

BUDGET

2014-15

Federal Financial Relations

Budget Paper No. 3

2014-15

Circulated by

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

and

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

For the information of honourable members
on the occasion of the Budget 2014-15

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FOREWORD

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

Notes

- (a) The following definitions are used in this Budget Paper:
- Budget year refers to 2014-15, while the forward years refer to 2015-16, 2016-17 and 2017-18; and
 - one billion is equal to one thousand million.
- (b) Figures in tables and the text have generally been rounded. Discrepancies in tables between totals and sums of components reflect rounding unless otherwise noted.
- estimates of \$100,000 and over are generally rounded to the nearest tenth of a million;
 - estimates midway between rounding points are rounded up; and
 - percentage changes in tables are based on the underlying unrounded amounts.
- (c) Tables use the following notations:
- | | |
|-----|-------------------------------|
| - | nil |
| na | not applicable |
| \$m | millions of dollars |
| \$b | billions of dollars |
| nfp | not for publication |
| 0 | zero |
| * | unquantifiable |
| .. | not zero, but rounded to zero |
| ~ | allocation not yet determined |

- (d) This Budget Paper uses the following conventions.
- The Australian Capital Territory and the Northern Territory of Australia are referred to as ‘the Territories’.
 - References to the ‘States’ or ‘each State’ include the State governments and Territory governments. The State and local government sector is denoted as the ‘State/local sector’.
 - References to the ‘State/local sector’ include the Territory governments unless otherwise stated.
 - Local governments are instrumentalities of State governments. Consequently, payments made to the State government sector include payments made to the local government sector unless otherwise specified.
 - The following abbreviations are used, where appropriate:
 - NSW New South Wales
 - VIC Victoria
 - QLD Queensland
 - WA Western Australia
 - SA South Australia
 - TAS Tasmania
 - ACT Australian Capital Territory
 - NT Northern Territory
 - GST Goods and services tax
- (e) The term ‘Commonwealth’ refers to the Commonwealth of Australia. The term is used when referring to the legal entity of the Commonwealth of Australia.

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

Budget Paper No. 3, *Federal Financial Relations 2014-15*, is one of a series of Budget Papers that provides information to supplement the Budget Speech. A full list of the series is printed on the inside cover of this paper. Appendix B: Total Payments to the States by Government Finance Statistics (GFS) Function; Appendix C: Supplementary Tables, and Appendix D: Debt Transactions of this paper are only available online at: www.budget.gov.au.

CONTENTS

Foreword	iii
Executive Summary	1
Part 1: Australia’s Federal Relations	3
Overview	3
Total payments to the States	3
Part 2: Payments for Specific Purposes	7
Overview of payments.....	7
Health	11
Education	34
Skills and workforce development.....	43
Community services	47
Affordable housing	56
Infrastructure	60
Environment	70
Contingent payments	79
Other National Partnership payments	81
Part 3: General Revenue Assistance	89
Overview of payments.....	89
GST entitlement to the States	89
Other general revenue assistance	95
Mirror tax arrangements.....	97

Part 4: Developments in the Consolidated Non-Financial Public Sector	99
Introduction.....	99
Net operating balance	99
Fiscal and cash balances.....	100
Net debt.....	102
The Australian Loan Council	103
Appendix A: Parameters and Further Information	107
Population	107
Age/gender weighted populations.....	109
Cross-border adjustments for 2013-14 National Health Reform funding.....	109
School enrolments.....	109
Wage, price and cost indices	110
Data sources	110
Further information	111
Appendix B: Total Payments to the States by Government Finance Statistics (GFS) Function	113
Appendix C: Supplementary Tables	119
Appendix D: Debt Transactions	131

LIST OF TABLES

Table 1.1:	Commonwealth payments to the States.....	5
Table 1.2:	Total Commonwealth payments to the States as a proportion of GDP	6
Table 2.1:	Total payments for specific purposes by category, 2013-14 to 2017-18.....	8
Table 2.2:	Total payments for specific purposes by sector, 2013-14 to 2017-18.....	9
Table 2.3:	Total payments for specific purposes by sector and category, 2013-14 to 2017-18	10
Table 2.4:	Payments to support state health services	11
Table 2.5:	Payments to support state education services	34
Table 2.6:	Payments to support state skills and workforce development services.....	43
Table 2.7:	Payments to support state community services	47
Table 2.8:	Payments to support state affordable housing services.....	56
Table 2.9:	Payments to support state infrastructure services	60
Table 2.10:	Payments to support state environment services.....	70
Table 2.11:	Contingent payments to the States	79
Table 2.12:	Payments to support other state services	81
Table 3.1:	General revenue assistance	89
Table 3.2:	General revenue assistance by State.....	89
Table 3.3:	Reconciling GST revenue, GST entitlement and GST payments to the States.....	91
Table 3.4:	Reconciliation of the GST entitlement estimates since the 2013-14 Budget and 2013-14 MYEFO.....	91
Table 3.5:	Policy decisions since MYEFO that affect the GST entitlement.....	91
Table 3.6:	GST relativities	92
Table 3.7:	Calculation of GST entitlements	93
Table 3.8:	Distribution of the GST entitlement over budget year and forward estimates	93
Table A:	Difference from equal per capita distribution, 2014-15.....	94
Table 3.9:	Reconciliation of the GST administration budget	95
Table 3.10:	Other general revenue assistance.....	96
Table 3.11:	Mirror taxes accrued on behalf of the States.....	98
Table 4.1:	Loan Council Allocation nominations for 2014-15	105
Table A.1:	Population by State, at 31 December.....	107
Table A.2:	Net overseas migration.....	108
Table A.3:	Net interstate migration.....	108
Table A.4:	Age/gender weighted population	109
Table A.5:	Cross-border adjustments to Commonwealth funding flows	109
Table A.6:	School enrolments	109
Table A.7:	Wage, price and cost indices.....	110
Table B.1:	Total payments to the States by GFS function	114
Table C.1:	General government sector cash balance by level of government as a percentage of GDP	120
Table C.2:	Public non-financial corporations sector cash balance by level of government as a percentage of GDP	121

