



Budget

October
2022-23

FEDERAL FINANCIAL RELATIONS BUDGET PAPER NO. 3

Circulated by

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Treasurer of the Commonwealth of Australia

and

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Minister for Finance, Minister for Women, Minister for the Public Service
of the Commonwealth of Australia

For the information of honourable members
on the occasion of the Budget 2022-23

25 October 2022

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ISSN 0728 7194 (print); 1326 4133 (online)

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Foreword

This Budget Paper presents information on the Australian Government's financial relations with state, territory and local governments.

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Part 1: Australia's Federal Relations

Overview

In 2022–23, the Australian Government will provide state and territory governments (states) with \$170.2 billion in total payments, including payments of \$81.8 billion for specific purposes like schools and hospitals, and general revenue assistance of \$88.5 billion.

Through its payments to the states, the Australian Government is:

- contributing \$118.7 billion from 2022–23 to 2025–26 for public health and hospital services, including \$1.8 billion for continuing COVID-19 support to 31 December 2022
- providing \$59.5 billion from 2022–23 to 2025–26 to invest in nation-building infrastructure
- investing \$115.1 billion in Quality Schools funding from 2022–23 to 2025–26, with an additional \$265.0 million for the new Schools Upgrade Fund and \$192.0 million for the Student Wellbeing Boost
- providing \$1.7 billion from 2022–23 to 2025–26 to preschools
- delivering 480,000 fee-free TAFE places over 4 years, beginning with 180,000 fee-free TAFE places in 2023 through its contribution of \$550.1 million to the 12-Month Skills Agreement
- permanently boosting the size of the GST pool that is distributed among the states each year. From 2021–22, the Australian Government will inject \$600.0 million annually into the GST pool, followed by a further \$250.0 million annually from 2024–25, with this amount to grow each year in line with the underlying growth of the GST
- providing an estimated \$15.7 billion in horizontal fiscal equalisation (HFE) transition payments from 2022–23 to 2025–26 to support the transition to the new HFE system.

Box 1.1: Fiscal positions and pressures across the federation

Fiscal positions for the Commonwealth and states were significantly weakened by the COVID-19 pandemic, associated health restrictions and the significant fiscal policy response that was required to protect the health and economy of the nation.

Even as fiscal positions are recovering from the worst period of the COVID-19 pandemic, all governments face shared risks from rising debt servicing costs and long-term spending pressures associated with an ageing population and rising community expectations.

Over coming years, while state budgets are on a trajectory towards balance, the Commonwealth budget is not projected to return to balance in the medium term.

In 2022–23, the estimated aggregate fiscal balance for states is a deficit of 2.0 per cent of GDP, while the Commonwealth’s fiscal deficit is 1.6 per cent of GDP.

By 2025–26, the estimated aggregate state fiscal balance is a deficit of 0.3 per cent of GDP. The Commonwealth’s expected fiscal deficit is 1.9 per cent of GDP.

As a share of revenue, the estimated aggregate state fiscal balance will improve from a deficit of 14.7 per cent in 2022–23 to a deficit of 2.5 per cent in 2025–26; whereas the Commonwealth fiscal balance as a share of revenue will move from a deficit of 7.2 per cent in 2022–23 to a deficit of 8.4 per cent in 2025–26.

The significant deficits of 2019–20 and 2020–21 mean that debt has increased markedly across both levels of government since the pandemic began.

Commonwealth net debt has increased from 19.2 per cent of GDP in 2018–19 and is forecast to reach 28.5 per cent of GDP by 2025–26. Total state net debt has increased from 1.8 per cent of GDP in 2018–19 and is forecast to reach 14.6 per cent of GDP by 2025–26.

As a share of revenue, total state net debt has increased from 12.9 per cent in 2018–19 and is expected to reach 105.9 per cent by 2025–26. Commonwealth net debt has increased from 87.7 per cent of revenue in 2018–19 and is forecast to peak at 128.8 per cent of revenue in 2025–26.¹

Commonwealth spending as a share of the economy will remain at a higher level than prior to the pandemic, with total payments having risen from 24.6 per cent of GDP in 2018–19 and expected to increase to 27.9 per cent of GDP by the end of the medium term.

continued on next page

¹ Commonwealth revenue excludes GST.

Box 1.1: Fiscal positions and pressures across the federation (continued)

This is partly due to stronger than expected growth in spending arising from the National Disability Insurance Scheme (NDIS), aged care, public hospitals and the Medicare Benefits Schedule, defence, age pension, and interest payments. For example, Commonwealth payments for NDIS supports are expected to have an average annual growth rate of 13.8 per cent between 2022–23 and 2032–33.

Across the states, there are also fiscal pressures. Fiscal impacts differ across states based on factors such as remoteness, variations in population needs and demands for government services and policy priorities, against a backdrop of rising service demand overall.

Both levels of government are likely to face shared major challenges in the health and care sectors in the near to medium term. Ongoing workforce shortages and wage pressure will also be significant factors at play. These areas of fiscal pressure require ongoing collaboration and a focus on shared objectives and interconnected solutions given the joint roles and responsibilities as well as shared ambitions to improve fiscal positions over the medium term.

Australian Government funding to the states

The Australian Government provides substantial funding to the states in key sectors such as health, education, community services and infrastructure, and supports important productivity-enhancing projects and reforms, such as the Schools Upgrade Fund and access to fee-free TAFE. In addition, the Australian Government provides general revenue assistance that states can spend according to their own budget priorities.

The states are estimated to receive total Australian Government payments of \$170.2 billion in 2022–23.

Payments to the states in 2022–23 are estimated to be 26 per cent of total Australian Government expenditure and 6.9 per cent of GDP.

Payments for specific purposes

In 2022–23, the Australian Government will provide the states with \$81.8 billion in payments for specific purposes. This represents a decrease of \$4.6 billion or 5.3 per cent compared with 2021–22 due to the unwinding of temporary COVID-19 support measures (particularly joint Commonwealth-state funded business support) and the bring-forward of financial assistance grants for local government. Payments for specific purposes are estimated to make up 13 per cent of total Australian Government expenditure in 2022–23 and be 3.3 per cent of GDP.

National Specific Purpose Payments (National SPPs), National Health Reform, the National Housing and Homelessness Agreement and Quality Schools funding are expected to total \$58.4 billion in 2022–23.

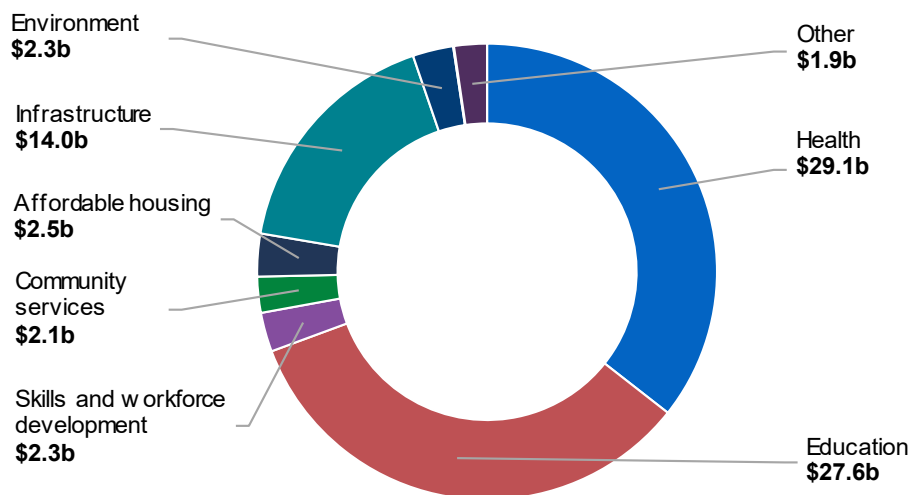
National Partnership payments are expected to be \$23.4 billion in 2022–23.

Chart 1.1 shows estimated specific purpose payments to the states in 2022–23 by sector.

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

The conditions for payments to states for specific purposes are documented in agreements between the Commonwealth and the states. The Federation Funding Agreement (FFA) Framework sets out the governance arrangements for these agreements. Further information on the FFA Framework can be found on the Federal Financial Relations website at www.federalfinancialrelations.gov.au.

Chart 1.1: Payments for specific purposes 2022–23, by sector



General revenue assistance

General revenue assistance, which principally comprises the states' GST entitlement, provides untied funding to support the states' delivery of services.

In 2022–23, the states are expected to receive \$88.5 billion in general revenue assistance, including \$83.1 billion for the GST entitlement. General revenue assistance to the states is estimated to represent 14 per cent of total Australian Government expenditure in 2022–23 and be 3.6 per cent of GDP.

Part 3 of this Budget Paper contains further details of general revenue assistance to the states.

Payments to the states

Total Australian Government payments to the states are shown in Table 1.1 and as a proportion of GDP in Table 1.2.

Table 1.1: Australian Government payments to the states, 2022–23 to 2025–26

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23									
Payments for specific purposes(a)	23,320	19,014	16,908	9,911	5,721	2,143	1,256	1,896	81,788
GST-related payments(b)	26,204	19,397	18,510	6,228	7,797	3,493	1,692	3,976	87,297
Other general revenue assistance	-	-	-	1,112	-	-	42	-	1,155
Total payments to the states	49,524	38,411	35,418	17,251	13,518	5,635	2,990	5,872	170,239
2023-24									
Payments for specific purposes(a)	23,886	19,126	18,095	9,774	5,815	2,177	1,344	1,829	83,467
GST-related payments(b)	27,091	20,186	19,232	6,482	8,071	3,621	1,757	4,141	90,582
Other general revenue assistance	-	-	-	923	-	-	44	-	966
Total payments to the states	50,977	39,312	37,328	17,178	13,886	5,797	3,145	5,970	175,015
2024-25									
Payments for specific purposes(a)	24,698	19,679	18,908	9,302	5,640	2,031	1,309	1,683	83,956
GST-related payments(b)	27,825	20,866	19,816	7,177	8,282	3,719	1,815	4,262	93,762
Other general revenue assistance	-	-	-	756	-	-	45	-	801
Total payments to the states	52,523	40,545	38,724	17,235	13,923	5,750	3,168	5,945	178,519
2025-26									
Payments for specific purposes(a)	24,900	20,779	19,735	8,646	5,746	2,019	1,337	1,511	85,140
GST-related payments(b)	28,215	21,206	20,212	7,525	8,463	3,837	1,862	4,456	95,776
Other general revenue assistance	-	-	-	606	-	-	45	-	651
Total payments to the states	53,115	41,986	39,947	16,777	14,209	5,856	3,244	5,966	181,567

- a) State allocations for a number of programs have not yet been determined. These payments are not reflected in state totals. As a result, total payments for specific purposes may not equal the sum of the state figures.
- b) Includes GST entitlement and HFE transition payments. State allocations are dependent upon the GST revenue sharing relativities for each financial year. They are calculated using the Commonwealth Grants Commission's 2022–23 GST relativities as the starting point. The estimates do not reflect any attempt to project future GST relativities or GST entitlements. See Part 3 for further information.

Table 1.2: Total Australian Government payments to the states as a proportion of GDP

\$million	2022-23	2023-24	2024-25	2025-26
<i>Payments for specific purposes</i>				
National SPPs	1,608	1,661	1,694	1,724
National Health Reform funding	28,367	28,325	30,030	31,982
Quality Schools funding	26,787	28,286	29,462	30,587
National Housing and Homelessness funding	1,646	1,630	1,661	1,689
National Partnership payments	23,379	23,565	21,109	19,157
Total payments for specific purposes	81,788	83,467	83,956	85,140
Per cent change from previous year	-5.3	2.1	0.6	1.4
Per cent of GDP	3.3	3.4	3.3	3.2
<i>General revenue assistance</i>				
GST-related payments(a)	87,297	90,582	93,762	95,776
Other general revenue assistance	1,155	966	801	651
Total general revenue assistance	88,451	91,548	94,562	96,427
Per cent change from previous year	14.1	3.5	3.3	2.0
Per cent of GDP	3.6	3.7	3.7	3.6
Total payments to the states	170,239	175,015	178,519	181,567
Per cent change from previous year	3.9	2.8	2.0	1.7
Per cent of GDP	6.9	7.1	7.0	6.7

a) Includes GST entitlement and HFE transition payments.

Chart 1.2: Total Australian Government payments to the states, 2022–23

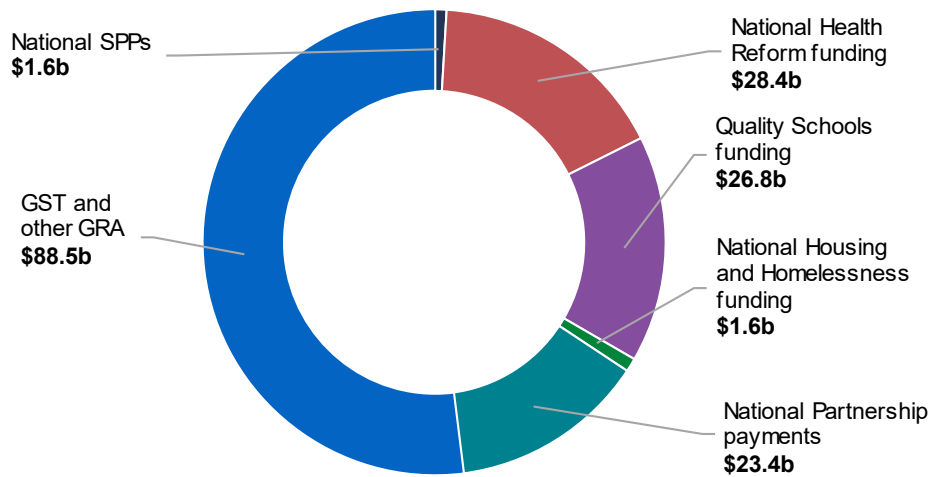


Table 1.3 provides information on the Australian Government’s financial contributions to state expenditure in key sectors in 2020–21 (the latest year for which there are data to enable this calculation). It shows that Australian Government financial assistance in 2020–21 effectively supported 46 per cent of states’ expenditure. This percentage of financial assistance to the states has largely remained constant over time.

Table 1.3: Australian Government’s contribution to state expenditure

2020-21	Australian Government tied payments (\$million)	State spending supported by general revenue assistance (b) (\$million)	Total state spending (\$million)	State spending supported by Australian Government payments (per cent)
Health	25,838	21,250	94,214	50.0
Education	24,834	11,358	61,382	59.0
Housing and community amenities	3,137	1,634	8,395	56.8
Transport	8,606	7,501	32,742	49.2
Social protection	1,862	8,341	28,701	35.5
Other functions (a)	4,608	25,014	85,095	34.8
Payments for specific purpose	68,885			
General revenue assistance		75,097		
Total			310,529	46.4

Source: Australian Bureau of Statistics, Government Finance Statistics 2020–21; and Australian Government, Final Budget Outcome 2020–21.

Note: Australian Government payments to the states in 2020–21 is unavailable on an ABS Classification of the Functions of Government (COFOG-A) basis. These payments have been adjusted to align with COFOG-A.

- a) “Other functions” includes additional functions not elsewhere itemised.
- b) General Revenue Assistance (GRA) is provided to the states without conditions to spend according to their own budget priorities. For illustrative purposes, GRA is allocated to expense functions based on the ratio of discretionary spending in each function as a share of states’ total discretionary spending.

Measures affecting payments to the states

Table 1.4 lists measures in the 2022–23 *October Budget* that affect payments to the states. Details of the measures are available in Budget Paper No. 2, *Budget Measures October 2022–23*, arranged by portfolio. Information on the payments affected is available in Parts 2 and 3 of this Budget Paper.

Table 1.4: Measures affecting payments to the states

Payment	Section of Budget Paper 3	Measure title	Section of Budget Paper 2
COVID-19 public health response	Part 2 – Health	COVID-19 Package – hospitals and emergency response	Payments – Health and Aged Care
COVID-19 public health response	Part 2 – Health	COVID-19 Package – vaccines and treatments	Payments – Health and Aged Care
Reducing stillbirths	Part 2 – Health	Strengthening Women’s Health During Pregnancy – stillbirth autopsies	Payments – Health and Aged Care
Urgent Care Clinics	Part 2 – Health	Urgent Care Clinics	Payments – Health and Aged Care
World-class newborn bloodspot screening program	Part 2 – Health	Expanding Newborn Screening – world-class newborn bloodspot screening programs	Payments – Health and Aged Care
Bentley Hospital Surgicentre	Part 2 – Health	Bentley Surgicentre	Payments – Health and Aged Care
Child Development Unit at Campbelltown Hospital	Part 2 – Health	Responsible Investment to Grow Our Regions	Payments – Infrastructure, Transport, Regional Development, Communications, and the Arts
Comprehensive Cancer Centres	Part 2 – Health	Comprehensive Cancer Centres	Payments – Health and Aged Care
Expansion of the Flinders Medical Centre	Part 2 – Health	Flinders Medical Centre	Payments – Health and Aged Care
Health and Medical Research Centre for Launceston	Part 2 – Health	Improving Primary Care in Rural and Regional Australia	Payments – Health and Aged Care
Supporting Palliative Care in Launceston	Part 2 – Health	Improving Primary Care in Rural and Regional Australia	Payments – Health and Aged Care
Expansion of the John Flynn Prevocational Doctor Program	Part 2 – Health	Rural and Regional Health	Payments – Health and Aged Care
Registration Scheme for Personal Care Workers	Part 2 – Health	Fixing the Aged Care Crisis	Payments – Health and Aged Care

Table 1.4: Measures affecting payments to the states (continued)

Payment	Section of Budget Paper 3	Measure title	Section of Budget Paper 2
Consent and respectful relationships education	Part 2 – Education	Consent and Respectful Relationships Education	Payments – Education
Schools Upgrade Fund – Round 1	Part 2 – Education	Schools Upgrade Fund	Payments – Education
Schools Upgrade Fund – Round 2	Part 2 – Education	Schools Upgrade Fund	Payments – Education
Student Wellbeing Boost	Part 2 – Education	Student Wellbeing Boost	Payments – Education
12-Month Skills Agreement (including TAFE Technology Fund)	Part 2 – Skills and workforce development	Vocational Education – fee-free TAFE and TAFE Technology Fund	Payments – Employment and Workplace Relations
Fee-free TAFE from 2024	Part 2 – Skills and workforce development	Vocational Education – fee-free TAFE and TAFE Technology Fund	Payments – Employment and Workplace Relations
Resources Centre of Excellence	Part 2 – Skills and workforce development	Responsible Investment to Grow Our Regions	Payments – Infrastructure, Transport, Regional Development, Communications, and the Arts
Innovative approaches to addressing perpetrator behaviour	Part 2 – Community services	Women’s Safety	Payments – Social Services
Family, domestic and sexual violence frontline and community sector workers	Part 2 – Community services	Women’s Safety – 500 community workers	Payments – Social Services
Housing and essential services on Northern Territory Homelands	Part 2 – Affordable housing	Restoring Funding for Homelands	Payments – Prime Minister and Cabinet
Infrastructure Investment Program(a)	Part 2 – Infrastructure	Building a Better Future through considered Infrastructure Investment	Payments – Infrastructure, Transport, Regional Development, Communications, and the Arts
Cairns Regional Development	Part 2 – Infrastructure	Responsible Investment to Grow Our Regions	Payments – Infrastructure, Transport, Regional Development, Communications, and the Arts
Local Roads and Community Infrastructure	Part 2 – Infrastructure	Building a Better Future through considered Infrastructure Investment	Payments – Infrastructure, Transport, Regional Development, Communications, and the Arts
National Water Grid Fund	Part 2 – Infrastructure	Government Spending Audit – National Water Grid Fund – responsible investment	Payments – Climate Change, Energy, the Environment and Water

Table 1.4: Measures affecting payments to the states (continued)

Payment	Section of Budget Paper 3	Measure title	Section of Budget Paper 2
National Water Grid Fund	Part 2 – Infrastructure	National Water Grid – delivering commitments	Payments – Climate Change, Energy, the Environment and Water
Bolstering Australia's Biosecurity System – Protecting Australia from escalating exotic animal disease risks	Part 2 – Environment	Bolstering Australia's Biosecurity System – protecting Australia from escalating exotic animal disease risks	Payments – Agriculture, Fisheries and Forestry
Community Solar Banks Program	Part 2 – Environment	Powering Australia – Solar Banks	Payments – Climate Change, Energy, the Environment and Water
Disaster Ready Fund	Part 2 – Environment	Disaster Ready Fund	Payments – Home Affairs
Improving Compliance in the Murray-Darling Basin	Part 2 – Environment	Murray–Darling Basin – compliance and science	Payments – Climate Change, Energy, the Environment and Water
Investing in Australia's Indigenous Culture and World Heritage	Part 2 – Environment	Investing in Australia's Indigenous Culture and World Heritage	Payments – Climate Change, Energy, the Environment and Water
Marine Parks Management – Northern Territory Marine Parks	Part 2 – Environment	Marine Parks Management	Payments – Climate Change, Energy, the Environment and Water
On-farm emergency water infrastructure rebate scheme	Part 2 – Environment	Water for Australia Plan	Payments – Climate Change, Energy, the Environment and Water
Paddock to Reef Monitoring	Part 2 – Environment	Reef 2050 Long-term Sustainability Plan – implementation	Payments – Climate Change, Energy, the Environment and Water
Sustainable Fisheries	Part 2 – Environment	Reef 2050 Long-term Sustainability Plan – implementation	Payments – Climate Change, Energy, the Environment and Water
Strengthen Australia's frontline biosecurity capability and domestic preparedness	Part 2 – Environment	Bolstering Australia's Biosecurity System – protecting Australia from escalating exotic animal disease risks	Payments – Agriculture, Fisheries and Forestry
Sustainable rural water use and infrastructure program	Part 2 – Environment	Murray-Darling Basin – delivering on water commitments	Payments – Climate Change, Energy, the Environment and Water
Urban Rivers and Catchments Program	Part 2 – Environment	Urban Rivers and Catchments Program	Payments – Climate Change, Energy, the Environment and Water

Table 1.4: Measures affecting payments to the states (continued)

Payment	Section of Budget Paper 3	Measure title	Section of Budget Paper 2
Yellow crazy ant control	Part 2 – Environment	Saving Native Species	Payments – Climate Change, Energy, the Environment and Water
Support Plantation Establishment(b)	Part 2 – Environment	A Better Plan for Forestry and Forest Products	Payments – Agriculture, Fisheries and Forestry
Disaster Recovery Funding Arrangements	Part 2 – Contingent payments	Disaster Support	Payments – Home Affairs
Legal assistance for floods in QLD and NSW	Part 2 – Other payments	Funding for Community Legal Centres in Flood and Bushfire Affected Areas	Payments – Attorney-General's
National Legal Assistance Partnership 2020–25	Part 2 – Other payments	First Nations Justice	Payments – Attorney-General's
Scotdesco water security project	Part 2 – Other payments	Scotdesco – water security feasibility study	Payments – Prime Minister and Cabinet
National Coronial Centre(b)	Part 2 – Other payments	Attorney-General's Portfolio – savings	Payments – Attorney-General's
Optimise and Discover Program(b)	Part 2 – Other payments	Supporting the Supply of Australian Gas	Payments – Industry, Science and Resources
GST entitlement	Part 3 – GST payments	Extend ATO Compliance Programs – Shadow Economy Program	Receipts – Treasury
GST entitlement	Part 3 – GST payments	Powering Australia – Electric Car Discount	Receipts – Treasury
GST entitlement	Part 3 – GST payments	Migration Program – 2022-23 planning levels	Receipts – Home Affairs
GST entitlement	Part 3 – GST payments	Tax Practitioners Board – compliance program to enhance tax system integrity	Receipts – Treasury
GST entitlement	Part 3 – GST payments	Indirect Tax Concession Scheme – diplomatic and consular concessions	Receipts – Treasury
GST entitlement	Part 3 – GST payments	Providing certainty on unlegislated tax and superannuation measures announced by the previous Government	Receipts – Treasury
GST entitlement	Part 3 – GST payments	Additional Assistance to Ukraine	Payments – Defence
GST entitlement	Part 3 – GST payments	Enhancing the Pacific Australia Labour Mobility Scheme	Payments – Foreign Affairs and Trade
GST entitlement	Part 3 – GST payments	Pacific Engagement Visa	Payments – Home Affairs

- a) This includes the abolition of Urban Congestion Fund. All remaining projects have been reassigned as discrete projects within the Infrastructure Investment Program.
- b) Measure redirects funding allocated to states in the 2022–23 March Budget to fund other Australian Government policy priorities.

