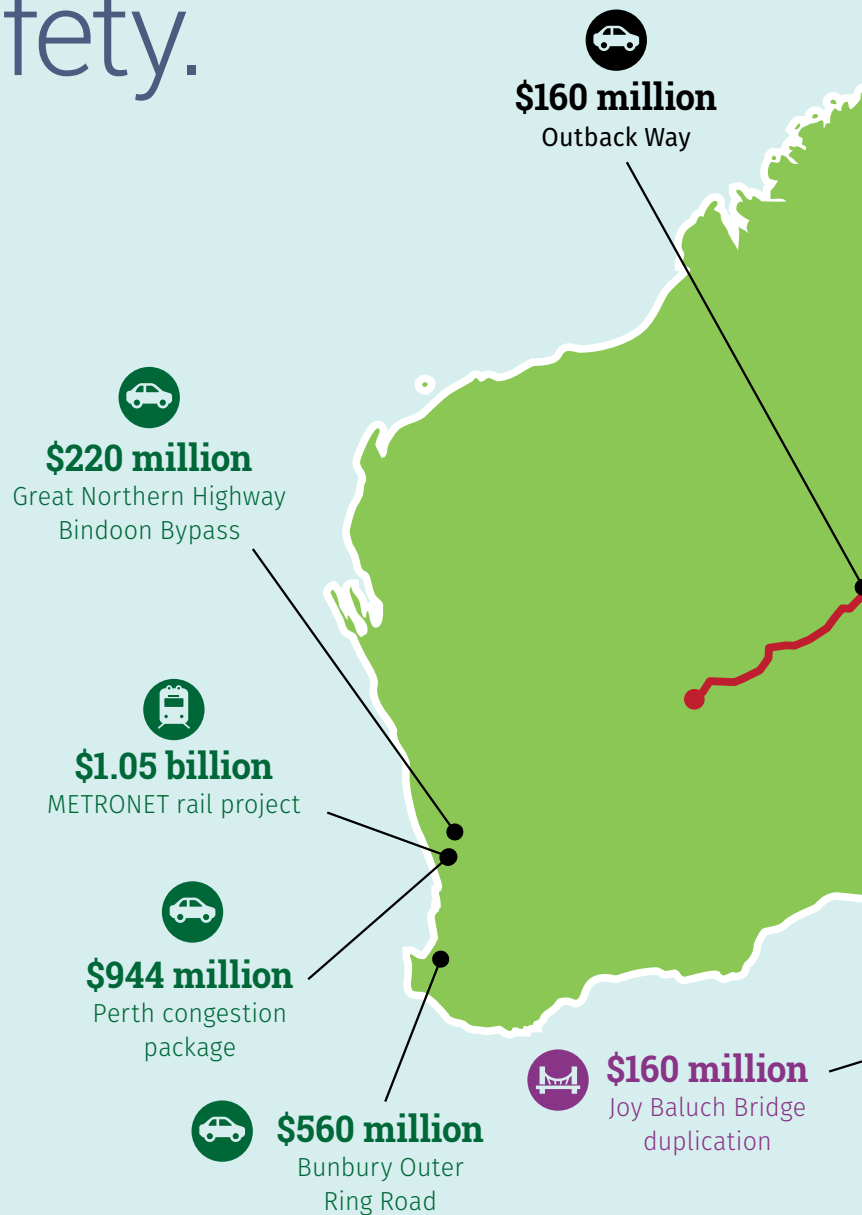
- **\$400 million** Midland Highway

### ACT

- **\$67 million** for Capital Metro under the Asset Recycling Initiative

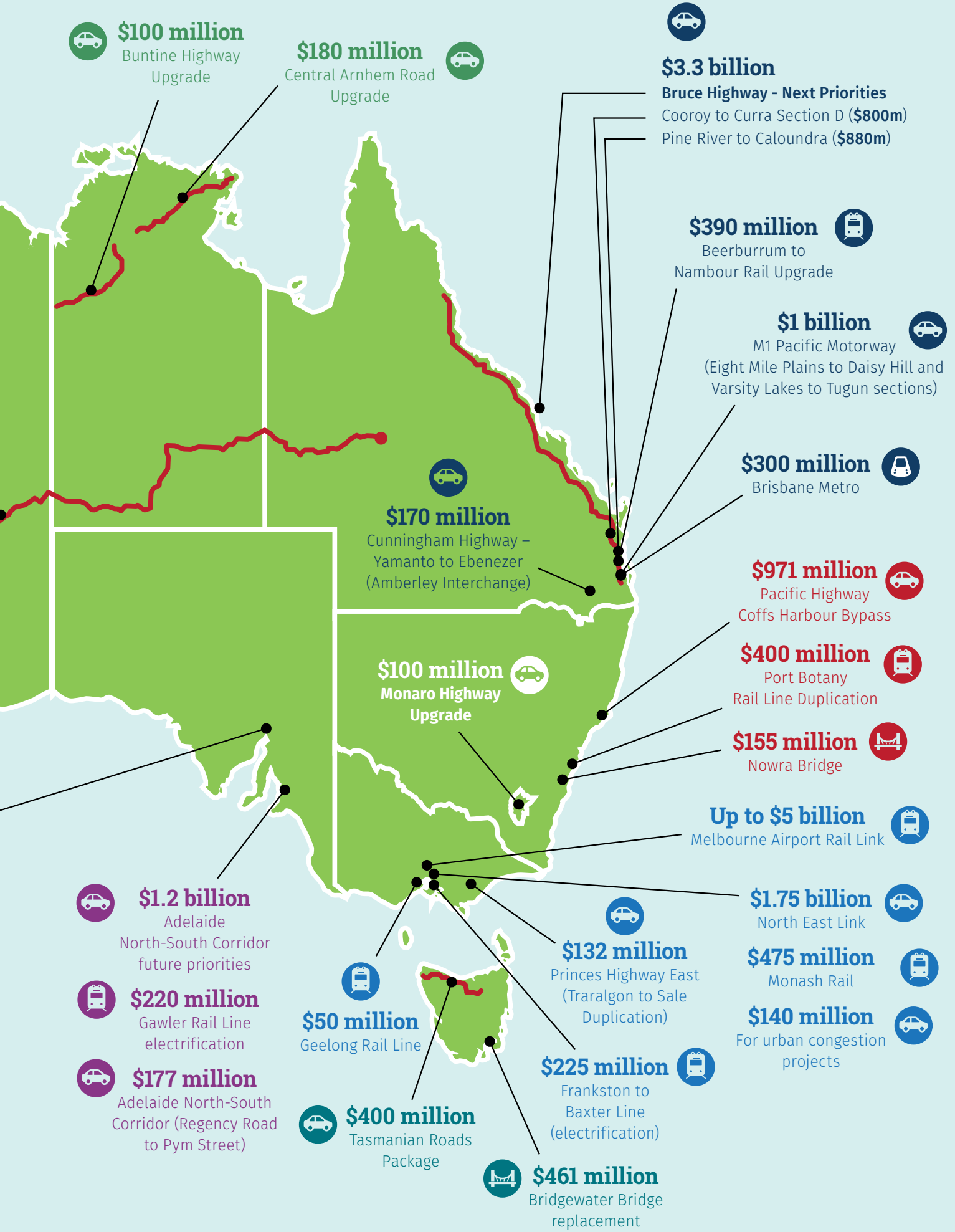
### NT

- **\$192 million** for the Northern Australia Roads Program



## New national initiatives

- Roads of Strategic Importance: **\$3.5 billion**, including **\$1.5 billion** for Northern Australia Package, **\$400 million** for Tasmanian Roads Package, **\$100 million** for NSW and ACT Barton Highway Corridor Package and **\$1.5 billion** for future national priorities
- **\$1 billion** Urban Congestion Fund
- **\$250 million** for Major Project Business Case Fund





# New South Wales

Building the Western Sydney Airport rail link, tackling congestion and improving safety

The Federal and New South Wales Governments will be equal partners in funding the first stage of the North South Rail Link in Western Sydney. The Australian Government is also committing \$1.5 billion to new major projects in New South Wales. In total, the Government has committed \$23.7 billion to land transport infrastructure projects in New South Wales.