Part 2: Payments for specific purposes

Overview

The Australian Government provides payments to state and territory governments (states) for specific purposes in policy areas for which the states have primary responsibility. These payments cover most areas of state and local government activity, including health, education, skills and workforce development, community services, housing, Indigenous affairs, infrastructure and the environment.

Funding for public hospitals under the National Health Reform Agreement is the largest single specific purpose payment to the states, estimated to be \$28.4 billion in 2022–23. This includes \$1.8 billion for the COVID-19 public health response.

Schools funding payments under the *Australian Education Act 2013* are estimated to be \$26.8 billion in 2022–23, comprising funding for government schools of \$10.4 billion and non-government schools of \$16.4 billion.

In 2022–23, the Australian Government is supporting the states in the Skills and Workforce Development sector by providing \$1.6 billion through a National Specific Purpose Payment (National SPP). The states are required to spend this funding in the sector.

In 2022–23, the Australian Government is providing an estimated \$1.6 billion under the National Housing and Homelessness Agreement. Funding will support access to affordable safe and sustainable housing, which includes preventing and addressing homelessness.

National Partnership payments to the states are the key vehicle to facilitate reforms or support the delivery of particular projects and services. Funding agreements are typically entered into for a fixed period of time, reflecting the nature of the project or reform involved.

To the fullest extent possible, National Partnership payments are aligned to the achievement of milestones and are made after the states have achieved the outcomes or outputs specified in the relevant agreement. National Partnership payments are estimated to be \$23.4 billion in 2022–23.

Funding agreements and other Commonwealth-State agreements are publicly available on the Federal Financial Relations website at: www.federalfinancialrelations.gov.au. Details of the appropriation mechanisms for all payments to the states and the terms and conditions applying to them are set out in Appendix E, available online.

Further information on each of these payments is contained in this Part. Total payments to the states for specific purposes, categorised by functions, are set out in Appendix B, which is available online.

Table 2.1: Total payments for specific purposes by category, 2022–23 to 2025–26

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total(a)
2022-23									
National SPP	503	410	329	173	113	36	28	16	1,608
National Health Reform funding(b)	8,591	7,093	6,352	2,939	1,836	609	547	399	28,367
Quality Schools funding	8,161	6,648	5,830	2,783	1,911	597	413	445	26,787
National Housing and Homelessness funding	498	419	342	182	117	37	29	21	1,646
National Partnership payments(c)	5,567	4,444	4,055	3,834	1,744	864	237	1,015	23,379
Total payments for specific purposes	23,320	19,014	16,908	9,911	5,721	2,143	1,256	1,896	81,788
2023-24									
National SPP	518	424	341	179	116	37	29	16	1,661
National Health Reform funding	8,346	6,715	6,872	3,000	1,802	604	531	454	28,325
Quality Schools funding	8,596	7,045	6,149	2,956	2,020	625	435	460	28,286
National Housing and Homelessness funding	502	409	340	178	115	36	28	21	1,630
National Partnership payments(c)	5,923	4,533	4,394	3,461	1,761	874	319	879	23,565
Total payments for specific purposes	23,886	19,126	18,095	9,774	5,815	2,177	1,344	1,829	83,467
2024-25									
National SPP	527	434	348	183	118	37	30	17	1,694
National Health Reform funding	8,868	7,118	7,235	3,222	1,897	638	571	481	30,030
Quality Schools funding	8,942	7,363	6,404	3,081	2,104	647	452	468	29,462
National Housing and Homelessness funding	510	418	346	182	117	37	29	21	1,661
National Partnership payments(c)	5,851	4,345	4,576	2,634	1,404	672	226	696	21,109
Total payments for specific purposes	24,698	19,679	18,908	9,302	5,640	2,031	1,309	1,683	83,956

Table 2.1: Total payments for specific purposes by category, 2022–23 to 2025–26 (continued)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total(a)
2025-26									
National SPP	535	444	354	186	120	38	31	17	1,724
National Health Reform funding	9,421	7,545	7,768	3,447	1,996	672	611	522	31,982
Quality Schools funding	9,282	7,667	6,645	3,199	2,184	667	469	475	30,587
National Housing and Homelessness funding	518	427	353	185	119	38	30	21	1,689
National Partnership payments(c)	5,144	4,697	4,615	1,629	1,328	603	196	476	19,157
Total payments for specific purposes	24,900	20,779	19,735	8,646	5,746	2,019	1,337	1,511	85,140

- a) As state allocations for a number of programs have not yet been determined, these payments are not included in state totals. As a result, total payments may not equal the sum of state totals.
- b) Includes \$1.8 billion in total for the COVID-19 public health response in 2022–23.
- c) Includes financial assistance grants for local government, payments direct to local government and payments funded through appropriations including but not limited to section 16 of the *Federal Financial Relations Act 2009*.

Table 2.2: Payments for specific purposes by sector and category, 2022–23 to 2025–26

\$million	2022-23	2023-24	2024-25	2025-26
<i>Health</i>				
National Health Reform funding(a)	28,367	28,325	30,030	31,982
National Partnership payments	756	615	634	319
Total health payments	29,123	28,940	30,665	32,301
<i>Education</i>				
Quality Schools funding	26,787	28,286	29,462	30,587
National Partnership payments(b)	787	785	544	408
Total education payments	27,575	29,071	30,006	30,995
<i>Skills and workforce development</i>				
National Skills and Workforce Development SPP	1,608	1,661	1,694	1,724
National Partnership payments	664	231	134	137
Total skills and workforce development payments	2,272	1,893	1,829	1,861
<i>Community services</i>				
National Partnership payments	2,089	1,240	58	60
<i>Affordable housing</i>				
National Housing and Homelessness funding	1,646	1,630	1,661	1,689
National Partnership payments	832	76	1	1
Total affordable housing payments	2,478	1,706	1,662	1,690
<i>Infrastructure</i>				
National Partnership payments(b)	13,981	15,241	15,554	14,757
<i>Environment</i>				
National Partnership payments(b)	2,336	1,751	434	148
<i>Contingent payments</i>				
National Partnership payments	47	..	..	..
<i>Other</i>				
Business support	410	-	-	-
National Partnership payments(b)(c)	1,475	3,626	3,750	3,328
Total other payments	1,886	3,626	3,750	3,328
Total payments for specific purposes	81,788	83,467	83,956	85,140

a) Includes \$1.8 billion in total for the COVID-19 public health response in 2022–23.

b) Includes financial assistance grants for local government, payments direct to local government and/or payments funded through appropriations including but not limited to section 16 of the *Federal Financial Relations Act 2009*.

c) Excludes business support payments.

Health

In 2022–23, the Australian Government will provide funding of \$29.1 billion to support state health services, including \$28.4 billion in National Health Reform funding and \$756.3 million in National Partnership payments, as detailed in Table 2.3. National Partnership payments in this section include a small number of agreements for sport.

Table 2.3: Payments to support state health services

\$million	2022-23	2023-24	2024-25	2025-26
National Health Reform funding(a)	28,366.9	28,325.3	30,030.3	31,982.5
National Partnership payments				
Health services	192.6	183.0	90.6	86.9
Health infrastructure	370.2	361.5	480.1	187.7
Indigenous health	16.2	16.3	8.0	-
Other health payments	177.3	54.0	55.6	43.9
Total National Partnership payments	756.3	614.9	634.3	318.5
Total	29,123.2	28,940.1	30,664.7	32,301.0

a) Total for 2022–23 includes \$1.8 billion for the COVID-19 public health response.

National Health Reform funding

In 2022–23, National Health Reform funding is estimated to be \$28.4 billion including \$1.8 billion for the COVID-19 public health response.

National Health Reform funding

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23									
Hospital services	8,116.9	6,094.2	6,003.3	2,708.8	1,681.7	555.3	502.2	384.8	26,047.3
Public health	155.3	124.0	103.0	55.4	35.8	11.5	9.2	5.1	499.5
COVID-19 public health response(a)	319.2	875.2	245.9	174.9	118.5	41.7	35.7	9.1	1,820.1
Total	8,591.4	7,093.4	6,352.2	2,939.2	1,836.0	608.5	547.1	399.0	28,366.9
2023-24									
Hospital services	8,184.2	6,582.0	6,765.7	2,943.7	1,765.9	592.8	522.3	449.0	27,805.5
Public health	162.2	132.8	106.6	56.0	36.4	11.5	9.2	5.1	519.7
COVID-19 public health response	-	-	-	-	-	-	-	-	-
Total	8,346.4	6,714.8	6,872.2	2,999.7	1,802.4	604.3	531.5	454.1	28,325.3
2024-25									
Hospital services	8,697.6	6,978.0	7,122.3	3,163.2	1,858.8	625.4	561.7	475.6	29,482.5
Public health	170.5	140.5	112.4	59.0	38.3	12.1	9.7	5.4	547.8
COVID-19 public health response	-	-	-	-	-	-	-	-	-
Total	8,868.0	7,118.4	7,234.7	3,222.2	1,897.0	637.5	571.4	481.0	30,030.3
2025-26									
Hospital services	9,241.9	7,396.1	7,649.5	3,385.0	1,955.9	659.7	601.1	516.0	31,405.2
Public health	179.2	148.5	118.5	62.3	40.2	12.7	10.3	5.7	577.3
COVID-19 public health response	-	-	-	-	-	-	-	-	-
Total	9,421.1	7,544.6	7,768.0	3,447.3	1,996.0	672.4	611.5	521.6	31,982.5

a) Payments to states to support the COVID-19 public health response complement funding under the 2020–25 Addendum to the National Health Reform Agreement.

National Health Reform funding is linked to growth in public hospital activity, the national efficient price and national efficient cost determined by the Independent Health and Aged Care Pricing Authority. The Australian Government funds 45 per cent of the efficient growth in the activity, price and cost of public hospital services, with growth in total Australian Government funding capped at 6.5 per cent a year.

National Health Reform funding amounts are also influenced by the level of payments made through the National Partnership on COVID-19 Response, with some hospital activity which would normally be paid through the National Health Reform Agreement in 2022–23 instead funded through the National Partnership on COVID-19 Response. States have received \$12.8 billion to date under the National Partnership on COVID-19 Response.

The Australian Government is providing a higher level of financial assistance to the states than the usual agreed arrangements to support the additional costs incurred by state health services in responding to the COVID-19 pandemic. This includes a 50 per cent contribution to the costs incurred by state public health and hospital systems to test, diagnose and treat people with COVID-19.

The National Partnership on COVID-19 Response also provides funding to boost COVID-19 preparedness in residential aged care facilities and support Australia's COVID-19 vaccination program. This includes:

- 100 per cent of costs incurred from 1 July 2020 to support states to deliver infection, prevention and control training and COVID-19 preparedness in residential aged care facilities
- 50 per cent contribution to the price per vaccination dose delivered by the states.

The estimates remain subject to greater than usual uncertainty given the impacts COVID-19 is having on public hospital activity. States' 2021–22 funding entitlements which inform 2022–23 funding reflect the latest estimates. These entitlements will be determined by the Treasurer following reconciliation of 2021–22 activity data by the Administrator of the National Health Funding Pool.

New measures associated with this item are listed in Table 1.4 and described in more detail in Budget Paper No. 2, *Budget Measures October 2022–23*.

National Partnership payments for health

A total of \$756.3 million will be provided to the states in 2022–23 under the following categories:

- health services
- health infrastructure
- indigenous health
- other health payments.

Health services

In 2022–23, the Australian Government is estimated to provide \$192.6 million to support the delivery of health services in the states.

Table 2.3.1 Health services

\$million	2022-23	2023-24	2024-25	2025-26
National Partnership payments				
Access to HIV treatment	-	12.5	12.5	12.5
Achieving better health outcomes	0.5	-	-	-
Adult mental health centres	4.0	4.0	-	-
Comprehensive palliative care in aged care	12.7	10.3	-	-
Hummingbird House	0.8	-	-	-
Japanese encephalitis virus mosquito surveillance and control	..	-	-	-
Management of Torres Strait / Papua New Guinea cross-border health issues	5.3	5.4	-	-
Mosquito Control in Tennant Creek	0.6	-	-	-
Mosquito control in the Torres Strait Protected Zone	0.9	0.9	-	-
Multidisciplinary outreach care	10.3	10.3	-	-
National bowel cancer screening program — participant follow-up function	8.1	8.5	-	-
National Mental Health and Suicide Prevention Agreement — bilateral schedules	58.5	50.1	67.2	66.7
OzFoodNet	1.9	1.9	-	-
Reducing stillbirths	4.4	4.5	4.5	-
Royal Darwin Hospital — equipped, prepared and ready	17.3	-	-	-
Specialist dementia care	9.4	9.5	-	-
Surge Capacity for BreastScreen Australia	2.0	7.8	-	-
Urgent Care Clinics	50.0	50.0	-	-
Vaccine-preventable diseases surveillance	1.0	1.1	-	-
World-class newborn bloodspot screening program	4.9	6.3	6.4	7.7
Total	192.6	183.0	90.6	86.9

Access to HIV treatment

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	-	-	-	-	-	-	-
2023-24	6.7	3.7	1.4	0.2	0.1	0.1	0.1	0.2	12.5
2024-25	6.7	3.7	1.4	0.2	0.1	0.1	0.1	0.2	12.5
2025-26	6.7	3.7	1.4	0.2	0.1	0.1	0.1	0.2	12.5
Total	20.2	11.0	4.1	0.6	0.2	0.4	0.3	0.7	37.5

The Australian Government is providing funding to support the delivery of human immunodeficiency virus (HIV) care to all people living with HIV in Australia who are not eligible for Medicare.

Achieving better health outcomes

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	0.5	-	-	-	-	-	-	-	0.5
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
Total	0.5	-	-	-	-	-	-	-	0.5

The Australian Government is providing funding to improve emergency department facilities for vulnerable patients and those with mental health issues, and to help children with high medical needs and their families spend less time in hospital.

Adult mental health centres

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	-	-	4.0	-	-	-	4.0
2023-24	-	-	-	-	4.0	-	-	-	4.0
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	8.0	-	-	-	8.0

The Australian Government is providing funding to establish an adult mental health centre in South Australia to be located in Adelaide. The centre will provide a range of mental health support services.

Comprehensive palliative care in aged care

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	2.0	5.8	2.3	1.2	0.8	0.2	0.2	0.1	12.7
2023-24	2.1	3.1	2.4	1.3	0.8	0.3	0.2	0.1	10.3
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
Total	4.1	8.9	4.7	2.5	1.6	0.5	0.4	0.2	23.0

The Australian Government is providing funding to improve access to palliative care for older Australians living in residential aged care facilities, supporting new approaches, such as 'in reach' services, that will improve palliative and end-of-life care.

Hummingbird House

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	0.8	-	-	-	-	-	0.8
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
Total	-	-	0.8	-	-	-	-	-	0.8

The Australian Government is providing funding for the operation of a dedicated respite and hospice care facility for children with life-limiting conditions and their families and carers.

Japanese encephalitis virus mosquito surveillance and control

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	-	-	-	-	..	-	..
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	..	-	..

The Australian Government is providing funding to support the mosquito surveillance and control activities being conducted to manage the spread of the Japanese encephalitis virus. Funding for all states was finalised in 2021–22 with the ACT the only jurisdiction with funding moved to 2022–23.

Management of Torres Strait / Papua New Guinea cross-border health issues

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	5.3	-	-	-	-	-	5.3
2023-24	-	-	5.4	-	-	-	-	-	5.4
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
Total	-	-	10.7	-	-	-	-	-	10.7

The Australian Government is contributing to the costs of treating Papua New Guinean nationals who travel through the Torres Strait treaty zone and access healthcare facilities in the Queensland health and hospitals network.

Mosquito control in Tennant Creek

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	-	-	-	-	-	0.6	0.6
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	0.6	0.6

The Australian Government is providing funding to support the surveillance, control and, where possible, elimination of *Aedes aegypti* mosquitoes (known for transmitting dengue) in Tennant Creek and the wider Barkly region of the Northern Territory. The funding also supports efforts to increase awareness in communities regarding mosquito control practices.

Mosquito control in the Torres Strait Protected Zone

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	0.9	-	-	-	-	-	0.9
2023-24	-	-	0.9	-	-	-	-	-	0.9
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
Total	-	-	1.8	-	-	-	-	-	1.8

The Australian Government is providing funding to assist with surveillance and control of, and efforts to eliminate, the *Aedes albopictus* mosquito in the Torres Strait. Funding also supports increasing awareness regarding dengue fever, zika virus and other mosquito borne diseases through increased community activity in controlling container-breeding mosquitoes.

Multidisciplinary outreach care

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	1.3	1.3	1.3	1.3	1.3	1.3	1.3	1.3	10.3
2023-24	1.3	1.3	1.3	1.3	1.3	1.3	1.3	1.3	10.3
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
Total	2.6	2.6	2.6	2.6	2.6	2.6	2.6	2.6	20.6

The Australian Government is providing funding to trial models of multidisciplinary outreach care for residents of aged care facilities.

National bowel cancer screening program – participant follow-up function

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	2.5	1.9	1.6	0.9	0.6	0.3	0.2	0.1	8.1
2023-24	2.6	2.1	1.7	0.9	0.6	0.3	0.2	0.1	8.5
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
Total	5.1	4.0	3.3	1.8	1.2	0.5	0.4	0.3	16.6

This initiative funds resourcing to follow-up participants who return a positive bowel cancer screening test result and are not recorded as having attended a consultation with a health professional.

National Mental Health and Suicide Prevention Agreement – bilateral schedules

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	7.6	36.9	7.4	-	0.4	2.4	1.8	1.9	58.5
2023-24	5.7	29.7	6.0	2.7	-	3.1	2.4	0.4	50.1
2024-25	6.7	39.4	7.0	2.8	4.1	3.2	3.7	0.4	67.2
2025-26	6.4	41.4	6.5	3.0	4.2	1.8	3.5	-	66.7
Total	26.4	147.4	26.9	8.6	8.7	10.6	11.4	2.6	242.5

The National Mental Health and Suicide Prevention Agreement aims to improve the mental health of all Australians, and to ensure the Australian mental health and suicide prevention system is sustainable and enhanced.

The Australian Government’s funding contributions are outlined in the bilateral schedules to this Agreement. This is made up of payments to the states, which are outlined in the table above, and payments made to the Department of Health and Primary Health Networks to commission services and activities under the bilateral schedules. For further information on funding under the Department of Health, please refer to the *2022–23 Health October Portfolio Budget Statements – Program 1.2*.

OzFoodNet

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	0.4	0.3	0.3	0.2	0.2	0.2	0.2	0.2	1.9
2023-24	0.4	0.3	0.3	0.2	0.2	0.2	0.2	0.2	1.9
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
Total	0.8	0.6	0.6	0.4	0.4	0.4	0.3	0.3	3.9

The Australian Government is continuing to provide funding for a collaborative initiative with state health authorities to undertake enhanced surveillance of foodborne disease. OzFoodNet coordinates investigations into foodborne disease outbreaks, particularly those that cross state and country borders.

Reducing stillbirths^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	~	~	~	~	~	~	~	~	4.4
2023-24	~	~	~	~	~	~	~	~	4.5
2024-25	~	~	~	~	~	~	~	~	4.5
2025-26	-	-	-	-	-	-	-	-	-
Total	~	~	~	~	~	~	~	~	13.4

a) State allocations have not yet been determined.

The Australian Government is providing funding to increase the rate of stillbirth autopsies and investigations.

A new measure associated with this item is listed in Table 1.4 and described in more detail in Budget Paper No. 2, *Budget Measures October 2022–23*.

Royal Darwin Hospital – equipped, prepared and ready

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	-	-	-	-	-	17.3	17.3
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	17.3	17.3

The Australian Government is providing funding to maintain the National Critical Care and Trauma Response Centre at the Royal Darwin Hospital in a state of readiness to respond to major health incidents in Australia and the region.

Specialist dementia care^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	1.3	1.3	1.2	0.5	0.5	0.3	0.5	~	9.4
2023-24	1.8	1.4	1.4	0.9	0.9	0.3	0.5	~	9.5
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
Total	3.0	2.7	2.5	1.5	1.5	0.5	1.1	~	18.9

a) Totals include unallocated funding.

The Australian Government is providing funding to deliver a program which provides intensive, specialised care for people with very severe behavioural and psychological symptoms of dementia.