## Western Sydney Infrastructure

The Federal and New South Wales Governments have committed up to \$50 million each to a business case to support the delivery of the first stage of a North South Rail Link from St Marys to Western Sydney Airport and surrounding areas.

This includes investigation of integrated transport and delivery options for a full North South Rail Link from Schofields to Macarthur and a South West Rail Link to connect Leppington to the Western Sydney Airport via an interchange at Badgerys Creek. The Federal and New South Wales Governments will be equal partners in funding the first stage of the North South Rail Link and have a shared objective to connect rail to Western Sydney Airport in time for opening, informed by the business case.

This Federal contribution will build on our significant infrastructure investment in Western Sydney that includes up to \$5.3 billion of equity to deliver Western Sydney Airport and funding of \$2.9 billion for better road linkages as part of the Western Sydney Infrastructure Plan.

## Pacific Highway Coffs Harbour Bypass

The Government is providing \$971 million for a Coffs Harbour Bypass on the Pacific Highway. The Bypass will reduce travel times and improve travel conditions for all road users. Approximately 15,000 vehicles currently travel through the CBD each day. This project will bypass 12 sets of traffic lights and improve safety and amenity for vehicles, pedestrians and cyclists. It is expected that over 10,000 jobs will be created to deliver this project.

## Port Botany Rail Duplication

Duplicating the Port Botany Rail Line between Mascot and Botany and building a passing loop at Cabramatta will increase capacity and encourage freight to shift from road to rail. This \$400 million investment will significantly reduce congestion, and improve safety and travel times for commuters on surrounding roads. Around 150 jobs will be created to deliver this project.

## Nowra Bridge

The Government is supporting the construction of a new bridge over the Shoalhaven River at Nowra. Our \$155 million investment will improve safety and travel times and reduce freight costs. It is expected that around 300 jobs will be created to deliver the project.

## Snowy Hydro purchase

New South Wales will invest the \$4.2 billion it receives for its share of Snowy Hydro into productive infrastructure.



# Victoria

Building the overdue Melbourne Airport Rail Link, busting congestion and improving passenger rail

The Government is committing \$7.8 billion to new major projects in Victoria. In total, the Government has committed \$17 billion to land transport infrastructure projects in Victoria. The Government also remains committed to provide \$3 billion towards the East West Link in Melbourne.

## Melbourne Airport Rail Link

The Government has committed up to \$5 billion to build the overdue Melbourne Airport Rail Link in partnership with the Victorian Government. This is the Government's single biggest infrastructure investment in the 2018-19 Budget.

The Tullamarine Freeway is the main road connection to the airport and is one of the most heavily congested roads in Melbourne. This project will link the Melbourne CBD and Tullamarine Airport, meeting growing passenger demand and busting congestion.

## North East Link

The Government is providing \$1.75 billion for the North East Link. This connection is a key missing link in Melbourne's outer metropolitan road network.

The project is expected to create around 10,000 jobs and save over 30 minutes travel time in each direction.

Combined with the \$3 billion for the East West Link and \$500 million each for Monash Freeway and the M80 Ring Road, the Government is investing \$5.75 billion towards key transport links in Melbourne.

## Monash Rail

The Government is providing \$475 million for planning and pre-construction works to help deliver better public transport in Melbourne's rapidly growing south east, including for the Monash education and employment precinct.

## Frankston to Baxter Line Electrification

The Government is providing \$225 million for the electrification of the Frankston Rail Line to Baxter. This will improve access to employment, education institutions and health facilities.

## Victorian Congestion Package

The Government is committing an additional \$140 million for projects that will ease urban congestion, increasing the total commitment for urban congestion projects to \$295 million.

## Princes Highway duplication

The Government is providing \$132 million to complete the duplication from Traralgon to Sale.

## Geelong Line improvements

The Government is providing an additional \$50 million to support the duplication of the Geelong Rail Line between South Geelong and Waurin Ponds.