Surge Capacity for BreastScreen Australia^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	~	~	~	~	~	~	~	~	2.0
2023-24	~	~	~	~	~	~	~	~	7.8
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
Total	~	~	~	~	~	~	~	~	9.7

a) State allocations have not yet been determined.

The Australian Government is providing funding as a one-off to boost the capacity of the BreastScreen Australia program. It will enable services to re-engage women and catch up on delayed appointments due to the impact of the pandemic.

Urgent Care Clinics^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	~	~	~	~	~	~	~	~	50.0
2023-24	~	~	~	~	~	~	~	~	50.0
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
Total	~	~	~	~	~	~	~	~	100.0

a) State allocations have not yet been determined.

The Australian Government is providing funding to co-develop and pilot innovative models of Urgent Care Clinics with states.

A new measure associated with this item is listed in Table 1.4 and described in more detail in Budget Paper No. 2, *Budget Measures October 2022–23*.

Vaccine-preventable diseases surveillance

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	0.3	0.2	0.2	0.1	0.1	..	..	0.1	1.0
2023-24	0.3	0.2	0.2	0.1	0.1	..	..	0.1	1.1
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
Total	0.5	0.5	0.4	0.2	0.2	0.1	0.1	0.1	2.1

The Australian Government is providing funding to improve surveillance reporting of nationally notifiable vaccine-preventable diseases. This program facilitates national monitoring, analysis and timely reporting of data to provide an evidence base for policy formulation.

World-class newborn bloodspot screening program^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	~	~	~	~	~	~	~	~	4.9
2023-24	~	~	~	~	~	~	~	~	6.3
2024-25	~	~	~	~	~	~	~	~	6.4
2025-26	~	~	~	~	~	~	~	~	7.7
Total	~	~	~	~	~	~	~	~	25.3

a) State allocations have not yet been determined.

The Australian Government is providing funding to increase the number and consistency of conditions screened through the newborn bloodspot screening programs.

A new measure associated with this item is listed in Table 1.4 and described in more detail in Budget Paper No. 2, *Budget Measures October 2022–23*.

Health infrastructure

In 2022–23, the Australian Government is estimated to provide \$370.2 million to support the development of health-related infrastructure.

Table 2.3.2 Health infrastructure

\$million	2022-23	2023-24	2024-25	2025-26
National Partnership payments				
Bentley Hospital Surgicentre	-	0.6	15.0	17.5
Child Development Unit at Campbelltown Hospital	4.0	-	-	-
Community Health, Hospitals and Infrastructure projects	232.6	200.5	145.0	-
Comprehensive Cancer Centres	80.3	133.9	294.5	114.8
Expansion of the Flinders Medical Centre Health and Medical Research Centre for Launceston	3.0	7.5	20.0	50.0
Health infrastructure projects	-	2.4	0.4	0.4
Home for the Matildas	3.5	3.6	0.3	-
Proton beam therapy facility	7.5	-	-	-
South Australia Genomics Lab	27.3	-	-	-
Supporting Palliative Care in Launceston	7.0	8.0	-	-
	5.0	5.0	5.0	5.0
Total	370.2	361.5	480.1	187.7

Bentley Hospital Surgicentre

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	-	-	-	-	-	-	-
2023-24	-	-	-	0.6	-	-	-	-	0.6
2024-25	-	-	-	15.0	-	-	-	-	15.0
2025-26	-	-	-	17.5	-	-	-	-	17.5
Total	-	-	-	33.1	-	-	-	-	33.1

The Australian Government is providing funding to deliver a new Bentley Hospital Surgicentre. The new Surgicentre will separate non-complex elective surgery from emergency surgery. This means less interruptions and fewer delays for elective surgery, and a safer and more efficient service.

A new measure associated with this item is listed in Table 1.4 and described in more detail in Budget Paper No. 2, *Budget Measures October 2022–23*.

Child Development Unit at Campbelltown Hospital

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	4.0	-	-	-	-	-	-	-	4.0
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
Total	4.0	-	-	-	-	-	-	-	4.0

The Australian Government is providing funding to establish a child development unit at Campbelltown Hospital.

A new measure associated with this item is listed in Table 1.4 and described in more detail in Budget Paper No. 2, *Budget Measures October 2022–23*.

Community Health, Hospitals and Infrastructure projects

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	26.5	91.5	34.6	41.8	17.4	12.0	8.8	-	232.6
2023-24	80.5	52.2	11.4	33.4	7.0	12.0	4.0	-	200.5
2024-25	130.0	3.0	4.7	7.3	-	-	-	-	145.0
2025-26	-	-	-	-	-	-	-	-	-
Total	237.0	146.7	50.6	82.5	24.4	24.0	12.8	-	578.0

The Australian Government is providing funding to states for vital health infrastructure and services to ensure Australians can access the care they need, where they need it.

Comprehensive Cancer Centres

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	2.0	58.3	20.0	-	-	-	80.3
2023-24	-	-	13.0	105.9	15.0	-	-	-	133.9
2024-25	-	-	80.0	199.5	15.0	-	-	-	294.5
2025-26	-	-	90.0	11.3	13.5	-	-	-	114.8
Total	-	-	185.0	375.0	63.5	-	-	-	623.5

The Australian Government is providing funding to support the establishment of Comprehensive Cancer Centres in Brisbane, Perth and Adelaide.

A new measure associated with this item are listed in Table 1.4 and described in more detail in Budget Paper No. 2, *Budget Measures October 2022–23*.

Expansion of the Flinders Medical Centre

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	-	-	3.0	-	-	-	3.0
2023-24	-	-	-	-	7.5	-	-	-	7.5
2024-25	-	-	-	-	20.0	-	-	-	20.0
2025-26	-	-	-	-	50.0	-	-	-	50.0
Total	-	-	-	-	80.5	-	-	-	80.5

The Australian Government is providing funding to deliver an expansion of the Flinders Medical Centre, delivering 160 extra beds for the south of Adelaide, including 136 extra beds at Flinders Medical Centre and 24 additional beds at the Repat Health precinct.

A new measure associated with this item is listed in Table 1.4 and described in more detail in Budget Paper No. 2, *Budget Measures October 2022–23*.

Health and Medical Research Centre for Launceston

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	-	-	-	-	-	-	-
2023-24	-	-	-	-	-	2.4	-	-	2.4
2024-25	-	-	-	-	-	0.4	-	-	0.4
2025-26	-	-	-	-	-	0.4	-	-	0.4
Total	-	-	-	-	-	3.2	-	-	3.2

The Australian Government is providing funding to develop a medical research centre within the Launceston General Hospital in Tasmania.

A new measure associated with this item is listed in Table 1.4 and described in more detail in Budget Paper No. 2, *Budget Measures October 2022–23*.

Health infrastructure projects

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	1.7	-	-	1.8	-	-	-	3.5
2023-24	-	1.1	-	-	2.5	-	-	-	3.6
2024-25	-	0.3	-	-	-	-	-	-	0.3
2025-26	-	-	-	-	-	-	-	-	-
Total	-	3.1	-	-	4.3	-	-	-	7.4

The Australian Government is providing funding to support the implementation of the Regional Cancer Treatment Centres for Radiation Therapy program in Victoria and South Australia.

Home for the Matildas

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	7.5	-	-	-	-	-	-	7.5
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
Total	-	7.5	-	-	-	-	-	-	7.5

The Australian Government is providing funding to support the construction of the ‘Home for the Matildas’, with a purpose built State Football Centre at La Trobe University, Bundoora.

Proton beam therapy facility

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	-	-	27.3	-	-	-	27.3
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	27.3	-	-	-	27.3

The Australian Government is funding the establishment of a proton beam therapy facility in Adelaide. The technology will be used as an alternative to conventional radiotherapy to treat people with certain types of cancer and for research.

South Australia Genomics Lab

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	-	-	7.0	-	-	-	7.0
2023-24	-	-	-	-	8.0	-	-	-	8.0
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	15.0	-	-	-	15.0

The Australian Government is providing funding to help establish an innovative cancer genomics laboratory in South Australia, which aims to improve treatment options for Australians with cancer.

Supporting Palliative Care in Launceston

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	-	-	-	5.0	-	-	5.0
2023-24	-	-	-	-	-	5.0	-	-	5.0
2024-25	-	-	-	-	-	5.0	-	-	5.0
2025-26	-	-	-	-	-	5.0	-	-	5.0
Total	-	-	-	-	-	20.0	-	-	20.0

The Australian Government is providing funding to support the construction of a new hospice, located within the Launceston General Hospital Precinct, to improve palliative care in northern Tasmania.

A new measure associated with this item is listed in Table 1.4 and described in more detail in Budget Paper No. 2, *Budget Measures October 2022–23*.

Indigenous health

In 2022–23, the Australian Government is estimated to provide \$16.2 million to the states for programs to improve the health of Indigenous Australians.

Table 2.3.3 Indigenous health

\$million	2022-23	2023-24	2024-25	2025-26
National Partnership payments				
Addressing blood-borne viruses and sexually transmissible infections in the Torres Strait	1.1	1.1	-	-
Improving trachoma control services for Indigenous Australians	4.7	4.8	4.9	-
Northern Territory Remote Aboriginal Investment Health component	7.4	7.4	-	-
Rheumatic fever strategy	3.0	3.0	3.1	-
Total	16.2	16.3	8.0	-

Addressing blood-borne viruses and sexually transmissible infections in the Torres Strait

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	1.1	-	-	-	-	-	1.1
2023-24	-	-	1.1	-	-	-	-	-	1.1
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
Total	-	-	2.2	-	-	-	-	-	2.2

The Australian Government is providing funding for disease prevention activities, testing and treatment, and sexual health checks, and to deliver a culturally appropriate sexual health education campaign.

Improving trachoma control services for Indigenous Australians

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	0.3	1.5	1.2	-	-	1.7	4.7
2023-24	-	-	0.3	1.6	1.3	-	-	1.7	4.8
2024-25	-	-	0.3	1.6	1.3	-	-	1.8	4.9
2025-26	-	-	-	-	-	-	-	-	-
Total	-	-	0.8	4.7	3.8	-	-	5.2	14.5

The Australian Government is providing funding for trachoma control activities in jurisdictions where trachoma, an infectious disease which can lead to blindness, is endemic.

Northern Territory Remote Aboriginal Investment – Health component

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	-	-	-	-	-	7.4	7.4
2023-24	-	-	-	-	-	-	-	7.4	7.4
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	14.7	14.7

The Australian Government provides funding to supplement primary health care services in remote Northern Territory communities and position the Northern Territory for the long-term sustainability of its services to First Nations Australians. The funding includes support for the provision of integrated oral and hearing health services to children in remote communities.

The Northern Territory Remote Aboriginal Investment agreement supports the Northern Territory to improve schooling for First Nations children, make communities safer and healthier, and increase access to interpreter services and job opportunities for First Nations Australians. Other components of this agreement are discussed in the Community Services and Education sections of this Part.

Rheumatic fever strategy^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	0.8	0.8	0.4	-	-	0.9	3.0
2023-24	-	-	~	~	~	-	-	~	3.0
2024-25	-	-	~	~	~	-	-	~	3.1
2025-26	-	-	-	-	-	-	-	-	-
Total	-	-	0.8	0.8	0.4	-	-	0.9	9.1

a) State allocations from 2023–24 have not yet been determined.

The Australian Government is providing funding to programs that register and control acute rheumatic fever and rheumatic heart disease in Aboriginal and Torres Strait Islander people.

Other health payments

In 2022–23, the Australian Government is estimated to provide \$177.3 million to the states in other health-related National Partnership payments.

Table 2.3.4 Other health National Partnership payments

\$million	2022-23	2023-24	2024-25	2025-26
National Partnership payments				
Centre for National Resilience	28.0	-	-	-
Encouraging more clinical trials in Australia	1.7	1.5	1.5	-
Essential vaccines	18.1	19.8	20.1	-
Expansion of the John Flynn Prevocational Doctor Program	15.9	28.9	32.3	43.9
Increasing specialist services for children with harmful sexual behaviours in the NT	1.4	1.4	1.4	-
Lymphoedema garments and allied health therapy program	2.0	2.0	-	-
National Coronial Information System	0.4	0.4	0.4	-
Public dental services for adults	108.4	-	-	-
Registration Scheme for Personal Care Workers	1.4	-	-	-
Total	177.3	54.0	55.6	43.9

Centre for National Resilience

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	-	-	-	-	-	28.0	28.0
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	28.0	28.0

The Australian Government is providing funding for increased quarantine capacity at the Centre for National Resilience, including the capital expenditure, health services and facility operations costs to support the repatriation of Australians and humanitarian entrants when international borders were closed or restricted. The Australian Government is providing the Northern Territory Government with maintenance funding in exchange for priority access to the facility for resilience purposes until 30 June 2023.

Encouraging more clinical trials in Australia^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	~	0.2	0.2	0.2	0.2	0.2	0.2	0.2	1.7
2023-24	~	0.2	0.2	0.2	0.2	0.2	0.2	0.2	1.5
2024-25	~	0.2	0.2	0.2	0.2	0.2	0.2	0.2	1.5
2025-26	-	-	-	-	-	-	-	-	-
Total	~	0.7	0.7	0.7	0.5	0.5	0.5	0.5	4.7

a) Totals include unallocated funding.

The Australian Government is providing funding to increase the number and value of clinical trials to deliver health benefits, provide jobs and improve the nation’s innovative capacity.

Essential vaccines

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	5.5	4.2	3.1	1.9	1.5	0.7	0.7	0.5	18.1
2023-24	5.7	4.6	3.8	2.1	1.5	0.8	0.7	0.6	19.8
2024-25	5.8	4.7	3.9	2.1	1.5	0.8	0.7	0.6	20.1
2025-26	-	-	-	-	-	-	-	-	-
Total	17.0	13.6	10.8	6.1	4.5	2.2	2.0	1.8	58.0

The Australian Government is providing funding to improve the health of Australians through the cost-effective delivery of the National Immunisation Program.

Expansion of the John Flynn Prevocational Doctor Program^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	~	~	~	~	~	~	~	~	15.9
2023-24	~	~	~	~	~	~	~	~	28.9
2024-25	~	~	~	~	~	~	~	~	32.3
2025-26	~	~	~	~	~	~	~	~	43.9
Total	~	~	~	~	~	~	~	~	121.0

a) State allocations have not yet been determined.

The Australian Government is providing funding for additional rural primary care training rotations for junior doctors through the *John Flynn Prevocational Doctor Program*.

A new measure associated with this item is listed in Table 1.4 and described in more detail in Budget Paper No. 2, *Budget Measures October 2022–23*.

Increasing specialist services for children with harmful sexual behaviours in the NT

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	-	-	-	-	-	1.4	1.4
2023-24	-	-	-	-	-	-	-	1.4	1.4
2024-25	-	-	-	-	-	-	-	1.4	1.4
2025-26	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	4.1	4.1

The Australian Government is providing funding for increased specialist therapeutic services for children with harmful sexual behaviours in the Northern Territory.

Lymphoedema garments and allied health therapy program

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	0.6	0.5	0.4	0.2	0.1	..	..	..	2.0
2023-24	0.6	0.5	0.4	0.2	0.1	..	..	..	2.0
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
Total	1.3	1.0	0.8	0.4	0.3	0.1	0.1	..	4.0

The Australian Government is providing funding to contribute to improved access to specialised compression garments by eligible patients.

National Coronial Information System

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	0.4	-	-	-	-	-	-	0.4
2023-24	-	0.4	-	-	-	-	-	-	0.4
2024-25	-	0.4	-	-	-	-	-	-	0.4
2025-26	-	-	-	-	-	-	-	-	-
Total	-	1.3	-	-	-	-	-	-	1.3

The Australian Government is providing funding for the administration, maintenance and improvement of Australia's national coronial data base.

Public dental services for adults

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	34.4	26.9	21.7	9.7	9.4	3.4	1.6	1.4	108.4
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
Total	34.4	26.9	21.7	9.7	9.4	3.4	1.6	1.4	108.4

The Australian Government is providing funding to support the improved oral health of patients who rely on the public dental system.

Registration Scheme for Personal Care Workers

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	1.4
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
Total	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	1.4

The Australian Government is providing funding to establish a national registration scheme and code of conduct for personal care workers in the aged care sector.

A new measure associated with this item is listed in Table 1.4 and described in more detail in Budget Paper No. 2, *Budget Measures October 2022–23*.

Education

In 2022–23, the Australian Government will provide funding of \$27.6 billion to support state education services, including \$26.8 billion in Quality Schools funding and \$787.3 million through National Partnership payments, as detailed in Table 2.4.

Table 2.4: Payments to support state education services

\$million	2022-23	2023-24	2024-25	2025-26
Quality Schools funding(a)	26,787.4	28,286.0	29,461.7	30,586.8
National Partnership payments				
Consent and respectful relationships education	-	20.4	20.4	20.4
National school chaplaincy program	61.4	61.4	61.4	61.4
Northern Territory Remote Aboriginal Investment(a)				
Children and schooling component	29.3	29.3	-	-
Preschool Reform Agreement	454.6	458.7	462.4	326.6
Schools Upgrade Fund				
Round 1	50.0	-	-	-
Round 2	-	215.0	-	-
Student Wellbeing Boost	192.0	-	-	-
Total National Partnership payments	787.3	784.8	544.2	408.4
Total	27,574.7	29,070.8	30,005.9	30,995.2
<i>Memorandum item – payments for non-government schools included in payments above</i>				
Quality Schools funding(a)	16,365.4	17,259.1	17,948.5	18,577.7
Consent and respectful relationships education	-	10.2	10.2	10.2
Schools Upgrade Fund				
Round 1	10.7	-	-	-
Student Wellbeing Boost	96.0	-	-	-
Total	16,472.2	17,269.3	17,958.7	18,587.9

a) Includes funding for non-government representative bodies.

Quality Schools funding

The Australian Government’s Quality Schools policy aims to improve the educational outcomes of Australian students and their schools.

In 2022–23, the Australian Government will provide \$26.8 billion in Quality Schools funding to government and non-government schools in all states. This includes recurrent funding, capital funding, non-government school reform support funding, Choice and Affordability Fund funding and other prescribed purpose funding.

Quality Schools funding

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23									
Government schools(a)	3,159.3	2,486.4	2,306.2	1,131.7	708.8	238.8	157.5	233.3	10,422.0
Non-government schools(b)(c)(d)	5,001.6	4,161.2	3,523.5	1,651.2	1,202.3	358.3	255.8	211.6	16,365.4
Total	8,160.9	6,647.6	5,829.7	2,782.9	1,911.1	597.1	413.3	444.8	26,787.4
2023-24									
Government schools(a)	3,323.0	2,656.4	2,429.6	1,216.6	747.6	246.4	169.4	237.9	11,026.9
Non-government schools(b)(c)(d)	5,273.1	4,388.4	3,719.5	1,739.4	1,272.3	378.9	265.8	221.6	17,259.1
Total	8,596.1	7,044.8	6,149.1	2,956.0	2,020.0	625.3	435.3	459.5	28,286.0
2024-25									
Government schools(a)	3,462.7	2,793.1	2,533.9	1,275.1	776.5	252.6	178.6	240.6	11,513.2
Non-government schools(b)(c)(d)	5,478.9	4,569.4	3,870.3	1,805.8	1,327.8	394.8	273.8	227.7	17,948.5
Total	8,941.6	7,362.5	6,404.2	3,080.9	2,104.3	647.4	452.4	468.3	29,461.7
2025-26									
Government schools(a)	3,611.4	2,928.0	2,639.9	1,333.8	807.3	258.6	188.1	242.1	12,009.2
Non-government schools(b)(c)(d)	5,670.2	4,739.1	4,005.2	1,865.0	1,376.2	408.7	280.8	232.6	18,577.7
Total	9,281.5	7,667.1	6,645.1	3,198.8	2,183.5	667.3	468.9	474.7	30,586.8

a) Includes Literacy Support for Tasmanian Students and funding for the Northern Territory to accelerate evidence-based reforms to improve outcomes for vulnerable students.

b) Includes capital funding.

c) Includes prescribed circumstances funding.

d) Includes funding for non-government school reform support and the Choice and Affordability Fund.

The Australian Government uses a needs-based model for school funding, which delivers a consistent national approach for all schools in all states.

National Partnership payments for education

In addition to Quality Schools funding, the Australian Government will provide funding for state education services through National Partnership payments.

Consent and respectful relationships education^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	-	-	-	-	-	-	-
2023-24	~	~	~	~	~	~	~	~	20.4
2024-25	~	~	~	~	~	~	~	~	20.4
2025-26	~	~	~	~	~	~	~	~	20.4
Total	~	~	~	~	~	~	~	~	61.1

a) State allocations have not yet been determined.

The Australian Government will provide funding to government and non-government schools to support consent or respectful relationships education programs or training in their schools.

A new measure associated with this item is listed in Table 1.4 and described in more detail in Budget Paper No. 2, *Budget Measures October 2022–23*.

National school chaplaincy program^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	~	~	~	~	~	~	~	~	61.4
2023-24	~	~	~	~	~	~	~	~	61.4
2024-25	~	~	~	~	~	~	~	~	61.4
2025-26	~	~	~	~	~	~	~	~	61.4
Total	~	~	~	~	~	~	~	~	245.7

a) State allocations have not yet been determined.

This program supports the wellbeing of students through the provision of pastoral care services in participating schools.

Northern Territory Remote Aboriginal Investment – Children and schooling component^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	-	-	-	-	-	29.3	29.3
2023-24	-	-	-	-	-	-	-	29.3	29.3
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	58.6	58.6

a) Includes funding for non-government representative bodies.

The Australian Government is providing funding to improve school readiness; pathways for secondary students to access opportunities for employment, training and further education; student attendance; educational attainment; Aboriginal workforce development, including increasing the number of local Aboriginal employees; and teacher housing in remote and very remote schools.

The Northern Territory Remote Aboriginal Investment agreement supports the Northern Territory to improve schooling for First Nations children, make communities safer and healthier, and increase access to interpreter services and job opportunities for First Nations Australians. Other components of this funding agreement are discussed in the Health and Community Services sections of this Part.

Preschool Reform Agreement

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	140.8	128.5	86.3	46.5	28.2	9.8	9.7	4.7	454.6
2023-24	140.8	128.5	90.0	46.8	28.2	9.8	9.7	4.8	458.7
2024-25	141.5	128.5	92.2	47.4	28.2	9.8	9.7	4.9	462.4
2025-26	100.2	90.0	65.7	33.8	19.8	6.9	6.8	3.5	326.6
Total	523.3	475.6	334.2	174.6	104.5	36.4	35.7	17.9	1,702.2

The Australian Government is providing funding to support continued universal access to at least 15 hours of preschool each week (600 hours per year) for children in the year before they start school.

The Preschool Reform Agreement aims to improve preschool participation and outcomes, including improved enrolment and attendance.

Schools Upgrade Fund

The Australian Government will provide the states with \$265.0 million as part of the Schools Upgrade Fund, supporting capital projects to keep students and school staff safe after disruptions due to COVID-19. Payments will be made over 2 rounds.

Round 1^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	~	~	~	~	~	~	~	~	50.0
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
Total	~	~	~	~	~	~	~	~	50.0

a) State allocations have not yet been determined.

The Australian Government will provide grants to Australian schools to help improve ventilation and air quality and make small scale improvements such as upgrading computing equipment and school facilities, as well as targeted grants for schools identified with priority needs.

A new measure associated with this item is listed in Table 1.4 and described in more detail in Budget Paper No. 2, *Budget Measures October 2022–23*.

Round 2^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	-	-	-	-	-	-	-
2023-24	~	~	~	~	~	~	~	~	215.0
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
Total	~	~	~	~	~	~	~	~	215.0

a) State allocations have not yet been determined.

The Australian Government will provide funding to government schools to enable capital investments in new classrooms, buildings, or other major refurbishments and upgrades.

A new measure associated with this item is listed in Table 1.4 and described in more detail in Budget Paper No. 2, *Budget Measures October 2022–23*.

Student Wellbeing Boost^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	~	~	~	~	~	~	~	~	192.0
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
Total	~	~	~	~	~	~	~	~	192.0

a) State allocations have not yet been determined.

The Australian Government will provide funding to schools for the purposes of supporting students' mental health and wellbeing through the impacts of COVID-19.

A new measure associated with this item is listed in Table 1.4 and described in more detail in Budget Paper No. 2, *Budget Measures October 2022–23*.

Skills and workforce development

In 2022–23, the Australian Government will provide funding of \$2.3 billion to support state skills and workforce development services, including \$1.6 billion through the National Skills and Workforce Development Specific Purpose Payment (SPP), and \$664.4 million through other National Partnership payments, as detailed in Table 2.5.

Table 2.5: Payments to support state skills and workforce development services

\$million	2022-23	2023-24	2024-25	2025-26
National Skills and Workforce Development SPP	1,607.8	1,661.1	1,694.4	1,724.2
National Partnership payments				
Energising Tasmania	4.7	-	-	-
Fee-free TAFE				
12-Month Skills Agreement (including TAFE Technology Fund)	384.5	165.6	-	-
Fee-free TAFE from 2024	-	65.8	134.2	136.6
JobTrainer Fund	268.7	-	-	-
Resources Centre of Excellence	2.0	-	-	-
Revitalising TAFE campuses across Australia	4.5	-	-	-
Total National Partnership payments	664.4	231.5	134.2	136.6
Total	2,272.2	1,892.6	1,828.6	1,860.8

National Agreement for Skills and Workforce Development

The National Agreement for Skills and Workforce Development (NASWD) identifies the long-term objectives of the Australian Government and the states in the areas of skills and workforce development.

National Skills and Workforce Development SPP

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	503.5	409.6	329.0	172.8	112.9	35.7	28.5	15.8	1,607.8
2023-24	518.3	424.4	340.5	178.9	116.4	36.8	29.5	16.3	1,661.1
2024-25	527.2	434.5	347.5	182.6	118.3	37.5	30.1	16.6	1,694.4
2025-26	535.1	443.6	353.8	186.0	119.9	38.0	30.8	16.9	1,724.2
Total	2,084.1	1,712.2	1,370.9	720.3	467.6	148.0	118.9	65.5	6,687.5

The National Skills and Workforce Development SPP is the funding associated with the NASWD. The total amount of the payment is indexed each year by a composite of Wage Cost Index 1 (85 per cent) and Wage Cost Index 6 (15 per cent) – see Appendix A. The growth factor is estimated to be 1.92 per cent in 2022–23.

National Partnership payments for skills and workforce development

In addition to the National Skills and Workforce Development SPP, the Australian Government will provide funding through National Partnership payments as detailed below.

Energising Tasmania

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	-	-	-	4.7	-	-	4.7
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	4.7	-	-	4.7

The Australian Government is providing fee-free training to encourage Tasmanians to train in areas of priority skills needed for the energy sector.

Fee-free TAFE

12-Month Skills Agreement (including TAFE Technology Fund)^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	119.1	96.0	78.6	45.7	24.8	10.3	6.2	3.7	384.5
2023-24	44.9	36.9	29.3	15.2	10.1	3.2	2.6	1.6	165.6
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
Total	164.0	133.0	107.9	60.9	34.9	13.5	8.8	5.3	550.1

a) State allocations in 2023–24 for the TAFE Technology Fund have not yet been determined.

The Australian Government is providing \$550.1 million for the 12-Month Skills Agreement in 2023, including \$493.3 million for fee-free TAFE places to be matched by the states. This agreement will reinforce the central role of TAFE in the Vocational Education and Training sector, delivering 180,000 fee-free TAFE places from January 2023 and boosting essential infrastructure.

This Agreement also includes \$6.8 million from the Australian Government to improve critical data infrastructure and \$50.0 million for a TAFE Technology Fund, to improve IT facilities, workshops, laboratories, and telehealth simulators across the country.

A new measure associated with this item is listed in Table 1.4 and described in more detail in Budget Paper No. 2, *Budget Measures October 2022–23*.

Fee-free TAFE from 2024^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	-	-	-	-	-	-	-
2023-24	~	~	~	~	~	~	~	~	65.8
2024-25	~	~	~	~	~	~	~	~	134.2
2025-26	~	~	~	~	~	~	~	~	136.6
Total	~	~	~	~	~	~	~	~	336.7

a) State allocations have not yet been determined.

In addition to the 12-Month Skills Agreement, the Australian Government will provide \$336.7 million to contribute towards making 300,000 TAFE places fee-free from 2024. The allocation of funding and places will be subject to further discussions with the states.

A new measure associated with this item is listed in Table 1.4 and described in more detail in Budget Paper No. 2, *Budget Measures October 2022–23*.

JobTrainer Fund^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	127.4	52.1	40.2	20.7	13.8	8.4	3.4	1.6	268.7
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
Total	127.4	52.1	40.2	20.7	13.8	8.4	3.4	1.6	268.7

a) Total includes unallocated funding.

The JobTrainer Fund is providing low-fee and fee-free training places for job seekers, including young people, in skills that are in high demand.

Resources Centre of Excellence

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	2.0	-	-	-	-	-	2.0
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
Total	-	-	2.0	-	-	-	-	-	2.0

The Australian Government will provide funding to support the Isaac Regional Council's initiative to establish a future Resources Centre of Excellence in Moranbah and for the North Bowen Basin Mines Rescue Station and Training Centre.

A new measure associated with this item is listed in Table 1.4 and described in more detail in Budget Paper No. 2, *Budget Measures October 2022–23*.

Revitalising TAFE campuses across Australia

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	2.6	-	1.9	-	-	-	4.5
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
Total	-	-	2.6	-	1.9	-	-	-	4.5

The Australian Government is providing funding to improve vocational education infrastructure, ensuring TAFEs are equipped to deliver training to the standards expected by students and industry.

Community services

In 2022–23, the Australian Government will provide funding of \$2.1 billion to support state community services as detailed in Table 2.6.

Table 2.6: Payments to support state community services

\$million	2022-23	2023-24	2024-25	2025-26
National Partnership payments				
Innovative approaches to addressing perpetrator behaviour	4.0	5.3	5.3	5.3
Family, domestic and sexual violence responses	163.8	-	-	-
Family, domestic and sexual violence frontline and community sector workers	18.2	39.9	52.4	54.5
Northern Territory Remote Aboriginal Investment				
Community safety implementation plan	46.1	47.3	-	-
Remote Australia strategies component	3.8	3.9	-	-
Payments from the DisabilityCare Australia Fund	1,845.3	1,143.4	-	-
Remote Community Store Licensing Scheme	7.5	-	-	-
Social Impact Investments				
Vulnerable priority groups	0.9	0.5	0.5	0.5
Total	2,089.4	1,240.3	58.2	60.2

National Partnership payments for community services

The Australian Government provides National Partnership payments to the states for community services, as detailed below.

Innovative approaches to addressing perpetrator behaviour^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	~	~	~	~	~	~	~	~	4.0
2023-24	~	~	~	~	~	~	~	~	5.3
2024-25	~	~	~	~	~	~	~	~	5.3
2025-26	~	~	~	~	~	~	~	~	5.3
Total	~	~	~	~	~	~	~	~	19.8

a) State allocations have not yet been determined.

The Australian Government will provide funding to the states to develop innovative approaches to address family, domestic, and sexual violence perpetrator behaviour. These approaches, which may include technological solutions such as electronic monitoring, will help hold perpetrators to account, prevent them from reoffending, and improve protection for victim-survivors.

A new measure associated with this item is listed in Table 1.4 and described in more detail in Budget Paper No. 2, *Budget Measures October 2022–23*.

Family, domestic and sexual violence responses

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	40.1	31.5	39.8	22.6	9.6	2.8	3.2	14.3	163.8
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
Total	40.1	31.5	39.8	22.6	9.6	2.8	3.2	14.3	163.8

The Australian Government is providing funding to states to invest in services to support women and children who are experiencing or are at risk of violence, including in the context of the COVID-19 pandemic, and to trial new initiatives to support women and children experiencing violence.

The funding will enable states to respond to high levels of demand for domestic, family and sexual violence services, and will ensure these continue to support those who need it most.

Family, domestic and sexual violence frontline and community sector workers^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	~	~	~	~	~	~	~	~	18.2
2023-24	~	~	~	~	~	~	~	~	39.9
2024-25	~	~	~	~	~	~	~	~	52.4
2025-26	~	~	~	~	~	~	~	~	54.5
Total	~	~	~	~	~	~	~	~	165.0

a) State allocations have not yet been determined.

The Australian Government will provide funding for new frontline and community sector workers to provide support to women and children experiencing family, domestic, and sexual violence. This initiative will generate 500 new jobs for community organisations nationally.

A new measure associated with this item is listed in Table 1.4 and described in more detail in Budget Paper No. 2, *Budget Measures October 2022–23*.

Northern Territory Remote Aboriginal Investment**Community safety implementation plan**

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	-	-	-	-	-	46.1	46.1
2023-24	-	-	-	-	-	-	-	47.3	47.3
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	93.3	93.3

The Australian Government is providing funding to the Northern Territory to make remote communities safer, improve child and family safety, and address alcohol-related harm through this implementation plan.

The Northern Territory Remote Aboriginal Investment agreement supports the Northern Territory to improve schooling for First Nations children, make communities safer and healthier, and increase access to interpreter services and job opportunities for First Nations Australians. Other components of this agreement are discussed in the Health and Education sections of this Part.

Remote Australia strategies component

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	-	-	-	-	-	3.8	3.8
2023-24	-	-	-	-	-	-	-	3.9	3.9
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	7.7	7.7

The Remote Australia Strategies Schedule provides funding to support a sustainable, professional and qualified Aboriginal interpreter service.

Payments from the DisabilityCare Australia Fund^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	349.8	270.5	218.9	871.6	80.6	25.0	18.0	10.8	1,845.3
2023-24	361.9	280.0	226.6	135.9	83.4	25.9	18.7	11.1	1,143.4
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
Total	711.7	550.5	445.5	1,007.5	164.0	50.8	36.7	21.9	2,988.6

a) Funding amounts for WA are indicative estimates only. Negotiations are continuing on drawdown arrangements.

This funding agreement partially reimburses the states for expenditure incurred in relation to the *National Disability Insurance Scheme Act 2013*. Under the *DisabilityCare Australia Fund Act 2013*, a proportion of the funding held in the DisabilityCare Australia Fund has been allocated to the states over a 10-year period.

Remote Community Store Licensing Scheme

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	-	-	-	-	-	7.5	7.5
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	7.5	7.5

The Australian Government is providing funding to transition the remote community store licensing scheme currently delivered by the Australian Government to the Northern Territory Government.

The scheme was introduced in 2007, with the aim of supporting improved store governance, management practices and quality of food in remote community stores. The scheme regulates around 100 stores across 70 remote First Nations communities.

Social Impact Investments

Vulnerable Priority Groups^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	~	~	~	~	0.5	~	~	~	0.9
2023-24	-	-	-	-	0.5	-	-	-	0.5
2024-25	-	-	-	-	0.5	-	-	-	0.5
2025-26	-	-	-	-	0.5	-	-	-	0.5
Total	~	~	~	~	2.1	~	~	~	2.5

a) State allocations for 2022-23 have not yet been determined.

The Australian Government is providing funding to state governments to trial social impact investments which aim to assist vulnerable priority groups.

Affordable housing

In 2022–23, the Australian Government will provide funding of \$2.5 billion for state affordable housing services, consisting of \$1.6 billion through the National Housing and Homelessness Agreement (NHHA) and \$831.8 million through National Partnership payments, as detailed in Table 2.7.

Table 2.7: Payments to support state affordable housing service

\$million	2022-23	2023-24	2024-25	2025-26
National Housing and Homelessness Agreement	1,646.1	1,630.3	1,661.2	1,689.5
National Partnership payments				
HomeBuilder	481.5	-	-	-
Housing and essential services on Northern Territory Homelands	25.0	75.0	-	-
Remote housing	323.7	-	-	-
Social Impact Investments				
People at risk of homelessness	1.6	0.5	0.5	0.5
Total National Partnership payments	831.8	75.5	0.5	0.5
Total	2,477.9	1,705.8	1,661.8	1,690.0

National Housing and Homelessness Agreement^{(a)(b)(c)}

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	497.8	418.7	342.2	182.2	116.9	37.4	29.4	21.4	1,646.1
2023-24	502.2	409.2	339.9	178.4	115.2	36.4	28.3	20.6	1,630.3
2024-25	510.4	418.4	346.5	182.0	117.0	37.0	29.0	21.0	1,661.2
2025-26	517.9	426.9	352.5	185.2	118.5	37.6	29.6	21.3	1,689.5
Total	2,028.3	1,673.3	1,381.1	727.7	467.6	148.4	116.3	84.4	6,627.0

- a) Bilateral agreements under the NHHA expire at the end of 2022-23, beyond which funding is subject to negotiation. The Government is negotiating with the states on a one-year extension of the NHHA to 30 June 2024, to support the transition to a new housing agenda.
- b) Estimates include funding in response to the Fair Work Commission's 2012 Equal Remuneration Order for the Social, Community, Home Care and Disability Services sector. This funding (known as SACS funding) expires at the end of 2022-23.
- c) Estimates beyond 2022-23 are based on 2022-23 funding, excluding SACS funding, indexed by Wage Cost Index 1 (see Appendix A).

The NHHA contributes to improving access to affordable, safe and sustainable housing, including to prevent and address homelessness, and to support social and economic participation. The NHHA supports state and territory governments to deliver funding to support better housing and homelessness outcomes. The Australian Government's contribution to homelessness funding will be matched by the states.

National Partnership payments for affordable housing

The Australian Government will provide a total of \$831.8 million in 2022–23 through National Partnership payments to support state affordable housing services. Further details are provided below.

HomeBuilder^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	~	~	~	~	~	~	~	~	481.5
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
Total	~	~	~	~	~	~	~	~	481.5

a) State allocations are not available as this is a demand-driven program.

HomeBuilder was announced on 4 June 2020 to respond to the impact of the COVID-19 pandemic on the residential construction sector by encouraging eligible Australians to build a new home or substantially renovate an existing home. Applications for the program closed on 14 April 2021.

Housing and essential services on Northern Territory Homelands

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	-	-	-	-	-	25.0	25.0
2023-24	-	-	-	-	-	-	-	75.0	75.0
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	100.0	100.0

The Australian Government will provide funding of \$100.0 million to start work immediately on urgent housing and essential infrastructure on Northern Territory homelands. This will include improvements to water, power, and community facilities, as well as housing upgrades, extensions, and new builds.

A new measure associated with this item is listed in Table 1.4 and described in more detail in Budget Paper No. 2, *Budget Measures October 2022–23*.

Remote housing

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	-	-	-	-	-	323.7	323.7
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	323.7	323.7

The Australian Government is supporting the provision of housing for First Nations Australians in remote Northern Territory communities to help address overcrowding, homelessness, poor housing conditions and severe housing shortages. Funding for other states was provided in prior years.

Social Impact Investments**People at risk of homelessness^(a)**

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	~	~	~	~	~	~	~	~	1.6
2023-24	~	~	~	~	~	~	~	~	0.5
2024-25	~	~	~	~	~	~	~	~	0.5
2025-26	~	~	~	~	~	~	~	~	0.5
Total	~	~	~	~	~	~	~	~	3.2

a) State allocations for all years have not yet been determined.

The Australian Government will provide funding to state governments to trial social impact investments which aim to help people at risk of homelessness.

Infrastructure

In 2022–23, the Australian Government will provide funding of \$14.0 billion to support state infrastructure projects, as detailed in Table 2.8.

Table 2.8: Payments to support state infrastructure services^(a)

\$million	2022-23	2023-24	2024-25	2025-26
National Partnership payments				
Infrastructure Investment Program				
Black Spot Projects	120.1	120.1	120.1	120.1
Bridges Renewal Program	95.0	95.0	95.0	95.0
Developing Northern Australia				
Improving cattle supply chains	3.8	1.1	0.5	2.1
Northern Australia Roads	23.6	57.7	115.5	133.7
Heavy Vehicle Safety and Productivity Program	70.0	90.0	100.0	100.0
Major Projects Business Case Fund	63.4	47.8	40.3	5.4
Rail investment component	3,309.8	3,497.8	3,555.2	3,946.6
Road investment component	7,033.9	8,596.4	8,663.4	8,170.2
Roads of Strategic Importance	793.8	741.7	914.2	857.2
Roads to Recovery	492.3	483.9	499.5	499.5
Western Sydney Infrastructure Plan	169.6	376.0	299.7	76.4
Total Infrastructure Investment Program	12,175.4	14,107.6	14,403.4	14,006.2
Other payments				
Adelaide City Deal	28.7	36.0	68.5	-
Albury Wodonga Regional Deal	20.1	20.0	21.0	15.0
Barkly Regional Deal	21.7	-	-	-
Cairns Regional Development	-	10.0	46.0	46.0
Drought Communities Programme – Extension	10.0	-	-	-
Geelong City Deal	32.6	62.6	60.8	-
Hinkler Regional Deal	7.5	-	-	-
Launceston City Deal	14.0	20.5	4.6	-
Local Roads and Community Infrastructure	965.6	349.6	249.7	249.7
National Water Grid Fund	472.2	346.2	481.2	354.2
Perth City Deal	95.1	75.4	74.0	-
South East Queensland City Deal	42.3	122.0	114.0	85.6
Townsville City Deal	71.0	91.0	30.5	-
Western Sydney City Deal	23.1	-	-	-
WiFi and mobile coverage on trains	2.0	-	-	-
Total other payments	1,806.1	1,133.2	1,150.4	750.6
Total	13,981.5	15,240.8	15,553.8	14,756.7

Table 2.8: Payments to support state infrastructure services (continued)^(a)

\$million	2022-23	2023-24	2024-25	2025-26
<i>Memorandum item – payments direct to local governments included in payments above</i>				
Infrastructure Investment Program				
Roads to Recovery	463.9	460.0	473.5	473.5
Other payments				
Drought Communities Programme – Extension	10.0	-	-	-
Local Roads and Community Infrastructure	965.6	349.6	249.7	249.7
Total	1,439.5	809.6	723.2	723.2

a) The Urban Congestion Fund has been abolished. All remaining projects have been reassigned as discrete projects within the Infrastructure Investment Program.

National Partnership payments for infrastructure

The Australian Government provides National Partnership payments to the states for infrastructure, as detailed below.

The Australian Government is investing in road and rail infrastructure projects to support regional development and our local communities. In this Budget, the Australian Government is delivering election commitments and taking a more responsible, sustainable approach to infrastructure investment that responds to market capacity constraints while continuing to support priorities for communities.

Infrastructure Investment Program

The Australian Government is providing funding for road and rail infrastructure through the Infrastructure Investment Program under the funding agreement on land transport infrastructure projects. The Australian Government has a 10-year funding allocation for this program.

The Infrastructure Investment Program assists economic and social development regionally and nationally by providing funding to improve the standard of land transport infrastructure.

The Australian Government will deliver on its election commitments to invest in key infrastructure projects and boost the productive capacity of the economy. The Government is providing \$8.1 billion to deliver on key infrastructure projects including the Suburban Rail Loop East in Melbourne, the Bruce Highway and other important freight highways such as the Tanami Road and Dukes Highway.

The Infrastructure Investment Program has been repositioned to ensure a sustainable plan for infrastructure investment to meet the needs of the community, deliver value for money and align with current market capacity to deliver projects. These estimates include funds moved for the Road Transport program (\$2.6 billion) and Rail Transport program (\$0.9 billion) from underspends in 2021-22 reflecting delays to milestone payments for projects due to industry constraints, COVID-19 impacts on supply chains, and staff shortages. The estimates also include reprofiling of \$6.5 billion for road and rail beyond the

forward estimates to reprioritise our Infrastructure Investment Program and make the pipeline real and deliverable. More information is available in Budget Paper No. 1, *Budget Strategy and Outlook October 2022–23, Statement 1: Budget Overview*.

A portion of Australian Government funding for road infrastructure is sourced from the additional net revenue received from the reintroduction of fuel excise indexation in 2014.

The Infrastructure Investment Program includes several components that involve payments to the states, detailed in the tables below.

A new measure associated with all components of the Infrastructure Investment Program is listed in Table 1.4 and described in more detail in Budget Paper No. 2, *Budget Measures October 2022–23*.

Black Spot Projects

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	35.9	31.1	24.3	13.4	8.5	3.1	1.7	2.1	120.1
2023-24	35.9	31.1	24.3	13.4	8.5	3.1	1.7	2.1	120.1
2024-25	35.9	31.1	24.3	13.4	8.5	3.1	1.7	2.1	120.1
2025-26	35.9	31.1	24.3	13.4	8.5	3.1	1.7	2.1	120.1
Total	143.6	124.2	97.3	53.7	34.0	12.2	7.0	8.5	480.6

The Australian Government is providing funding for safety works under the Black Spot Program in places where there have been serious crashes or where serious crashes are likely to occur.