## Avalon Airport

The Government is providing \$20 million to support the establishment of international services at the Avalon Airport.

## Snowy Hydro purchase

Victoria will invest the \$2.1 billion it receives for its share of Snowy Hydro into productive infrastructure.



# Queensland

## Investing more in priority Bruce Highway upgrades, the M1 and South East Queensland public transport

The Government is committing \$5.2 billion to new major projects in Queensland. In total, the Government has committed \$20.4 billion to land transport infrastructure projects in Queensland.

### Bruce Highway

The Government is providing a further \$3.3 billion for additional upgrades along the Bruce Highway, increasing the Government's total investment to \$10 billion. This new investment will provide for additional projects along the Bruce Highway corridor including the Cooroy to Curra Section D and Pine River to Caloundra sections.

Work on the Bruce Highway is supporting around 2,400 jobs and is addressing congestion and improving safety and flood resilience.

### M1 Pacific Motorway

A \$1 billion boost to the M1 Pacific Highway between Eight Mile Plains and Daisy Hill, and Varsity Lakes and Tugun, will address congestion and improve safety between Brisbane and the Gold Coast. This takes our total investment in the M1 to \$1.2 billion.

### Beerburrum to Nambour Rail Upgrade

The Government is providing \$390 million to duplicate the North Coast Line between Beerburrum and Landsborough and provide a range of upgrades

between Landsborough and Nambour. These upgrades will reduce pressure on the Bruce Highway and increase travel reliability for rail passengers. The project will nearly double freight rail capacity and allow for future transport improvements across the Sunshine Coast.

### Brisbane Metro

A \$300 million investment in the Brisbane Metro project will provide more public transport services between Eight Mile Plains and the Roma Street Busway and between the Royal Brisbane and Women's Hospital and the University of Queensland. Passengers will experience faster and more reliable travel times and more frequent services.

### Cunningham Highway – Yamanto to Ebenezer (Amberley Interchange)

A \$170 million contribution for the Cunningham Highway linking the Darling Downs and Ipswich will improve travel reliability and reduce congestion. Major stages of the project include a realignment of the highway between Yamanto and Ebenezer Creek and an upgrade of the Cunningham highway and Ipswich-Rosewood road interchange.

### Roads of Strategic Importance

Queensland will also receive additional funding through the \$1.5 billion for Northern Australia roads under RoSI, along with the Northern Territory and Western Australia.





# Western Australia

## More funding for METRONET, a Perth congestion package and improving safety on regional roads

The Government is committing \$2.8 billion to new major projects in Western Australia. In total, the Government has committed \$9.8 billion to land transport infrastructure projects in Western Australia. The Government also remains committed to provide \$1.2 billion towards the Perth Freight Link.

### METRONET

The Government is investing a further \$1.05 billion in the METRONET rail project, increasing the Government's total funding to more than \$2.3 billion. METRONET will support around 17,000 jobs over the life of the project.

Our additional investment will provide for future stages of METRONET, including \$500 million for the Morley-Ellenbrook Line, \$241 million for the extension of the Armadale Line to Byford, \$83 million for the relocation of Midland Station, \$2 million for the Lakelands business case and \$226 million for other METRONET projects.

METRONET will improve transport connections for the outer suburbs and alleviate pressure on Perth's transport network and will underpin the Perth City Deal. The City Deal is designed to leverage the transformative investment in METRONET to deliver city shaping reforms.

### Perth Congestion Package

The Government is providing \$944 million for a Perth congestion package. The package includes \$581 million for the Tonkin Highway. It is expected that the package will create over 7,000 jobs.

### Bunbury Outer Ring Road

The Government is providing \$560 million in funding for the Bunbury Outer Ring Road. Completing the remaining two stages from the South Western Highway to the Bussell Highway and from the Perth-Bunbury Highway to near Picton Boyanup Road will significantly reduce travel times for commuters.

### Roads of Strategic Importance

The Government is providing \$220 million for the Great Northern Highway Bindoon Bypass under the Roads of Strategic Importance initiative.