Bridges Renewal Program

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	38.2	19.3	21.0	8.0	4.1	2.2	1.6	0.7	95.0
2023-24	20.8	4.5	16.0	18.5	16.6	13.6	5.0	-	95.0
2024-25	31.8	10.4	33.9	8.4	3.1	4.6	0.7	2.1	95.0
2025-26	31.8	10.4	33.9	8.4	3.1	4.6	0.7	2.1	95.0
Total	122.6	44.6	104.8	43.2	26.9	25.0	8.0	4.9	380.0

The Australian Government is providing funding to upgrade bridges across the nation. This program renews and replaces bridges serving local communities and facilitates higher productivity vehicle access.

Developing Northern Australia**Improving cattle supply chains**

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	3.8	-	-	-	-	-	3.8
2023-24	-	-	0.6	0.5	-	-	-	-	1.1
2024-25	-	-	0.5	-	-	-	-	-	0.5
2025-26	-	-	2.1	-	-	-	-	-	2.1
Total	-	-	7.0	0.5	-	-	-	-	7.4

The Australian Government is providing funding to Queensland and Western Australia for road infrastructure projects that will improve the resilience and productivity of the northern cattle supply chains.

Northern Australia Roads

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	9.1	9.3	-	-	-	5.2	23.6
2023-24	-	-	21.5	13.5	-	-	-	22.7	57.7
2024-25	-	-	49.5	22.0	-	-	-	44.0	115.5
2025-26	-	-	52.5	22.0	-	-	-	59.1	133.7
Total	-	-	132.6	66.8	-	-	-	131.1	330.6

The Australian Government is providing funding to Queensland, Western Australia and the Northern Territory for infrastructure projects that are essential to the movement of people and freight to support economic development in the region. Projects include links to roads connecting communities and regional towns to ports and airports.

Heavy Vehicle Safety and Productivity Program

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	37.4	8.3	12.8	6.5	3.4	0.4	0.9	0.4	70.0
2023-24	7.9	15.2	14.0	17.5	1.8	25.7	0.1	7.9	90.0
2024-25	30.7	13.9	24.8	11.4	9.2	3.2	0.3	6.5	100.0
2025-26	30.7	13.9	24.8	11.4	9.2	3.2	0.3	6.5	100.0
Total	106.7	51.4	76.4	46.7	23.6	32.5	1.6	21.2	360.0

The Australian Government is providing funding for projects that contribute to the safety and productivity of heavy vehicles. These projects improve the safety of the road environment, enhance the capacity of existing roads and improve connections to freight networks.

Major Projects Business Case Fund

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	1.5	18.3	30.9	12.7	-	-	-	-	63.4
2023-24	0.4	11.0	30.9	5.5	-	-	-	-	47.8
2024-25	5.0	3.0	28.3	3.9	-	-	-	-	40.3
2025-26	-	-	3.3	2.2	-	-	-	-	5.4
Total	6.9	32.3	93.4	24.3	-	-	-	-	156.9

The Australian Government is providing funding to support the development of business cases for road and rail infrastructure projects. Funding will support a range of scenarios relating to business case development, including supporting joint state, territory and Australian Government planning processes.

Rail investment component

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	1,037.4	1,073.6	205.5	915.9	15.4	42.0	20.0	0.1	3,309.8
2023-24	1,091.1	1,052.2	368.6	888.8	20.7	22.1	52.5	1.9	3,497.8
2024-25	1,268.0	1,446.4	353.3	416.1	6.8	37.7	25.0	1.9	3,555.2
2025-26	710.9	2,656.8	364.2	126.6	3.4	37.7	45.0	1.9	3,946.6
Total	4,107.4	6,228.9	1,291.7	2,347.4	46.2	139.4	142.5	5.8	14,309.4

The rail investment component of the Infrastructure Investment Program delivers the Australian Government’s rail investment, including \$2.2 billion for the Suburban Rail Loop East in Melbourne and \$500 million for planning and corridor works from Sydney to Newcastle for high-speed rail.

Road investment component

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	1,348.7	1,310.0	1,834.6	986.2	978.8	316.5	33.7	225.6	7,033.9
2023-24	1,887.7	1,449.4	2,025.1	1,381.8	1,067.1	348.2	97.0	340.1	8,596.4
2024-25	2,383.1	1,508.2	2,305.4	1,024.2	913.5	216.4	81.9	230.6	8,663.4
2025-26	2,789.7	858.1	2,474.5	647.8	933.0	214.0	53.1	200.0	8,170.2
Total	8,409.1	5,125.7	8,639.6	4,040.0	3,892.4	1,095.1	265.7	996.3	32,463.9

The road investment component of the Infrastructure Investment Program delivers most of the Australian Government’s investment in road infrastructure. It targets nationally significant projects that will improve the efficiency and safety of Australia’s road network. Funding is provided for road construction projects and network maintenance, as well as transport development, innovation projects and grants to land transport research bodies.

Roads of Strategic Importance

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	97.3	44.0	199.6	178.5	90.8	111.6	-	72.1	793.8
2023-24	98.3	41.9	197.2	111.9	41.5	139.9	-	111.1	741.7
2024-25	155.2	43.7	233.6	214.2	4.8	162.0	-	100.8	914.2
2025-26	126.1	43.5	188.7	210.5	-	158.1	-	130.4	857.2
Total	476.9	173.1	819.0	715.0	137.1	571.5	-	414.3	3,306.9

The Australian Government is providing funding to upgrade key freight routes across Australia to improve access for businesses and communities to essential services, markets and employment opportunities.

Roads to Recovery^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	140.9	99.7	95.3	72.3	44.0	16.5	10.2	13.4	492.3
2023-24	132.7	100.5	101.9	69.0	44.4	16.2	5.7	13.5	483.9
2024-25	139.3	101.7	101.7	73.1	44.9	16.3	8.0	14.5	499.5
2025-26	139.3	101.7	101.7	73.1	44.9	16.3	8.0	14.5	499.5
Total	552.1	403.7	400.5	287.5	178.3	65.2	31.9	56.0	1,975.2

a) These figures include payments direct to local governments.

The Australian Government is providing funding for the Roads to Recovery program for road construction and maintenance projects at a local level. Funding recipients have a set program allocation for each 5-year program cycle and choose the projects on which they will spend their funding based on local priorities.

Western Sydney Infrastructure Plan

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	169.6	-	-	-	-	-	-	-	169.6
2023-24	376.0	-	-	-	-	-	-	-	376.0
2024-25	299.7	-	-	-	-	-	-	-	299.7
2025-26	76.4	-	-	-	-	-	-	-	76.4
Total	921.7	-	-	-	-	-	-	-	921.7

The Australian Government is providing funding to enhance capacity and improve transport infrastructure in Sydney's western suburbs. This is in addition to the funding for the new Western Sydney airport at Badgerys Creek.

Other payments

Adelaide City Deal

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	-	-	28.7	-	-	-	28.7
2023-24	-	-	-	-	36.0	-	-	-	36.0
2024-25	-	-	-	-	68.5	-	-	-	68.5
2025-26	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	133.2	-	-	-	133.2

The Australian Government is providing funding to support projects in Adelaide and the surrounding region, including the development of a new innovation and cultural precinct in the city centre.

Albury Wodonga Regional Deal

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	7.5	12.6	-	-	-	-	-	-	20.1
2023-24	9.5	10.5	-	-	-	-	-	-	20.0
2024-25	21.0	-	-	-	-	-	-	-	21.0
2025-26	15.0	-	-	-	-	-	-	-	15.0
Total	53.0	23.1	-	-	-	-	-	-	76.1

The Australian Government is providing funding to support projects in the Albury Wodonga region to unlock economic benefits and opportunities.

Barkly Regional Deal

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	-	-	-	-	-	21.7	21.7
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	21.7	21.7

The Australian Government is providing funding to deliver a range of economic, social and cultural initiatives in the Barkly region, including a purpose-built boarding facility in Tennant Creek.

Cairns Regional Development

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	-	-	-	-	-	-	-
2023-24	-	-	10.0	-	-	-	-	-	10.0
2024-25	-	-	46.0	-	-	-	-	-	46.0
2025-26	-	-	46.0	-	-	-	-	-	46.0
Total	-	-	102.0	-	-	-	-	-	102.0

The Australian Government is providing \$200 million over 6 years from 2023–24 to deliver 2 construction projects in Cairns. This includes a permanent and purpose-built campus in the CBD and a major expansion to the Cairns Marine Precinct with a new common-use maintenance repair and overhaul facility.

A new measure associated with this item is listed in Table 1.4 and described in more detail in Budget Paper No. 2, *Budget Measures October 2022–23*.

Drought Communities Programme – Extension^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	2.8	1.1	1.1	3.1	1.5	0.2	-	0.2	10.0
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
Total	2.8	1.1	1.1	3.1	1.5	0.2	-	0.2	10.0

a) These figures include payments direct to local governments.

The Australian Government is supporting local infrastructure projects and other drought relief activities with funding being provided to local government areas for projects that provide long lasting benefits to regional communities.

Geelong City Deal

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	32.6	-	-	-	-	-	-	32.6
2023-24	-	62.6	-	-	-	-	-	-	62.6
2024-25	-	60.8	-	-	-	-	-	-	60.8
2025-26	-	-	-	-	-	-	-	-	-
Total	-	156.0	-	-	-	-	-	-	156.0

The Australian Government is providing funding to support projects including the Shipwreck Coast Master Plan, Great Ocean Road projects and projects in the Geelong city centre.

Hinkler Regional Deal

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	7.5	-	-	-	-	-	7.5
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
Total	-	-	7.5	-	-	-	-	-	7.5

The Australian Government is providing funding to support projects at the Port of Bundaberg, including the construction of a multi-use conveyor.

Launceston City Deal

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	-	-	-	14.0	-	-	14.0
2023-24	-	-	-	-	-	20.5	-	-	20.5
2024-25	-	-	-	-	-	4.6	-	-	4.6
2025-26	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	39.1	-	-	39.1

The Australian Government is providing funding to support projects in Launceston to improve liveability and innovation, increasing incomes and reducing levels of disadvantage. This includes funding to reduce pollution and improve the health of the Tamar River.

Local Roads and Community Infrastructure^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	303.7	211.6	171.0	122.7	85.3	30.8	15.4	25.0	965.6
2023-24	97.5	71.2	71.2	51.1	31.4	11.4	5.6	10.2	349.6
2024-25	69.6	50.9	50.9	36.5	22.5	8.1	4.0	7.3	249.7
2025-26	69.6	50.9	50.9	36.5	22.5	8.1	4.0	7.3	249.7
Total	540.5	384.6	343.9	246.9	161.6	58.5	29.0	49.8	1,814.7

a) These figures include payments direct to local governments.

The Australian Government is providing funding to support local councils to deliver priority local road and community infrastructure projects across Australia, supporting jobs and the resilience of local economies.

A new measure associated with this item is listed in Table 1.4 and described in more detail in Budget Paper No. 2, *Budget Measures October 2022–23*.

National Water Grid Fund^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	103.6	85.2	130.6	23.8	20.8	90.9	-	17.2	472.2
2023-24	28.6	45.3	95.6	15.6	10.5	47.0	-	103.8	346.2
2024-25	7.7	23.8	200.8	10.2	0.5	40.1	-	198.2	481.2
2025-26	-	0.2	303.8	9.7	-	40.0	-	0.6	354.2
Total	139.9	154.5	730.8	59.3	31.7	217.9	-	319.8	1,653.9

a) State allocations are indicative estimates only to be determined on the signing of agreements.

The Australian Government will provide \$4.0 billion over 11 years from 2022–23 to expand investment in nationally significant, transformational water infrastructure projects to assist in developing regional communities.

New measures associated with this item are listed in Table 1.4 and described in more detail in Budget Paper No. 2, *Budget Measures October 2022–23*.

Perth City Deal

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	-	95.1	-	-	-	-	95.1
2023-24	-	-	-	75.4	-	-	-	-	75.4
2024-25	-	-	-	74.0	-	-	-	-	74.0
2025-26	-	-	-	-	-	-	-	-	-
Total	-	-	-	244.5	-	-	-	-	244.5

The Australian Government is providing funding to support a range of projects in Perth, including the Edith Cowan University Cultural and Creative Industries Education CBD Campus.

South East Queensland City Deal

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	42.3	-	-	-	-	-	42.3
2023-24	-	-	122.0	-	-	-	-	-	122.0
2024-25	-	-	114.0	-	-	-	-	-	114.0
2025-26	-	-	85.6	-	-	-	-	-	85.6
Total	-	-	363.9	-	-	-	-	-	363.9

The Australian Government will provide funding to support projects in the South East Queensland region to deliver jobs, greater digital and transport connectivity and more liveable communities.

Townsville City Deal

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	71.0	-	-	-	-	-	71.0
2023-24	-	-	91.0	-	-	-	-	-	91.0
2024-25	-	-	30.5	-	-	-	-	-	30.5
2025-26	-	-	-	-	-	-	-	-	-
Total	-	-	192.5	-	-	-	-	-	192.5

The Australian Government is providing funding to support projects in Townsville, including the Port of Townsville channel upgrade.

Western Sydney City Deal

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	23.1	-	-	-	-	-	-	-	23.1
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
Total	23.1	-	-	-	-	-	-	-	23.1

The Australian Government is providing funding in Western Sydney to deliver improved community facilities and urban amenities, and to cut development costs and boost housing supply.

WiFi and mobile coverage on trains

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	2.0	-	-	-	-	-	-	-	2.0
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
Total	2.0	-	-	-	-	-	-	-	2.0

The Australian Government is providing funding for mobile and internet connectivity along the train route between Hornsby and Wyong.

Environment

In 2022–23, the Australian Government will provide funding of \$2.3 billion to support state environment projects, as detailed in Table 2.9.

Table 2.9: Payments to support state environment services^(a)

\$million	2022-23	2023-24	2024-25	2025-26
National Partnership payments				
Australian Fire Danger Rating System	2.3	-	-	-
Bilateral Energy and Emissions Reduction Agreements	30.0	-	-	-
Bolstering Australia's Biosecurity System - Protecting Australia from escalating exotic animal disease risks	0.9	1.9	-	-
Building resilience to manage fruit fly	16.0	14.0	-	-
CarbonNet	10.0	5.0	5.0	-
Community Solar Banks Program	-	50.5	50.5	-
Construction Softwood Transport Assistance	14.5	-	-	-
Disaster Ready Fund				
Coastal and Estuaries Risk Mitigation Program	50.0	-	-	-
Flood Recovery and Resilience Package	225.0	-	-	-
National Flood Mitigation Infrastructure Program	50.0	-	-	-
Disaster risk reduction	20.9	20.9	-	-
Ehrlichia canis pilot program	0.1	-	-	-
Environment Restoration Fund	5.4	-	-	-
Environmental assessment systems upgrade	1.1	-	-	-
Environmental management of the former Rum Jungle Mine site	nfp	nfp	nfp	nfp
Fishing and Camping Facilities Program	4.6	-	-	-
Food Waste for Healthy Soils Fund	21.0	18.0	18.0	-
Future Drought Fund				
Farm business resilience	45.0	15.0	-	-
Regional drought resilience planning	23.9	5.5	-	-
Great Artesian Basin Sustainability Initiative	13.2	4.0	-	-
Horse traceability	0.6	0.6	-	-
Hydro Tasmania's Tarraleah Hydro Power Station Redevelopment	13.0	19.2	23.0	-
Hydrogen energy supply chain project	3.8	3.8	-	-
Implementing water reform in the Murray-Darling Basin	20.3	20.0	-	-

Table 2.9: Payments to support state environment services^(a) (continued)

\$million	2022-23	2023-24	2024-25	2025-26
National Partnership payments				
Improving Compliance in the Murray-Darling Basin	-	6.0	6.0	6.0
Investing in Australia's Indigenous Culture and World Heritage	2.5	0.8	0.8	0.6
Management of established pest and weeds	8.6	5.3	5.0	-
Marine Parks Management – Northern Territory Marine Parks	0.2	0.4	0.9	0.9
Marinus Link	35.0	25.0	15.0	-
National Plant Health Surveillance Program	1.0	1.0	1.0	-
North Queensland Strata Title Resilience Pilot Program	28.0	12.0	-	-
On-farm emergency water infrastructure rebate scheme	22.5	8.0	-	-
Pest and disease preparedness and response programs	141.6	16.0	14.9	10.5
Raine Island Recovery Project	0.7	0.7	-	-
Recycling Modernisation Fund				
Plastics technology stream	5.8	20.8	20.8	12.8
Recycling Infrastructure	94.9	69.6	0.5	-
Reducing regulatory burden and streamlining audit arrangements in the dairy sector	0.4	-	-	-
Reef 2050 Plan				
Paddock to Reef Monitoring	-	4.3	4.1	4.6
Sustainable Fisheries	-	-	18.0	18.0
Regional fund for wildlife and habitat bushfire recovery	8.3	-	-	-
Strengthen Australia's frontline biosecurity capability and domestic preparedness	6.0	8.0	6.0	-
Sustainable rural water use and infrastructure program	698.8	627.4	153.8	-
Transforming Digital Environmental Assessments	4.0	4.7	1.8	-
Urban Rivers and Catchments Program	5.0	13.2	22.8	22.8
Water for the Environment Special Account				
Implementation of constraints measures	76.7	70.6	-	-
Off-farm Efficiency Program	596.2	661.7	-	-
Water Efficiency Program	0.3	-	-	-
World Heritage Sites	9.5	-	-	-
Yellow crazy ant control	4.2	8.2	6.2	6.2
Total	2,335.7	1,750.9	433.8	148.5

a) Total figures include items not for publication.

National Partnership payments for the environment

Australian Fire Danger Rating System^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	~	~	~	~	~	~	~	~	2.3
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
Total	~	~	~	~	~	~	~	~	2.3

a) State allocations have not yet been determined.

The Australian Government is providing funding to support the implementation of the Australian Fire Danger Rating System. The new Australian Fire Danger Rating System will improve public safety and reduce the impacts of bushfires by improving decision making enabled by more accurate scientific information. Nationally consistent fire danger rating information will be available to the public, reducing confusion about how to react to a warning.

Bilateral Energy and Emissions Reduction Agreements

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	-	-	-	-	-	30.0	30.0
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	30.0	30.0

The Australian Government will provide up to \$30 million for two key projects in the Northern Territory to deliver reliable and affordable energy, reduce emissions and support economic recovery. The funding will enable installation of a 35-megawatt big battery for the Darwin–Katherine Interconnected System and microgrids in up to 10 remote Indigenous communities across the Northern Territory.

Bolstering Australia's Biosecurity System – Protecting Australia from escalating exotic animal disease risks^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	~	~	~	~	~	~	~	~	0.9
2023-24	~	~	~	~	~	~	~	~	1.9
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
Total	~	~	~	~	~	~	~	~	2.8

a) State allocations have not yet been determined.

The Australian Government will provide funding to build regional resilience to manage biosecurity risks in northern Australia across the animal (e.g. Foot and Mouth Disease), plant and aquatic sectors. The funding will support targeted actions in high-risk zones to proactively manage the increasing biosecurity risk to the north. Investments may include critical biosecurity infrastructure, bolstering response/preparedness capability and implementation of new surveillance and diagnostic technologies across the north.

A new measure associated with this item is listed in Table 1.4 and described in more detail in Budget Paper No. 2, *Budget Measures October 2022–23*.

Building resilience to manage fruit fly^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	~	~	~	~	10.5	~	~	~	16.0
2023-24	~	~	~	~	9.5	~	~	~	14.0
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
Total	~	~	~	~	20.0	~	~	~	30.0

a) State allocations (except for SA) have not yet been determined.

The Australian Government will provide funding to build resilience of Australia’s fruit fly management system. This investment will reduce the significant impact of fruit flies by helping to stop the spread of fruit fly, driving down pest pressure in vulnerable areas and growing exports by providing critical post-harvest treatment options for export of horticultural crops.

CarbonNet

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	10.0	-	-	-	-	-	-	10.0
2023-24	-	5.0	-	-	-	-	-	-	5.0
2024-25	-	5.0	-	-	-	-	-	-	5.0
2025-26	-	-	-	-	-	-	-	-	-
Total	-	20.0	-	-	-	-	-	-	20.0

The Australian Government will provide up to \$20.0 million to support CarbonNet’s Stage 3 activities, as it aims to establish a commercial carbon capture and storage network in Victoria’s Gippsland Basin. The funding will enable CarbonNet to undertake key regulatory works and complete the Front End Engineering Design for onshore and offshore infrastructure.

Community Solar Banks Program^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	-	-	-	-	-	-	-
2023-24	~	~	~	~	~	~	~	~	50.5
2024-25	~	~	~	~	~	~	~	~	50.5
2025-26	-	-	-	-	-	-	-	-	-
Total	~	~	~	~	~	~	~	~	101.0

a) State allocations have not yet been determined.

The Australian Government will provide funding to support community-scale solar and clean energy technologies for 25,000 households unable to access the benefits of these technologies. The Community Solar Banks Program will have a particular focus on those who live in low-income households and people in apartments and rental accommodation.

A new measure associated with this item is listed in Table 1.4 and described in more detail in Budget Paper No. 2, *Budget Measures October 2022–23*.

Construction Softwood Transport Assistance^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	~	~	~	~	0.7	~	~	~	14.5
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
Total	~	~	~	~	0.7	~	~	~	14.5

a) State allocations have not yet been determined.

The Australian Government is providing funding to the states to support forestry entities to transport bushfire-salvaged softwood to timber mills. Funding is available to reduce transport costs associated with moving bushfire-affected softwood to mills that have capacity to manufacture structural timbers for the domestic building industry, which has experienced timber shortages.

Disaster Ready Fund

The Australian Government is creating a new Disaster Ready Fund through the *Emergency Response Fund Amendment (Disaster Ready Fund) Bill 2022* to help communities prepare for natural disasters. This will transform the current Emergency Response Fund into a dedicated ongoing source of funding for natural disaster resilience and risk reduction initiatives. The Disaster Ready Fund will provide up to \$200.0 million each year from 2023-24 to invest in mitigation projects like flood levees, cyclone shelters, fire breaks and evacuation centres around Australia. The existing approved Emergency Response Fund commitments for 2022–23 will be funded from the Disaster Ready Fund, as detailed below.

A new measure associated with this item is listed in Table 1.4 and described in more detail in Budget Paper No. 2, *Budget Measures October 2022–23*.

Coastal and Estuaries Risk Mitigation Program^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	~	~	~	~	~	~	~	~	50.0
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
Total	~	~	~	~	~	~	~	~	50.0

a) State allocations have not yet been determined.

The Australian Government will provide \$50.0 million in funding from the Disaster Ready Fund to target high priority locally and nationally significant coastal and estuarine disaster risk mitigation projects.

Flood Recovery and Resilience Package

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	150.0	-	75.0	-	-	-	-	-	225.0
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
Total	150.0	-	75.0	-	-	-	-	-	225.0

The Australian Government will provide \$225.0 million from the Disaster Ready Fund in 2022–23 to support recovery activities in communities affected by the severe flooding disaster events in Queensland and New South Wales in February and March 2022.

National Flood Mitigation Infrastructure Program

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	19.2	2.4	0.9	-	9.9	1.8	5.7	10.0	50.0
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
Total	19.2	2.4	0.9	-	9.9	1.8	5.7	10.0	50.0

The Australian Government will provide funding from the Disaster Ready Fund to states to support national flood mitigation infrastructure priorities to reduce the impacts of floods on Australian communities.

Disaster risk reduction

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	5.4	3.3	4.8	2.5	1.7	1.0	1.0	1.0	20.9
2023-24	5.4	3.3	4.8	2.5	1.7	1.0	1.0	1.0	20.9
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
Total	10.9	6.7	9.6	5.0	3.3	2.1	2.1	2.1	41.8

The Australian Government is providing funding to the states to reduce the risk and impact of disasters on Australians in line with the priorities of the National Disaster Risk Reduction Framework. The funding forms part of a broader \$130.5 million package over 5 years which commenced in 2019–20 to support resilience to disasters triggered by natural hazards.

Ehrlichia canis pilot program

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	-	0.1	-	-	-	-	0.1
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
Total	-	-	-	0.1	-	-	-	-	0.1

The Australian Government is providing funding to support Western Australia in the management of *Ehrlichia canis* through national awareness for dog owners and control programs in several remote indigenous communities.

Environment Restoration Fund

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	0.1	2.9	0.3	-	2.3	-	-	-	5.4
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
Total	0.1	2.9	0.3	-	2.3	-	-	-	5.4

The Australian Government is providing funding to improve water quality and manage erosion in coasts and waterways, support the recovery and recycling of waste, and protect threatened species and their habitats.

Environmental assessment systems upgrade

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	0.3	-	-	-	-	-	0.8	1.1
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
Total	-	0.3	-	-	-	-	-	0.8	1.1

The Australian Government is providing funding to support activities to establish new and interoperable environmental assessment systems. The activities include developing an online environmental assessment portal, an environmental assessment system and a biodiversity data repository.

Environmental management of the former Rum Jungle Mine site

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	-	-	-	-	-	nfp	nfp
2023-24	-	-	-	-	-	-	-	nfp	nfp
2024-25	-	-	-	-	-	-	-	nfp	nfp
2025-26	-	-	-	-	-	-	-	nfp	nfp
Total	-	-	-	-	-	-	-	nfp	nfp

The Australian Government is continuing to fund the program of work established to improve the management of the Rum Jungle Mine site. This funding supports the site's full rehabilitation, the participation of traditional owners in delivering work and ongoing engagement activities.

Fishing and Camping Facilities Program

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	0.3	1.1	1.7	-	0.1	1.4	4.6
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
Total	-	-	0.3	1.1	1.7	-	0.1	1.4	4.6

The Australian Government is providing funding for local councils to improve, maintain or build new boating, marine rescue, fishing and camping facilities.

Food Waste for Healthy Soils Fund^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	~	~	~	~	~	~	~	~	21.0
2023-24	~	~	~	~	~	~	~	~	18.0
2024-25	~	~	~	~	~	~	~	~	18.0
2025-26	-	-	-	-	-	-	-	-	-
Total	~	~	~	~	~	~	~	~	57.0

a) State allocations have not yet been determined.

The Australian Government is investing \$57.0 million through the Food Waste for Healthy Soils Fund to support infrastructure that will increase Australia’s processing capacity and diversion of organic waste from landfill for productive use on Australia’s soils.

Future Drought Fund

The Future Drought Fund provides secure, continuous funding for drought resilience initiatives to help Australian farms and communities prepare for impacts of drought.

Farm business resilience^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	~	~	~	~	~	~	~	~	45.0
2023-24	~	~	~	~	~	~	~	~	15.0
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
Total	~	~	~	~	~	~	~	~	60.0

a) State allocations have not yet been finalised.

The Australian Government is working with state governments to provide farm businesses with learning opportunities to develop strategic management skills and support the development of Farm Business Plans. Participants are supported to develop a plan, tailored to their business and situation, and have the opportunity for professional feedback on the plan. Funding is provided from the Future Drought Fund.

Regional drought resilience planning^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	~	~	~	~	~	~	~	~	23.9
2023-24	~	~	~	~	~	~	~	~	5.5
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
Total	~	~	~	~	~	~	~	~	29.4

a) State allocations have not yet been finalised.

The Australian Government is working with state governments to support group partnerships of regional organisations, local government, communities and industry to develop regional drought resilience plans. Plans include actions identified by the region to prepare for and manage future drought risks. Small grants will be available for regions to take forward priority actions identified in their plans. Funding is provided from the Future Drought Fund.

Great Artesian Basin Sustainability Initiative

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	4.8	-	3.5	-	4.9	-	-	0.1	13.2
2023-24	1.3	-	1.3	-	1.3	-	-	0.1	4.0
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
Total	6.1	-	4.8	-	6.2	-	-	0.2	17.2

The Australian Government provides funding under the Improving Great Artesian Basin Drought Resilience Program (Extension to the Great Artesian Basin Sustainability Initiative) to continue the capping of uncontrolled bores and piping open bore drains to reduce water loss and recover groundwater pressure. In addition to infrastructure works, this program also funds education and communication programs and studies to assist with new water management arrangements.

Horse traceability^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	~	0.4	~	~	~	~	~	~	0.6
2023-24	~	~	~	~	~	~	~	~	0.6
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
Total	~	0.4	~	~	~	~	~	~	1.2

a) State allocations have not yet been determined.

The Australian Government will provide \$1.2 million to assist states in efforts to bring forward national traceability arrangements for all horses.

Hydro Tasmania’s Tarraleah Hydro Power Station Redevelopment

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	-	-	-	13.0	-	-	13.0
2023-24	-	-	-	-	-	19.2	-	-	19.2
2024-25	-	-	-	-	-	23.0	-	-	23.0
2025-26	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	55.2	-	-	55.2

The Australian Government is providing funding to support upgrade works on the Tarraleah hydro power scheme redevelopment in Tasmania’s Central Highlands – a cornerstone project of the Battery of the Nation initiative.

Hydrogen energy supply chain project

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	3.8	-	-	-	-	-	-	3.8
2023-24	-	3.8	-	-	-	-	-	-	3.8
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
Total	-	7.5	-	-	-	-	-	-	7.5

The Australian Government is providing funding to support the pre-commercialisation phase of the Hydrogen Energy Supply Chain project. The project aims to transport liquid hydrogen produced through the gasification of brown coal in Victoria’s Latrobe Valley to Japan. The outcomes of the project’s pre-commercialisation phase will add to the knowledge obtained from its pilot phase, which concluded on 30 June 2022, and will inform the development of a commercial-scale project.

Implementing water reform in the Murray-Darling Basin^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	6.4	4.8	1.7	-	1.4	-	0.7	-	20.3
2023-24	8.6	6.4	2.3	-	1.9	-	0.9	-	20.0
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
Total	15.0	11.2	4.0	-	3.3	-	1.5	-	40.3

a) State allocations may not sum to total due to unallocated funds.

The Australian Government is providing funding Murray-Basin jurisdictions (New South Wales, Victoria, Queensland, South Australia and the Australian Capital Territory) for new and ongoing activities required to implement water reform associated with the Basin Plan.

Improving Compliance in the Murray-Darling Basin^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	-	-	-	-	-	-	-
2023-24	~	~	~	-	~	-	~	-	6.0
2024-25	~	~	~	-	~	-	~	-	6.0
2025-26	~	~	~	-	~	-	~	-	6.0
Total	~	~	~	-	~	-	~	-	18.0

a) State allocations have not yet been determined.

The Australian Government will provide funding to improve the automated measurement of water use and the subsequent transmission of the data to regulators. This will provide more timely and accurate data on water use, and increase public confidence in the use of water across the Murray-Darling Basin and compliance with sustainable limits.

A new measure associated with this item is listed in Table 1.4 and described in more detail in Budget Paper No. 2, *Budget Measures October 2022–23*.

Investing in Australia's Indigenous Culture and World Heritage

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	0.9	1.2	-	0.3	0.1	-	-	-	2.5
2023-24	-	-	-	0.6	0.2	-	-	-	0.8
2024-25	-	-	-	0.7	0.1	-	-	-	0.8
2025-26	-	-	-	0.5	0.1	-	-	-	0.6
Total	0.9	1.2	-	2.0	0.5	-	-	-	4.6

The Australian Government will provide funding to protect First Nations heritage and improve engagement with First Nations people to support their heritage. It will support the addition of First Nations heritage values to World Heritage and National Heritage listed areas, and support progression of the World Heritage Listing of Murujuga Cultural Landscape, the Flinders Ranges, Cape York Peninsula, the West Kimberley, Parramatta Female Factory and the Trades Halls transnational listing.

A new measure associated with this item is listed in Table 1.4 and described in more detail in Budget Paper No. 2, *Budget Measures October 2022–23*.

Management of established pest and weeds

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	1.1	1.8	1.0	0.6	2.3	0.7	0.3	0.7	8.6
2023-24	1.1	1.2	0.8	..	1.0	0.5	0.2	0.5	5.3
2024-25	0.9	1.3	0.5	0.4	0.9	0.5	0.2	0.3	5.0
2025-26	-	-	-	-	-	-	-	-	-
Total	3.1	4.3	2.2	1.1	4.2	1.8	0.7	1.4	18.9

This program will support projects to deliver wild dog exclusion fencing in South Australia, support states to build the skills and capacity of land managers, communities and industry to better manage established pest animals and weeds, and undertake on-ground reduction and prevention activities for established pests and weeds.

Marine Parks Management – Northern Territory Marine Parks

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	-	-	-	-	-	0.2	0.2
2023-24	-	-	-	-	-	-	-	0.4	0.4
2024-25	-	-	-	-	-	-	-	0.9	0.9
2025-26	-	-	-	-	-	-	-	0.9	0.9
Total	-	-	-	-	-	-	-	2.3	2.3

The Australian Government will fund a partnership between the Director of National Parks and the Northern Territory Government to support integrated management across contiguous Commonwealth and Northern Territory marine parks.

A new measure associated with this item is listed in Table 1.4 and described in more detail in Budget Paper No. 2, *Budget Measures October 2022–23*.

Marinus Link

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	-	-	-	35.0	-	-	35.0
2023-24	-	-	-	-	-	25.0	-	-	25.0
2024-25	-	-	-	-	-	15.0	-	-	15.0
2025-26	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	75.0	-	-	75.0

The Australian Government has committed \$75.0 million to progress the design and approvals phase of the Marinus Link project (including associated on-island transmission augmentation known as the North West Transmission Developments) to a final investment decision in 2024.

National Plant Health Surveillance Program^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	0.2	0.2	0.1	0.1	0.1	0.1	..	0.1	1.0
2023-24	0.2	0.2	0.1	0.1	0.1	0.1	..	0.1	1.0
2024-25	0.2	0.2	0.1	0.1	0.1	0.1	..	0.1	1.0
2025-26	-	-	-	-	-	-	-	-	-
Total	0.5	0.5	0.4	0.4	0.4	0.4	0.1	0.3	3.0

a) State allocations are indicative estimates only. Funding is allocated based on pest risk profiles.

The Australian Government is providing funding to support Australia’s plant biosecurity system through the National Plant Health Surveillance Program. The program focuses on early detection of national priority plant pests that can enter and establish in Australia. The program is implemented through effective collaboration with all Australian jurisdictions and aims to minimise the impact of pest incursions on agricultural industries, environmental assets and communities through timely pest detection, and provide surveillance data that supports trade and market access.

North Queensland Strata Title Resilience Pilot Program

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	28.0	-	-	-	-	-	28.0
2023-24	-	-	12.0	-	-	-	-	-	12.0
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
Total	-	-	40.0	-	-	-	-	-	40.0

The Australian Government will provide funding to support strata title properties in North Queensland to undertake disaster mitigation works to improve resilience. The Queensland Government will implement and administer the initiative.

On-farm emergency water infrastructure rebate scheme^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	~	~	~	~	~	~	~	~	22.5
2023-24	~	~	~	~	~	~	~	~	8.0
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
Total	~	~	~	~	~	~	~	~	30.5

a) State allocations have not yet been determined.

The Australian Government will provide funding for rebates to eligible primary producers and horticulture farmers impacted by drought or natural disasters. Rebates will support farmers to replace damaged water infrastructure or build new infrastructure to improve water use efficiency and flexibility.

A new measure associated with this item is listed in Table 1.4 and described in more detail in Budget Paper No. 2, *Budget Measures October 2022–23*.

Pest and disease preparedness and response programs^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	40.4	4.4	78.3	13.5	1.0	-	-	4.0	141.6
2023-24	0.2	1.3	13.4	0.2	-	-	-	0.9	16.0
2024-25	0.2	1.3	12.3	0.2	-	-	-	0.9	14.9
2025-26	0.2	1.3	7.9	0.2	-	-	-	0.9	10.5
Total	41.0	8.3	111.8	14.1	1.0	-	-	6.8	182.9

a) State allocations are indicative estimates only. Funding is conditional on agreed national responses to pest or disease incursions.

The Australian Government is supporting agricultural producers and protecting Australia's unique environment by contributing to the eradication of exotic animal, plant and environmental pests and diseases.

This program protects Australia's enviable animal and plant pest and disease status, enabling continued access to export markets. It also protects Australia's unique environment and the tourism industries it supports, with direct positive effects on rural communities, businesses and employees.

Raine Island Recovery Project

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	0.7	-	-	-	-	-	0.7
2023-24	-	-	0.7	-	-	-	-	-	0.7
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
Total	-	-	1.3	-	-	-	-	-	1.3

The Australian Government is providing funding to re-establish and maintain Raine Island as a viable island ecosystem that supports sustainable populations of green turtles and seabirds through collaboration with Wuthathi and Meriam Nation (Ugar, Mer, Erub) Traditional Owners.

Recycling Modernisation Fund

The Australian Government is providing funding for improved recycling outcomes by addressing critical infrastructure and technology gaps in Australia’s waste management and resource recovery system.

Funding will be provided via a number of streams including a main Recycling Modernisation Fund stream, a Regional and Remote stream, a National Paper Solutions stream and a Plastics Technology stream.

Plastics technology stream^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	~	~	~	~	~	~	~	~	5.8
2023-24	~	~	~	~	~	~	~	~	20.8
2024-25	~	~	~	~	~	~	~	~	20.8
2025-26	~	~	~	~	~	~	~	~	12.8
Total	~	~	~	~	~	~	~	~	60.0

a) State allocations have not yet been determined.

The Australian Government will provide funding towards advanced recycling technologies to build Australia’s recycling capability for hard-to-recycle plastics and address low plastics recycling rates. This will drive progress on the National Packaging Targets and deliver food grade recycled plastic for packaging.

Recycling infrastructure^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	17.0	14.0	14.5	19.8	13.0	5.1	4.0	3.4	94.9
2023-24	8.9	15.1	26.6	11.9	2.3	1.3	2.0	1.5	69.6
2024-25	-	-	-	-	-	-	-	0.5	0.5
2025-26	-	-	-	-	-	-	-	-	-
Total	25.8	29.1	41.1	31.7	15.3	6.4	6.0	5.4	165.1

a) State allocations may not sum to total due to unallocated funds.

The Australian Government is investing in waste recovery, processing and recycling infrastructure to respond to the ban on the export of waste paper, plastic, glass and tyres, agreed by all Australian governments in March 2020. Funding has been provided towards a national solution for paper recycling, projects that address regional and remote recycling challenges and to help overcome the urban-regional divide, and projects that increase Australia's waste processing and recycling capacity and support Australia's circular economy.

Reducing regulatory burden and streamlining audit arrangements in the dairy sector

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	0.4	-	-	-	-	-	-	0.4
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
Total	-	0.4	-	-	-	-	-	-	0.4

The Australian Government is working with Dairy Food Safety Victoria's RegTech 2022 project to explore the opportunities for using data in food safety assurance.

Reef 2050 Plan

The Australian Government is investing in implementation of the Reef 2050 Long-Term Sustainability Plan (Reef 2050 Plan) as part of its broader commitment to protect the Great Barrier Reef and secure reef jobs.

Paddock to Reef Monitoring

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	-	-	-	-	-	-	-
2023-24	-	-	4.3	-	-	-	-	-	4.3
2024-25	-	-	4.1	-	-	-	-	-	4.1
2025-26	-	-	4.6	-	-	-	-	-	4.6
Total	-	-	13.0	-	-	-	-	-	13.0

The Australian Government is providing funding to the Queensland Government to support stronger paddock to reef monitoring, modelling and reporting. This will enhance Australia’s understanding of the impacts of investments in land and sea country restoration and measures to further prevent degradation. It will also better enable governments to track progress towards all water quality targets, produce report cards and provide information and tools for efficient targeting of investments to the highest priority areas and actions.

A new measure associated with this item is listed in Table 1.4 and described in more detail in Budget Paper No. 2, *Budget Measures October 2022–23*.

Sustainable Fisheries

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	-	-	-	-	-	-	-
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	18.0	-	-	-	-	-	18.0
2025-26	-	-	18.0	-	-	-	-	-	18.0
Total	-	-	36.0	-	-	-	-	-	36.0

The Australian Government is providing funding to decrease risks to threatened and protected species listed under the *Environment Protection and Biodiversity Conservation Act 1999* and position reef fisheries at the forefront of best practice and sustainability.

A new measure associated with this item is listed in Table 1.4 and described in more detail in Budget Paper No. 2, *Budget Measures October 2022–23*.

Regional fund for wildlife and habitat bushfire recovery

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	6.4	1.9	-	-	-	-	-	-	8.3
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
Total	6.4	1.9	-	-	-	-	-	-	8.3

The Australian Government is providing funding to support strategic on-ground action for the most impacted native species, ecological communities and natural assets across 7 bushfire-affected regions.

Strengthen Australia's frontline biosecurity capability and domestic preparedness^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	~	~	~	~	~	~	~	~	6.0
2023-24	~	~	~	~	~	~	~	~	8.0
2024-25	~	~	~	~	~	~	~	~	6.0
2025-26	-	-	-	-	-	-	-	-	-
Total	~	~	~	~	~	~	~	~	20.0

a) State allocations have not yet been determined

The Australian Government will provide funding to support on-farm and off-farm transition to a national livestock traceability system, including for the individual electronic identification of sheep and goats, to be delivered and co-funded by state governments and industry.

A new measure associated with this item is listed in Table 1.4 and described in more detail in Budget Paper No. 2, *Budget Measures October 2022–23*.

Sustainable rural water use and infrastructure program^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	437.5	155.1	28.0	-	34.8	-	43.4	-	698.8
2023-24	336.2	213.4	8.6	-	49.2	-	20.0	-	627.4
2024-25	~	~	~	-	~	-	~	-	153.8
2025-26	-	-	-	-	-	-	-	-	-
Total	773.7	368.4	36.6	-	84.0	-	63.4	-	1,479.9

a) State allocations for 2024-25 have not yet been determined

The Australian Government funds several measures under this program to support delivery of the Murray-Darling Basin Plan, including water recovery investment for 'bridging the gap' to Sustainable Diversion Limits. The program also funds implementation of supply measures, support for communities throughout the Murray-Darling Basin and efforts to improve the health of wetlands and freshwater ecosystems.

A new measure associated with this item is listed in Table 1.4 and described in more detail in Budget Paper No. 2, *Budget Measures October 2022–23*.

Transforming Digital Environmental Assessments^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	~	~	~	-	~	~	~	-	4.0
2023-24	~	~	~	~	~	~	~	~	4.7
2024-25	~	~	~	~	~	~	~	~	1.8
2025-26	-	-	-	-	-	-	-	-	-
Total	~	~	~	~	~	~	~	~	10.5

a) State allocations have not yet been determined

The Australian Government is building on previous work to implement programs, tools and mechanisms to harmonise and share biodiversity data among Commonwealth and state governments. Under this program, states will transform and share biodiversity data with the new National Biodiversity Data Repository that, among other activities, will support states to share environmental assessment processes and co-design environmental assessment portals.

Urban Rivers and Catchments Program^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	~	~	~	~	~	~	~	~	5.0
2023-24	~	~	~	~	~	~	~	~	13.2
2024-25	~	~	~	~	~	~	~	~	22.8
2025-26	~	~	~	~	~	~	~	~	22.8
Total	~	~	~	~	~	~	~	~	63.7

a) State allocations have not yet been determined.

The Australian Government is providing funding to improve local waterways through an Urban Rivers and Catchments Program. Funding over six years from 2022–23 will restore natural habitats for aquatic species, improve water quality and improve community access to nature, open green space and biodiversity. Projects will be delivered by local government, water utilities and non-government organisations, with funding to be provided via the states.

A new measure associated with this item is listed in Table 1.4 and described in more detail in Budget Paper No. 2, *Budget Measures October 2022–23*.

Water for the Environment Special Account

The Water for the Environment Special Account (WESA) sets aside \$1.8 billion of Commonwealth funding to pay for projects that enhance environmental outcomes listed in the *Basin Plan 2012*.

Implementation of constraints measures^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	40.2	7.3	-	-	1.0	-	-	-	76.7
2023-24	27.2	~	-	-	~	-	-	-	70.6
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
Total	67.4	7.3	-	-	1.0	-	-	-	147.3

a) State allocations may not sum to total due to unallocated funds.

The Australian Government is providing funding to ease or remove constraints in and along rivers of the southern Murray-Darling Basin that impede the delivery of water to environmental assets. Funding for constraints measures is also provided under the Sustainable Rural and Water Use and Infrastructure Program.

Off-farm Efficiency Program^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	82.9	70.0	~	-	2.7	-	~	-	596.2
2023-24	16.5	10.5	~	-	~	-	~	-	661.7
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
Total	99.4	80.5	~	-	2.7	-	~	-	1,257.9

a) State allocations may not sum to total due to unallocated funds.