The existing alignment of the Great Northern Highway passes through the town of Bindoon with steep grades on approach, creating significant challenges for large trucks. The project will improve safety and freight productivity and provide the final link in the upgrade of the Great Northern Highway.

Western Australia will also receive additional funding through the \$1.5 billion for Northern Australia roads under RoSI, along with the Northern Territory and Queensland.



# South Australia

Additional funding to tackle congestion, improve safety and upgrade rail

The Government is committing \$1.8 billion to new major projects in South Australia. In total, the Government has committed \$5.2 billion to land transport infrastructure projects in South Australia.

## North-South Road Corridor

The Government is providing a total of \$1.4 billion for priority North-South Road Corridor projects, including \$177 million for the Regency Road to Pym Street upgrade.

The Regency Road to Pym Street upgrade will complete a continuous section between Gawler and the River Torrens, decreasing travel times and increasing the productivity of freight movements.

This brings funding for the North-South Corridor to \$3 billion.

## Gawler Rail Line Electrification

Current services on the Gawler Rail Line are reaching capacity and will be unable to support future demand. We are providing \$220 million for the Gawler Rail Line electrification. The electrification from Salisbury to Gawler will enable a faster and more reliable rail service.

## Joy Baluch Bridge

The Government will provide \$160 million for the Joy Baluch Bridge. This Port Augusta bridge duplication project will improve safety for the community.



# Tasmania

## Replacing the Bridgewater Bridge and investing in safety upgrades

The Government is committing \$921 million to new major projects in Tasmania. In total, the Government has committed \$2.2 billion to land transport infrastructure projects in Tasmania.

### **Bridgewater Bridge Replacement**

The Bridgewater Bridge on the Midland Highway is the gateway to Hobart, providing a vital access point over the Derwent River. The existing bridge needs replacement to remove severe blockages and constraints on the Midland Highway leading into Hobart. The Government is providing \$461 million to construct a new four-lane bridge to cross the Derwent River, cutting the travel time into Hobart and reducing freight costs.

This builds on an existing \$400 million commitment to the Midland Highway.

### **Roads of Strategic Importance**

The Roads of Strategic Importance initiative includes a \$400 million package of targeted works in Tasmania. The package will improve the efficiency and safety of the important Bass Highway corridor, Tasmania's key freight route. Improvements will include the upgrade of key intersections, widening works and the provision of overtaking lanes.

### **Tasmanian Freight Rail Revitalisation Program**

The Government is providing an additional \$59.8 million for the Tasmanian Freight Rail Revitalisation program, increasing our funding to \$120 million, which is being matched by the Tasmanian Government. The joint program will upgrade priority sections of the rail network and improve the state's rail capacity to deliver freight safely and on time.



# Australian Capital Territory and the Northern Territory

Targeted highway upgrades to improve safety

## AUSTRALIAN CAPITAL TERRITORY

The Government is committing \$200 million for new major projects in the Australian Capital Territory and surrounds. In total, the Government has committed \$617 million to land transport infrastructure projects in the Australian Capital Territory.

### Monaro Highway Upgrade

The Government is providing \$100 million to improve safety and reduce congestion on the Monaro Highway.

### Roads of Strategic Importance

The Government will also allocate \$100 million to upgrade the Barton Highway corridor, benefitting the Australian Capital Territory and New South Wales under RoSI. This brings the total investment in the Barton Highway to \$150 million.

## NORTHERN TERRITORY

The Government is committing \$280 million to new major projects in the Northern Territory. In total, the Government has committed \$1.4 billion to land transport infrastructure projects in the Northern Territory.

### Central Arnhem Road Upgrade

The Government is providing \$180 million to progressively upgrade the route to a two-lane sealed road. This will provide better access to healthcare, education and job opportunities all year round and improve freight transportation.

### Buntine Highway Upgrade

The Government is providing \$100 million to progressively upgrade the highway to a two-lane sealed road. This will strengthen links to markets and reduce freight costs for cattle properties that use the Buntine Highway.

### Roads of Strategic Importance

The Northern Territory will receive additional funding from the \$1.5 billion for Northern Australia roads under RoSI, along with Queensland and Western Australia.