The Australian Government will provide funding for state-led efficiency measures in the Murray-Darling Basin under the WESA. This will improve the efficiency of water delivery infrastructure and increase the volume of environmental water in the Murray-Darling Basin, leading to improved river health, agricultural activity and generating benefits for the local and regional communities.

Water Efficiency Program

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	-	-	-	-	0.3	-	0.3
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	0.3	-	0.3

The Australian Government's new focus on off-farm efficiency projects means the remaining funding for the Water Efficiency Program is now available under the WESA: Off-farm Efficiency Program. Any successful legacy applications made under the now closed Water Efficiency Program will remain funded through this program, while any new state-led proposals will be considered through the Off-farm Efficiency Program.

World Heritage Sites

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	0.8	-	3.1	0.4	0.1	5.1	-	-	9.5
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
Total	0.8	-	3.1	0.4	0.1	5.1	-	-	9.5

The Australian Government provides funding to assist addressing critical threats such as feral animals and weeds, and changed fire regimes, to conserve and restore the biodiversity of World Heritage sites, and for Executive Officers and Advisory Committees who support the provision of advice to government on the protection of World Heritage sites.

Yellow crazy ant control

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	4.2	-	-	-	-	-	4.2
2023-24	-	-	8.2	-	-	-	-	-	8.2
2024-25	-	-	6.2	-	-	-	-	-	6.2
2025-26	-	-	6.2	-	-	-	-	-	6.2
Total	-	-	24.8	-	-	-	-	-	24.8

The Australian Government will provide funding to ensure a more concerted approach to Yellow Crazy Ant eradication activities in Townsville and in and adjacent to the Wet Tropics of Queensland World Heritage Area in Cairns.

A new measure associated with this item is listed in Table 1.4 and described in more detail in Budget Paper No. 2, *Budget Measures October 2022–23*.

Contingent payments

Contingent payments arise where the Australian Government has committed to provide compensation when an event occurs or has otherwise guaranteed a state's financial position. Payments to the states will only arise if the relevant event occurs.

Table 2.10: Contingent payments to the states

\$million	2022-23	2023-24	2024-25	2025-26
National Partnership payments				
Disaster Recovery Funding Arrangements	47.2	-	-	-
Hepatitis C settlement fund	0.1	0.1	0.1	0.1
Total	47.3	0.1	0.1	0.1

Disaster Recovery Funding Arrangements – expense estimates

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	22.6	24.6	-	-	-	-	-	47.2
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
Total	-	22.6	24.6	-	-	-	-	-	47.2

The Australian Government provides funding under the Disaster Recovery Funding Arrangements (DRFA) to assist the states in relief and recovery efforts following natural disasters. The Government recognises a liability equal to the present value of future payments expected to be made to the states under the DRFA. The liability is based on estimated data provided by the states. It includes both known and future estimated expenditure for relief and recovery measures prior to states submitting a claim to the Australian Government.

The total cost of relief and recovery from disaster events may not be completely realised for some years. Current estimates for the DRFA are based on the information available at the time of preparation for past events. These estimates do not include other as yet unquantifiable support in relation to disasters that will be provided through the DRFA. The Australian Government has provisioned funding for communities impacted by this year's devastating floods in the aggregate budget estimates to accommodate additional expenditure. Further information can be found in Budget Paper No.1, *Budget Strategy and Outlook October 2022–23, Statement 6: Expenses and Net Capital Investment*.

Estimates of all natural disasters are regularly reviewed and revised by the states as new information becomes available, and this, or the occurrence of future natural disasters, can significantly affect the estimated DRFA liability and payments. More information is available in Budget Paper No. 1, *Budget Strategy and Outlook October 2022–23, Statement 9: Statement of Risks*.

From the October 2022–23 Budget, the unwinding of the present value discount of the provision is classified as an interest expense instead of a grants expense and therefore is not included in the table above. This accounting treatment aligns with the 2021–22 Final Budget Outcome.

A new measure associated with this item is listed in Table 1.4 and described in more detail in Budget Paper No. 2, *Budget Measures October 2022–23*.

Disaster Recovery Funding Arrangements – cash estimates

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	1,028.4	186.7	578.9	65.0	44.2	0.7	0.1	-	1,904.0
2023-24	1,773.5	1.9	1,749.7	55.7	11.6	0.6	-	-	3,593.0
2024-25	393.1	-	489.2	23.1	-	-	-	-	905.4
2025-26	62.5	-	-	-	-	-	-	-	62.5
Total	3,257.5	188.6	2,817.8	143.8	55.8	1.3	0.1	-	6,464.9

Estimated cash payments for the DRFA illustrate when the Australian Government expects to reimburse the states for costs incurred in relation to past disasters. Increases in the estimates for NSW and QLD since the March 2022–23 Budget are based on updated data received from these states for floods which occurred in the first half of 2022.

Hepatitis C settlement fund^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	~	~	~	~	~	~	~	~	0.1
2023-24	~	~	~	~	~	~	~	~	0.1
2024-25	~	~	~	~	~	~	~	~	0.1
2025-26	~	~	~	~	~	~	~	~	0.1
Total	~	~	~	~	~	~	~	~	0.4

a) State allocations have not yet been determined.

The Australian Government is contributing to out of court settlement costs for eligible people who contracted Hepatitis C as a result of blood transfusions in Australia between 1985 and 1991.

Other payments

The Australian Government makes payments to the states to support a range of other services, as detailed in Table 2.11.

Table 2.11: Payments to support other state services

\$million	2022-23	2023-24	2024-25	2025-26
National Partnership payments				
Additional funding for Legal Aid				
Commissions to support court reform	16.5	-	-	-
Commonwealth High Risk Terrorist Offender Regime	16.2	-	-	-
Countering Violent Extremism initiatives				
High Risk Extremist De-radicalisation Program	4.9	3.3	3.3	-
Living Safe Together Intervention Program	8.4	5.6	5.6	-
Family law information sharing	6.4	6.4	6.4	-
Financial assistance for police officers	0.4	-	-	-
Financial assistance to local governments	821.5	3,052.3	3,170.5	3,294.4
Gas Well Trials	14.3	-	-	-
Indigenous Tourism Fund	8.5	4.3	4.3	-
Legal assistance for floods in QLD and NSW	7.1	3.0	3.0	3.0
National Legal Assistance Partnership 2020-25				
Aboriginal and Torres Strait Islander				
Legal Services	88.2	89.6	91.0	-
Community legal centres	56.7	57.6	58.6	-
Coronial inquiries and expensive and complex cases	2.6	2.7	2.7	-
Domestic Violence Units and Health				
Justice Partnerships	14.5	14.7	14.9	-
Family advocacy and support services	27.1	27.7	28.3	-
Frontline support to address workplace sexual harassment	10.9	11.0	11.2	-
Increased legal assistance funding for vulnerable women	32.0	32.5	32.9	-
Justice Policy Partnership	0.7	0.7	-	-
Legal aid commissions	249.4	253.3	257.4	-
Legal assistance family law pilot program	3.6	3.6	3.6	-
State and territory legal assistance administration	4.8	4.9	4.9	-
Support Criminal Justice Reform through Coronial Inquiries	2.7	5.4	5.4	-
Supporting increased child sexual abuse prosecutions	1.7	1.7	1.7	-
Supporting people with mental health conditions access the justice system	14.5	14.5	14.5	-

Table 2.11: Payments to support other state services (continued)

\$million	2022-23	2023-24	2024-25	2025-26
National Partnership payments				
National Tourism Icons Package	10.3	-	-	-
North Bowen pipeline feasibility study	2.5	2.5	-	-
North Queensland strata title inspection scheme	2.9	-	-	-
Preventing harm in Australian prisons and other places of detention (OPCAT)	0.1	-	-	-
Provision of fire services	25.0	25.9	26.8	27.7
Scotdesco water security project	0.3	0.3	-	-
Sinking fund on state debt	..	..	..	..
Specialised and trauma-informed legal services for victim-survivors of sexual assault	-	2.6	2.6	2.6
Supplementary funding to South Australia for local roads	20.0	-	-	-
Support for businesses impacted by COVID-19	410.2	-	-	-
Victorian energy compare IT infrastructure build for Consumer Data Right	0.9	-	-	-
Total	1,885.7	3,626.0	3,749.5	3,327.7

Additional funding for Legal Aid Commissions to support court reform

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	5.0	4.2	4.1	-	1.8	0.7	0.5	0.3	16.5
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
Total	5.0	4.2	4.1	-	1.8	0.7	0.5	0.3	16.5

The Australian Government is providing \$16.5 million for legal aid commissions to improve their capacity to support the implementation of, and transition to, a new case management approach in the Federal Circuit and Family Court of Australia. The funding supports the delivery of timely and effective family law services by legal aid commissions in response to increased demand arising from the new approach to case management.

Commonwealth High Risk Terrorist Offender Regime^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	~	4.9	~	~	~	~	~	~	16.2
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
Total	~	4.9	~	~	~	~	~	~	16.2

a) State allocations have not yet been determined.

The Australian Government is providing \$16.2 million to the states to assist in protecting the Australian community from the threat posed by convicted high risk terrorist offenders. The states will provide support with detention and supervision orders and assist with assessment of ongoing risks.

Countering Violent Extremism initiatives

The Australian Government is providing funding to the states to strengthen national efforts to countering violent extremism.

High Risk Extremist De-radicalisation Program

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	1.3	0.9	1.0	0.9	0.4	0.2	0.2	0.2	4.9
2023-24	0.6	0.6	0.6	0.5	0.4	0.2	0.2	0.2	3.3
2024-25	0.6	0.6	0.6	0.5	0.4	0.2	0.2	0.2	3.3
2025-26	-	-	-	-	-	-	-	-	-
Total	2.5	2.1	2.2	1.9	1.2	0.6	0.5	0.6	11.5

The Australian Government is providing \$11.5 million to the states to support de-radicalising high risk violent extremists in their custody through a new de-radicalisation program to rehabilitate and reintegrate high risk violent extremists in custodial settings.

Living Safe Together Intervention Program^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	1.5	1.8	2.2	0.7	0.7	0.4	0.4	0.4	8.4
2023-24	1.1	1.1	0.7	0.7	0.7	0.4	0.4	0.4	5.6
2024-25	1.1	1.1	0.7	0.7	0.7	0.4	0.4	0.4	5.6
2025-26	-	-	-	-	-	-	-	-	-
Total	3.8	4.0	3.7	2.2	2.2	1.1	1.1	1.1	19.6

a) State allocations may not sum to total due to unallocated funds.

The Australian Government is providing an additional \$19.6 million to expand the national Living Safe Together Intervention Program to support at-risk individuals radicalising to violent extremism, by increasing the reach of the countering violent extremism intervention services to younger Australians, including in regional and rural Australia, and online.

Family law information sharing^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	~	~	~	~	~	~	~	~	6.4
2023-24	~	~	~	~	~	~	~	~	6.4
2024-25	~	~	~	~	~	~	~	~	6.4
2025-26	-	-	-	-	-	-	-	-	-
Total	~	~	~	~	~	~	~	~	19.2

a) State allocations have not yet been determined.

The Australian Government is supporting the placement of state child protection and policing officials in the family law courts across Australia. These co-located officials are facilitating information sharing between the family law, child protection and family violence systems. They are also fostering a more coordinated response to safety issues, to promote the safety and wellbeing of families and children.

Financial assistance for police officers

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	0.4	-	-	-	-	-	-	-	0.4
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
Total	0.4	-	-	-	-	-	-	-	0.4

The Australian Government is providing transitional funding for the equal sharing of the costs of reimbursing New South Wales police officers who incur an additional tax liability from making voluntary superannuation contributions that exceed the statutory cap on concessional contributions. Funding covers liabilities incurred from 2016–17 to 2019–20 with reimbursements made in arrears over a five-year period. The funding will also contribute to the cost-sharing of any fringe benefits tax that results from reimbursing police officers in these situations.

Financial assistance to local governments

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23									
General purpose assistance	178.8	144.9	116.3	61.0	39.9	12.6	10.0	5.5	569.0
Local road component	73.3	52.1	47.3	38.6	13.9	13.4	8.1	5.9	252.5
Total financial assistance to local governments	252.1	196.9	163.6	99.6	53.8	26.0	18.1	11.4	821.5
2023-24									
General purpose assistance	662.1	538.6	432.7	227.2	148.5	47.0	37.5	20.7	2,114.2
Local road component	272.2	193.4	175.8	143.4	51.6	49.7	30.1	22.0	938.1
Total financial assistance to local governments	934.2	732.0	608.4	370.7	200.0	96.7	67.5	42.7	3,052.3
2024-25									
General purpose assistance	685.2	561.1	450.2	236.5	153.9	48.7	38.9	21.5	2,196.0
Local road component	282.7	200.9	182.6	149.0	53.6	51.6	31.2	22.8	974.4
Total financial assistance to local governments	967.9	762.0	632.8	385.5	207.5	100.3	70.2	44.3	3,170.5
2025-26									
General purpose assistance	710.0	585.1	468.0	245.9	159.4	50.4	40.6	22.3	2,281.9
Local road component	293.8	208.8	189.7	154.8	55.6	53.7	32.5	23.7	1,012.5
Total financial assistance to local governments	1,003.8	793.9	657.7	400.8	215.0	104.1	73.1	46.1	3,294.4

The Financial Assistance Grant program consists of two components: a general purpose component and a local road component. The general purpose component is the larger component and is distributed between the states on a per capita basis, while the local road component is distributed between the states according to fixed historical shares.

Funding under the Financial Assistance Grant program is paid through state governments to local governments. State grants commissions determine the intrastate distribution of the grants between local governments. Both funding components are untied and can be spent according to each local government’s own priorities.

Funding of \$2.1 billion was brought forward from 2022–23 and paid in 2021–22 to give councils immediate access to funds to help manage the cumulative impacts of floods and the COVID-19 pandemic.

Gas Well Trials

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	14.3	-	-	-	-	-	14.3
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
Total	-	-	14.3	-	-	-	-	-	14.3

The Australian Government is providing funding to the Queensland Government to support the delivery of a Gas Well Trials initiative in the North Bowen and Galilee basins. The initiative aims to improve gas recovery and lower production costs through a better understanding of the regions' geotechnical properties and by trialling innovative gas drilling and well completion techniques.

Indigenous Tourism Fund^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	~	~	~	~	~	~	~	~	8.5
2023-24	~	~	~	~	~	~	~	~	4.3
2024-25	~	~	~	~	~	~	~	~	4.3
2025-26	-	-	-	-	-	-	-	-	-
Total	~	~	~	~	~	~	~	~	17.0

a) State allocations have not yet been determined.

The Australian Government is providing funding to co-invest with states on strategic projects that increase the supply of Indigenous tourism experiences and/or create supply chain opportunities for Indigenous tourism businesses. This program uses the Indigenous Tourism Fund to leverage and co-invest in significant Indigenous tourism projects that align with strategic priorities of states, and deliver long-term benefits for the Indigenous tourism sector in each state.

Legal assistance for floods in QLD and NSW

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	4.2	-	2.9	-	-	-	-	-	7.1
2023-24	1.8	-	1.3	-	-	-	-	-	3.0
2024-25	1.8	-	1.3	-	-	-	-	-	3.0
2025-26	1.8	-	1.3	-	-	-	-	-	3.0
Total	9.5	-	6.6	-	-	-	-	-	16.1

The Australian Government is providing an additional \$12 million over four years to community legal centres in New South Wales and Queensland, in areas that were affected by the 2019–20 bushfires and the 2022 floods. This funding will help meet the increase in demand for legal assistance services to individuals, small businesses, and primary producers following these unprecedented natural disasters.

A new measure associated with this item is listed in Table 1.4 and described in more detail in Budget Paper No. 2, *Budget Measures October 2022–23*.

National Legal Assistance Partnership 2020–25^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	136.2	96.1	108.3	60.8	39.6	16.5	18.6	30.5	509.3
2023-24	138.5	97.6	110.1	61.6	40.2	16.8	18.9	30.9	519.9
2024-25	140.6	99.1	111.8	62.3	40.7	17.0	19.0	31.2	527.1
2025-26	-	-	-	-	-	-	-	-	-
Total	415.3	292.7	330.2	184.7	120.5	50.3	56.5	92.5	1,556.3

a) Totals include funding allocations that have not yet been determined.

From 1 July 2020 and over five years, the National Legal Assistance Partnership 2020–25 provides funding to all states for legal assistance services delivered by legal aid commissions, community legal centres and Aboriginal and Torres Strait Islander Legal Services. Through the October 2022–23 Budget, the Australian Government will provide increased funding over three years for Aboriginal and Torres Strait Islander Legal Services to ensure First Nations families can access culturally appropriate and timely legal assistance before, during and after coronial processes.

A new measure associated with this item are listed in Table 1.4 and described in more detail in Budget Paper No. 2, *Budget Measures October 2022–23*.

National Tourism Icons Package

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	1.2	3.1	-	6.0	-	-	10.3
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
Total	-	-	1.2	3.1	-	6.0	-	-	10.3

The National Tourism Icons Package provides a catalyst for developing tourism within each region, creating jobs, and helping to diversify local economies. Projects are the construction of the Wangetti Trail in Queensland, the upgrade of tourist facilities on Rottneet Island in Western Australia and upgrading tourist facilities at Freycinet in Tasmania.

North Bowen pipeline feasibility study

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	2.5	-	-	-	-	-	2.5
2023-24	-	-	2.5	-	-	-	-	-	2.5
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
Total	-	-	5.0	-	-	-	-	-	5.0

The Australian Government is providing a \$5 million co-contribution to collaborate with the Queensland Government on a series of pipeline feasibility studies. The studies will explore the feasibility of a new pipeline to link the north Bowen Basin to the east coast gas market and other centres of gas demand.

North Queensland strata title inspection scheme

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	2.9	-	-	-	-	-	2.9
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
Total	-	-	2.9	-	-	-	-	-	2.9

This scheme provides bodies corporate in North Queensland with information about the existing resilience of their properties and strategies to improve that resilience if needed. The Queensland Government will continue to implement and administer the scheme.

Preventing harm in Australian prisons and other places of detention (OPCAT)^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	-	-	-	-	0.1	-	0.1
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	0.1	-	0.1

a) Totals reflect bilateral schedules and not the total available funding for the states.

The Australian Government will provide funding to support implementation of the Optional Protocol to the Convention against Torture and other Cruel, Inhuman or Degrading Treatment or Punishment (OPCAT) in each jurisdiction. OPCAT establishes mechanisms to prevent mistreatment of people deprived of their liberty, and creates a framework for continuously improving oversight of places of detention. The ACT is the only jurisdiction that has entered into a funding agreement with the Australian Government.

Provision of fire services^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	6.2	3.5	4.1	2.4	1.4	0.2	4.3	2.9	25.0
2023-24	~	~	~	~	~	~	~	~	25.9
2024-25	~	~	~	~	~	~	~	~	26.8
2025-26	~	~	~	~	~	~	~	~	27.7
Total	6.2	3.5	4.1	2.4	1.4	0.2	4.3	2.9	105.4

a) State allocations from 2023–24 have not yet been determined.

The Australian Government is contributing to the provision of standard fire services to Australian Government owned property in the states.

Scotdesco water security project

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	-	-	0.3	-	-	-	0.3
2023-24	-	-	-	-	0.3	-	-	-	0.3
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	0.5	-	-	-	0.5

The Australian Government will provide funding to contribute towards the investigation and delivery of a permanent solution to drinking water for the remote community of Scotdesco in South Australia.

A new measure associated with this item is listed in Table 1.4 and described in more detail in Budget Paper No. 2, *Budget Measures October 2022–23*.

Sinking fund on state debt

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	-	-	-	-	..
2023-24	-	-	-	-	-	-	..
2024-25	-	-	-	-	-	-	..
2025-26	-	-	-	-	-	-	..
Total	-	-	-	-	-	-	..

The Australian Government is contributing to the Debt Retirement Reserve Trust Account on behalf of New South Wales and Victoria in accordance with the *Financial Agreement Act 1994*. Monies standing to the credit of the account are applied to repurchase state debt that is governed by this legislation.

Specialised and trauma-informed legal services for victim-survivors of sexual assault^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	-	-	-	-	-	-	-
2023-24	~	~	~	~	~	~	~	~	2.6
2024-25	~	~	~	~	~	~	~	~	2.6
2025-26	~	~	~	~	~	~	~	~	2.6
Total	~	~	~	~	~	~	~	~	7.7

a) State allocations have not yet been determined.

The Australian Government will provide funding over three years from 2023–24 to pilot a new service model in three locations across Australia to provide victim-survivors of sexual assault with greater access to specialised and trauma-informed legal support and guidance in navigating the criminal justice system.

Supplementary funding to South Australia for local roads

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	-	-	20.0	-	-	-	20.0
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	20.0	-	-	-	20.0

The Australian Government is providing supplementary funding to South Australia for local roads. South Australia received \$20 million in 2021–22 and \$20 million in 2022–23 for this purpose.

Support for businesses impacted by COVID-19

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	132.7	121.5	64.9	54.2	-	36.8	-	-	410.2
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
Total	132.7	121.5	64.9	54.2	-	36.8	-	-	410.2

The Australian Government is providing \$410.2 million in 2022–23 for the remainder of COVID-19 Business Support Payments made by the states in 2021–22 to assist businesses impacted by extended lockdowns and border closures due to COVID-19. State and territory governments administered the Business Support Payments with the Australian Government generally contributing 50 per cent of the costs.

Victorian energy compare IT infrastructure build for Consumer Data Right

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	0.9	-	-	-	-	-	-	0.9
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
Total	-	0.9	-	-	-	-	-	-	0.9

The Australian Government is providing \$1.8 million over two years from 2021–22 to make Victorian energy product reference data available through the Consumer Data Right.

Part 3: General revenue assistance

Overview

General revenue assistance is provided to state and territory governments (states), without conditions, to spend according to their own budget priorities. In 2022–23, the states are expected to receive \$88.5 billion from the Australian Government in total general revenue assistance, which is estimated to represent 14 per cent of total Australian Government expenditure in that year. The main form of general revenue assistance is the GST entitlement which in 2022–23 is estimated to be \$83.1 billion.

Total GST-related payments to the states (GST entitlements plus horizontal fiscal equalisation (HFE) transition payments) are estimated to increase every year over the forward estimates and reach \$95.8 billion by 2025–26.

2022–23 is the second year in the 6-year transition to the updated GST distribution system, which will ensure that no state will have a per capita GST share lower than the fiscally stronger of New South Wales or Victoria. It is also the first year that the GST relativity floor of 0.7 comes into effect. During this transition, the Australian Government has guaranteed, through legislation, that each state will not receive less than they would have under the previous GST distribution system using, if necessary, HFE transition payments.

Estimated general revenue assistance provided to the states by the Australian Government is shown in Table 3.1. Table 1.1 in Part 1 shows a breakdown by state.

Table 3.1: General revenue assistance

\$million	2022-23	2023-24	2024-25	2025-26
GST entitlement	83,122.5	86,247.6	89,048.2	93,304.5
HFE transition payments(a)	4,174.2	4,334.0	4,713.6	2,471.3
Other general revenue assistance(b)	1,154.8	966.3	800.6	651.4
Total	88,451.5	91,547.9	94,562.4	96,427.2

a) Estimates of the HFE transition payments for 2023–24 and later years are based upon the 2022–23 GST relativities and adjusted to take into account the transition to the new HFE system. The 2025–26 HFE transition payment is assumed to be half of that implied using the 2022–23 relativities.

b) More detail about other general revenue assistance payments is provided in Table 3.7.

GST payments

Under the *Federal Financial Relations Act 2009*, the states are entitled to receive payments from the Australian Government equivalent to the revenue raised from the GST in any given financial year, subject to some minor adjustments. From 2021–22, the states' GST entitlements are boosted each year by additional Australian Government funding as discussed below.

The Australian Government makes monthly payments (advances) to the states throughout the year based on GST estimates for that year. Estimates of the GST are used as the actual amount of GST revenue for the financial year is unknown until after the end of the financial

year. Once the amount of GST revenue is known, the Treasurer makes a determination of the GST entitlement for that year. A balancing adjustment is made to each state's payments to ensure they receive the GST to which they are entitled. These balancing adjustments (referred to as the 'prior year balancing adjustment') are made in the following financial year.

Calculating the GST payments

Adjustments and additions are made to GST revenue to calculate the amount of GST paid to the states in any given year. In particular, adjustments are made to move from GST revenue (an accrual concept) to GST (cash) receipts as GST receipts are the basis for the GST paid to the states.

- Some GST revenue accrued during a financial year is not remitted to the Australian Taxation Office (ATO) by 30 June of that year because it is not due to be paid until Business Activity Statements (BAS) are lodged in the following financial year. For taxpayers other than Australian Government agencies, this accrued amount is included in GST revenue but not in GST receipts.
- Penalties owed to the ATO, other than general interest charge (GIC) penalties, are not included in the GST to be paid to the states as defined in the *Federal Financial Relations Act 2009*.
- Some GST collected by Australian Government agencies is not remitted to the ATO by 30 June in each financial year because it is not due to be paid until the next BAS is lodged. This amount is included in Australian Government receipts but is not included in GST payments to the states until it is remitted to the ATO.
- From 2021–22, the Australian Government is boosting the states' GST entitlement each year with additional funding. From 2021–22, the Australian Government is injecting \$600.0 million annually into the GST pool, which will be followed by a further \$250.0 million annually from 2024–25. Each year, these amounts will grow in line with the underlying growth of the GST pool and will be distributed to the states in the same way as GST revenue.

In 2021–22, the states' GST entitlement was \$870.7 million higher than the advances paid during that year. A prior year balancing adjustment will be made to states' GST payments in 2022–23 to reflect this.

Table 3.2 reconciles GST revenue, GST entitlement and GST payments to the states.

Table 3.2: Reconciling GST revenue, GST entitlement and GST payments to the states

\$million	2022-23	2023-24	2024-25	2025-26
GST revenue	86,820	88,630	90,800	95,480
<i>less</i> Change in GST receivables	4,288	2,989	2,627	3,098
GST receipts	82,532	85,641	88,173	92,382
<i>less</i> Non-GIC penalties collected	80	90	90	90
<i>less</i> GST collected by Commonwealth agencies but not yet remitted to the ATO	2	1	3	2
<i>plus</i> GST pool boost	672	698	968	1,015
GST entitlement	83,122	86,248	89,048	93,305
<i>plus</i> Prior year balancing adjustment	871			
GST payments to the States(a)	83,993	86,248	89,048	93,305

a) These GST payment estimates do not take into account the ATO's GST administration costs, which will be deducted from GST payments to the states throughout the year on a monthly basis. They also do not take into account the HFE transition payments.

Table 3.3 reconciles the GST entitlement estimates since the *2022 Pre-election Economic and Fiscal Outlook (PEFO)*. The reconciliation accounts for policy decisions and parameter and other variations. The GST entitlement in 2022–23 has been revised up by \$3.1 billion since the *2022 PEFO*.

Table 3.3: Reconciliation of the GST entitlement estimates since the 2022 PEFO

\$million	2022-23	2023-24	2024-25	2025-26
GST entitlement at 2022 PEFO	80,005	83,534	87,504	91,306
Changes between 2022 PEFO and 2022-23 Oct Budget				
Effect of policy decisions	-4	119	217	277
Effect of parameter and other variations	3,122	2,595	1,327	1,722
Total variations	3,118	2,714	1,544	1,998
GST entitlement at 2022-23 Oct Budget	83,122	86,248	89,048	93,305

The states' GST entitlement is expected to reach \$93.3 billion by 2025–26. Since PEFO, GST receipts have been revised up by \$3.1 billion in 2022–23 and by \$9.4 billion over the 4 years to 2025–26.

Compared with PEFO, parameter and other variations account for \$3.1 billion of the upgrade in the forecast for GST receipts in 2022–23 and \$8.8 billion of the upgrade over the 4 years 2025–26. Increases in forecast GST receipts largely reflect upgrades to the outlook for consumption subject to GST. This is partially offset by a decrease in GST receipts from dwelling investment, which has been downgraded in 2024–25 and 2025–26 in response to higher expected interest rates and moderating housing prices.

Policy decisions taken since the 2022 PEFO that affect the GST entitlement are shown in Table 3.4. These decisions are estimated to increase the amount of the GST entitlement by \$608.2 million over the 4 years to 2025–26.

Table 3.4: Policy decisions since the 2022 PEFO that affect the GST entitlement

\$million	2022-23	2023-24	2024-25	2025-26
Extend ATO Compliance Programs –				
Shadow Economy Program	-	87.3	153.7	201.3
Powering Australia – Electric Car Discount	-5.0	-10.0	-20.0	-30.0
Migration Program – 2022-23 planning levels	5.0	30.0	50.0	50.0
Tax Practitioners Board – compliance program to enhance tax system integrity	-	1.4	3.1	5.5
Indirect Tax Concession Scheme – diplomatic and consular concessions	..	..	..	..
Providing certainty on unlegislated tax and superannuation measures announced by the previous Government	-4.1	-	-	-
Additional Assistance to Ukraine	..	..	..	..
Enhancing the Pacific Australia Labour Mobility Scheme	..	..	..	..
Pacific Engagement Visa	-	..	5.0	5.0
<i>Decisions taken but not yet announced</i>	..	10.0	25.0	45.0
Total	-4.1	118.7	216.8	276.8

Detailed information on policy decisions taken since the 2022 PEFO is included in Budget Paper No. 2.

Distribution of the GST among the states

The Australian Government distributes the GST among the states based on the GST revenue sharing relativities recommended by the Commonwealth Grants Commission (the CGC).

The detailed calculation for the distribution of the GST entitlement in 2022–23 is shown in Table 3.5. This method of calculation is prescribed in the *Federal Financial Relations Act 2009*.

Table 3.5: Calculation of GST entitlements

	Estimated 31 December population (1)	GST relativities (2)	Adjusted population (1) x (2) (3)	Share of adjusted population (4)	Share of GST pool \$million (5)
2022-23					
NSW	8,188,324	0.95065	7,784,230	29.7%	24,717
VIC	6,666,617	0.85861	5,724,024	21.9%	18,176
QLD	5,345,688	1.03377	5,526,212	21.1%	17,547
WA	2,801,845	0.70000	1,961,292	7.5%	6,228
SA	1,833,711	1.28411	2,354,687	9.0%	7,477
TAS	578,390	1.85360	1,072,104	4.1%	3,404
ACT	463,724	1.09250	506,618	1.9%	1,609
NT	256,383	4.86988	1,248,554	4.8%	3,965
Total	26,134,682	na	26,177,721	100%	83,122

In 2018, the Australian Government reformed the system of HFE to provide a fairer way to distribute the GST among the states. From 2021–22, the system began its transition to a more stable and predictable equalisation standard that will reduce volatility in states’ GST payments.

To support the states’ transition to the new system, the Australian Government has provided an additional \$5.2 billion in transitional GST top-up payments over the three years to 2021–22 to ensure that no state has an effective GST relativity below 0.7, or 4.66024 for the Northern Territory. At the time of the 2018 reforms, it was estimated that \$1.8 billion in top-up payments would be required over those three years.

From 2022–23, the new HFE system will include a relativity floor of 0.7, permanently increasing to 0.75 in 2024–25. Further, the Australian Government has guaranteed, through legislation, that each state will receive at least the cumulative better of the old or the new HFE system for the 6 years from 2021–22 to 2026–27. The HFE transition payments associated with this guarantee are outlined in Table 3.1.

The CGC does not forecast GST sharing relativities beyond the budget year. The distribution of GST among the states and any resulting transitional payments for 2023–24 and 2024–25 are calculated based on a technical assumption that uses the 2022–23 relativities as the starting point, which are then adjusted to reflect the transition to the updated distribution system.

In 2025–26, this assumption is changed on the basis that relativities will begin to revert toward historical averages by that year (including because financial years with lower commodity prices, which are assumed to fall from their current elevated levels, will by then be incorporated in the CGC’s relativity calculations). The resulting transitional payment for 2025–26 is assumed to be half that of what would be expected from using the 2022–23 relativities. The estimates (shown in Table 3.1) do not reflect any attempt to project future GST relativities or GST entitlements.

The Government is expected to provide an estimated \$15.7 billion in HFE transition payments from 2022–23 to 2025–26 to support the transition to the new HFE system.

GST administration

States compensate the Australian Government for the costs incurred by the ATO for administering the GST including costs incurred by the Department of Home Affairs. In practice, this is achieved by the Australian Government reducing the monthly GST payments to the states by the GST administration costs.

The GST administration budget for the ATO is estimated to be \$677.2 million for 2022–23, as shown in Table 3.6.

Table 3.6: Reconciliation of the GST administration budget

\$million	2022-23	2023-24	2024-25	2025-26
Administration budget at 2021-22 MYEFO (a)	677.2	482.4	482.7	na
Total variations from 2021-22 MYEFO to 2022-23 Mar Budget	1.9	1.3	1.3	1.4
Administration budget at 2022-23 Mar Budget	679.1	483.7	484.0	487.0
Changes from 2022-23 Mar Budget to 2022-23 Oct Budget				
<i>Parameter variations</i>	-	11.0	12.8	14.0
<i>Other variations</i>	-1.9	-18.8	-20.5	-21.8
Total variations	-1.9	-7.7	-7.7	-7.8
Administration budget at 2022-23 Oct Budget less Prior year adjustment	677.2 -22.7	476.0 -	476.3 -	479.2 -
equals State government payments	654.5	476.0	476.3	479.2

a) Decreases in estimates from 2023–24 reflect the end of the GST Compliance Program announced at the 2018–19 MYEFO.

Other general revenue assistance

Like GST, other general revenue assistance is provided to the states, without conditions, to spend according to their own budget priorities.

Table 3.7: Other general revenue assistance

\$million	2022-23	2023-24	2024-25	2025-26
ACT municipal services	42.5	43.7	44.6	45.3
Royalty payments	1,112.3	922.6	756.1	606.1
Total other general revenue assistance	1,154.8	966.3	800.6	651.4

Australian Capital Territory municipal services

The Australian Government provides general revenue assistance to the Australian Capital Territory Government to assist in meeting the additional municipal costs that arise from Canberra’s role as the national capital. The payments also compensate the Australian Capital Territory for additional costs resulting from the national capital planning influences on the provision of water and sewerage services.

Royalty payments

Western Australia

The Australian Government provides general revenue assistance to Western Australia from royalties collected under the *Offshore Petroleum (Royalty) Act 2006* in respect of the North West Shelf oil and gas project off the coast of Western Australia.

The Australian Government collects these royalties because it has jurisdiction over offshore areas.

Royalties are shared between the Australian Government (approximately one third) and Western Australia (approximately two thirds). These revenue sharing arrangements are set out in the *Offshore Petroleum and Greenhouse Gas Storage Act 2006*.

Compensation for reduced royalties

The Australian Government provides general revenue assistance to compensate Western Australia for the loss of royalty revenue resulting from the removal of the exemption of condensate from crude oil excise in the *2009–10 Budget*.

Mirror tax arrangements

The Australian Government introduced mirror tax arrangements in 1998 to ensure that the states were not financially disadvantaged by the High Court decision in *Allders International Pty Ltd v Commissioner of State Revenue (Victoria)*, which invalidated state taxes on Commonwealth places. These arrangements mirror certain state taxes, including payroll taxes, land taxes and stamp duties, with respect to Commonwealth places. The states collect these mirror taxes on behalf of the Australian Government and bear the administrative costs of collection.

All mirror tax revenues are credited to the Australian Government and simultaneously appropriated to the states with no net impact on the Australian Government's budget position as shown in Table 3.8.

Table 3.8: Mirror taxes accrued on behalf of the states

\$million	2022-23	2023-24	2024-25	2025-26
Mirror taxes	725.0	761.8	794.7	830.1
less Transfers to state governments	725.0	761.8	794.7	830.1
Australian Government budget impact	-	-	-	-

Appendix A: Parameters and further information

This appendix provides information on the parameters used in producing this Budget Paper.

Budget Paper No. 1, *Budget Strategy and Outlook October 2022–23, Statement 2: Economic Outlook (BS2)*, provides information on the forecasting approach used in the 2022–23 October Budget.

Population

Population data are used to distribute funding between the state and territory governments (states) and in the calculation of annual growth factors. The population projections are produced by the Treasury Centre for Population (the Centre).

Estimates of state populations

State population projections are constructed using the latest demographic data and incorporate assumptions regarding fertility, mortality, net overseas migration and net interstate migration.

The Centre estimates population and components of change on a financial year basis. Projected population for the mid-point of the financial year (31 December, Table A.1) is the simple average of the population at the beginning and end of the financial year (Table A.2).

Table A.1: Population by state, at 31 December

million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total(a)	Australia
2021	8.095	6.560	5.265	2.762	1.807	0.570	0.453	0.249	25.762	25.767
2022	8.188	6.667	5.346	2.802	1.834	0.578	0.464	0.256	26.135	26.140
2023	8.274	6.780	5.428	2.845	1.855	0.585	0.471	0.260	26.498	26.503
2024	8.366	6.900	5.506	2.887	1.874	0.591	0.479	0.263	26.866	26.871
2025	8.458	7.018	5.584	2.929	1.892	0.598	0.487	0.267	27.233	27.238

a) 'Total' is the sum of the states and territories shown, and excludes Jervis Bay Territory, Christmas Island, the Cocos (Keeling) Islands and Norfolk Island.

Table A.2: Population by state, at 30 June

million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total(a)	Australia
2020-21	8.094	6.548	5.218	2.750	1.803	0.568	0.454	0.249	25.683	25.688
2021-22	8.149	6.614	5.302	2.780	1.822	0.575	0.460	0.255	25.956	25.961
2022-23	8.228	6.720	5.390	2.824	1.845	0.582	0.467	0.258	26.313	26.318
2023-24	8.319	6.841	5.467	2.866	1.865	0.588	0.474	0.262	26.682	26.687
2024-25	8.412	6.959	5.545	2.908	1.883	0.595	0.483	0.265	27.050	27.055
2025-26	8.504	7.077	5.623	2.949	1.901	0.601	0.492	0.268	27.416	27.421

a) 'Total' is the sum of the states and territories shown, and excludes Jervis Bay Territory, Christmas Island, the Cocos (Keeling) Islands and Norfolk Island.

Fertility

Assumptions about the fertility rate are based on analysis undertaken and commissioned by the Centre (Table A.3). The total fertility rate is assumed to be 1.66 babies per woman in 2021–22 before falling to 1.65 by 2024–25. The total fertility rate is assumed not to be adversely affected by the COVID-19 pandemic. Projected state fertility rates are assumed to move in line with the national fertility rate.

Table A.3: Total fertility rate, for years ending 30 June

	2020-21(a)	2021-22	2022-23	2023-24	2024-25	2025-26
Total fertility rate, Australia	1.66	1.66	1.66	1.66	1.65	1.65

a) Outcome for 2020–21, from ABS National, state and territory population, March 2022.

Mortality

Assumptions about life expectancy at birth are based on life tables produced by the Australian Government Actuary and the Australian Bureau of Statistics (Table A.4). Life expectancies are informed by future mortality rates, which have been adjusted in 2021–22 and 2022–23 to account for the impact of COVID-19. Life expectancies are then assumed to improve at the same average annual rate that has been observed over the past three decades. Projected state mortality rates are assumed to move in line with the national mortality rates.

Table A.4: Life expectancy at birth, for years ending 30 June

	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
Male life expectancy at birth, Australia	81.6	81.1	81.3	82.1	82.3	82.4
Female life expectancy at birth, Australia	85.6	85.2	85.3	86.0	86.1	86.2

Net overseas migration

Forecasts for net overseas migration (NOM) are produced by the Centre (Table A.5). The forecasts incorporate information from detailed data on international arrivals and departures together with offshore visa grant data provided by the Department of Home Affairs, along with an assumption of a return to pre-pandemic migration patterns. Net overseas migration is assumed to continue in line with pre-pandemic trends at 235,000 from 2022–23.

Table A.5: Net overseas migration, for years ending 30 June

	2020-21(a)	2021-22(b)	2022-23	2023-24	2024-25	2025-26
Net overseas migration, Australia	-85,000	150,000	235,000	235,000	235,000	235,000

a) Outcome for 2020–21 from ABS National, state and territory population, March 2022.
 b) Figure for 2021–22 consists of 3 quarters of preliminary outcomes and one quarter of forecasts.

Interstate migration

Assumptions about future net interstate migration (NIM) are produced by the Centre (Table A.6). Assumptions are modelled using historical interstate movements data supplied

by the Australian Bureau of Statistics. They are informed by recent population revisions to account for data from the 2021 Census and analysis of economic factors associated with interstate migration. These assumptions account for the impact of COVID-19 through fewer total movements and changing patterns of movement between states, which particularly reflect the impact of lockdowns in 2021–22.

Table A.6: Net interstate migration by state, for years ending 30 June

	NSW	VIC	QLD	WA	SA	TAS	ACT	NT
2020-21	-16,800	-18,300	31,200	5,400	900	-100	400	-2,500
2021-22	-40,100	-16,600	40,400	7,400	4,400	2,700	800	1,000
2022-23	-31,300	-6,400	30,600	4,200	500	1,800	700	-200
2023-24	-22,500	3,700	21,000	900	-3,500	1,000	700	-1,300
2024-25	-22,500	3,400	21,200	800	-3,400	1,000	700	-1,300
2025-26	-22,500	3,100	21,400	800	-3,300	1,100	700	-1,300

Wage cost indices

Table A.7 shows estimated growth in the wage cost indices used in this Budget Paper, rounded to the nearest quarter of a per cent.

Table A.7: Wage cost indices

Per cent	2022-23	2023-24	2024-25	2025-26
Wage cost index – 1	1 3/4	3	2	1 3/4
Wage cost index – 3	2	4	2 1/4	2
Wage cost index – 6	2 1/2	5	2 1/2	2

Data sources

The information in Appendix B and Appendix C of this Budget Paper is consistent with the ABS Government Finance Statistics reporting framework for the public sector.

Australian Government data are sourced from the Australian Government Final Budget Outcomes, ABS, and Australian Government Consolidated Financial Statements. See Budget Paper No. 1, *Budget Strategy and Outlook October 2022–23, Statement 11: Historical Australian Government Data*, for more information.

Further information

Several publications of the ABS and academics also provide information that is relevant to analysing federal financial relations data, including:

- *National, state and territory population*
- *Overseas Arrivals and Departures, Australia*
- *Migration, Australia*
- *Births, Australia*
- *Life tables*
- *Deaths, Australia*
- *Taxation Revenue, Australia*
- *Government Finance Statistics, Australia*
- *Australian System of Government Finance Statistics – Concepts, Sources and Methods*
- Information Paper: *Developments in Government Finance Statistics*
- Information Paper: *Accruals Based Government Finance Statistics*
- McDonald, P (2020), *A Projection of Australia's Future Fertility Rates*, Centre for Population Research Paper, Australian Government, Canberra.

Commonwealth Grants Commission publications provide information about the distribution of GST revenue. In relation to the 2022–23 financial year, the most relevant publication is the report *GST Revenue Sharing Relativities – 2022 Update*.

Notes

(a) The following definitions are used in this Budget Paper:

- Budget year refers to 2022–23, while the forward years refer to 2023–24, 2024–25 and 2025–26.
- one billion is equal to one thousand million.

(b) Except where otherwise indicated, payments to the states in this Budget Paper are reported in expense terms, not cash terms.

(c) Figures in tables and the text have generally been rounded. Discrepancies in tables between totals and sums of components reflect rounding unless otherwise noted.

- Estimates of \$100,000 and over are generally rounded to the nearest tenth of a million.
- Estimates midway between rounding points are rounded up.
- Percentage changes in tables are based on the underlying unrounded amounts.

(d) Tables use the following notations:

-	nil
na	not applicable
\$m	millions of dollars
\$b	billions of dollars
nfp	not for publication
*	unquantifiable
..	not zero, but rounded to zero
~	allocation not yet determined

(e) This Budget Paper uses the following conventions.

- The Australian Capital Territory and the Northern Territory of Australia are referred to as ‘the territories’.
- References to the ‘states’ or ‘each state’ include state governments and territory governments.

- Local governments are instrumentalities of state governments. Consequently, payments made to the state government sector include payments made to the local government sector unless otherwise specified.
- The following abbreviations are used, where appropriate:

NSW New South Wales

VIC Victoria

QLD Queensland

WA Western Australia

SA South Australia

TAS Tasmania

ACT Australian Capital Territory

NT Northern Territory

GST Goods and Services Tax

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

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

Appendix B, *Total Payments to the States by Function*; Appendix C, *Supplementary Tables*; Appendix D, *Debt Transactions*; and Appendix E, *Appropriations and Conditions* are available online at: www.budget.gov.au.

Budget Paper No. 3, *Federal Financial Relations October 2022-23*, 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.