Table C.3: Non-financial public sector cash balance by level of government as a percentage of GDP	122
Table C.4: General government sector fiscal balance by level of government as a percentage of GDP	123
Table C.5: Public non-financial corporations sector fiscal balance by level of government as a percentage of GDP	124
Table C.6: Non-financial public sector fiscal balance by level of government as a percentage of GDP	125
Table C.7: Gross fixed capital formation by sector	126
Table C.8: Net debt by sector (as at end of financial year)	127
Table C.9: General government sector net financial worth by level of government (as at end of financial year)	128
Table C.10: General government sector net worth by level of government (as at end of financial year)	128
Table C.11: General government sector net interest payments by level of government	129
Table D.1: Summary of advances, interest and repayments, by year and State	132

LIST OF CHARTS

Chart A: GST redistributed as a proportion of the GST entitlement	94
Chart 4.1: Consolidated net operating balance by sector	100
Chart 4.2: Consolidated fiscal balance by sector	101
Chart 4.3: Consolidated cash balance by sector	102
Chart 4.4: Consolidated net debt by sector	103

EXECUTIVE SUMMARY

- The 2014-15 Budget commences the critical task of budget repair and lays the foundation for future economic prosperity. Budget repair is a national priority and every sector of the community must contribute, including State, Territory and local Governments.
- This Budget includes decisions to modify or terminate a number of payments to the States that are unsustainable or ineffective. The Commonwealth has focused on its core responsibilities, identifying overlap and duplication with state services.
- The previous government's policies in the areas of public hospitals and schools funding have been revealed to be growing unsustainably into the medium-term, lessening State accountability for their service delivery decisions. The Commonwealth has acted now to address this situation by moving to more realistic funding arrangements for public hospitals (from 1 July 2017) and schools (from 1 January 2018). Whilst preserving the Commonwealth's commitment of funding for the Students First Programme over the forward estimates period, these changes generate total savings of over \$80 billion in the period to 2024-25.
- In addition to addressing unsustainable spending, this Budget is focused on increasing growth, improving infrastructure development and increasing job opportunities. The Commonwealth has taken action to promote growth by directing public expenditure to more productive uses, with substantial investments in productivity-enhancing infrastructure.
- This Budget introduces an Infrastructure Growth Package of \$11.6 billion. The \$5 billion Asset Recycling Initiative creates an incentive for the States to unlock funds from existing State-owned assets to invest in additional infrastructure that will support economic growth and enhance productivity.
- The Infrastructure Growth Package also provides additional Commonwealth funding to the States for transport infrastructure projects. This includes \$2.9 billion for the Western Sydney Infrastructure Plan, and \$3.7 billion for other significant projects across Australia including: East-West Link in Melbourne; Perth Freight Link; Toowoomba Second Range Crossing in Queensland; North-South Road Corridor in Adelaide; and Northern Territory road upgrades.
- In 2014-15, the Commonwealth will provide the States with \$101.1 billion in total payments, including payments for specific purposes of \$46.3 billion and general revenue assistance of \$54.9 billion. Payments to the States will be 24.4 per cent of total Commonwealth expenditure in 2014-15. Total payments to the States from 2013-14 to 2016-17 have increased by \$9.2 billion since the *Mid-Year Economic and Fiscal Outlook 2013-14*. This increase is driven by upwards variations in GST entitlements of \$4.5 billion, and additional spending on infrastructure.

PART 1: AUSTRALIA'S FEDERAL RELATIONS

OVERVIEW

The 2014-15 Budget is the first major step in the Commonwealth's strategy to restore budget sustainability and economic prosperity. The Commonwealth is taking action to direct public expenditure to more productive uses, with substantial investments in infrastructure that will support economic growth and enhance productivity.

The 2014-15 Budget introduces an Infrastructure Growth Package of \$11.6 billion that will be invested in productivity-enhancing infrastructure. This funding to State and Territory Governments will boost the economy's productive capacity and help smooth the impact of a downturn in mining investment-led growth.

This Budget also addresses unsustainable spending levels inherited across a range of sectors. Budget repair is a national priority and every sector of the community must contribute, including State, Territory and local Governments. Decisions have been made to modify or terminate a number of payments to the States and Territories (the States) that were unsustainable or inefficient.

Initiatives of the previous government in public hospitals and schools funding have been revealed to have unsustainable levels of growth beyond previously published estimates. The Commonwealth will reset indexation arrangements for public hospitals and schools to ensure funding levels are sustainable and achievable. Further details are included in Part 2 of this Budget Paper.

Sustainable funding is an issue for all levels of government, and the changes in this Budget will provide a platform to consider longer-term arrangements in the context of the White Paper on the Reform of the Federation and the White Paper on the Reform of Australia's Tax System. The White Papers, to be completed by the end of 2015, will consider the spending and taxation roles and responsibilities of the different levels of government in Australia in detail to ensure that, as far as possible, the States are sovereign in their own sphere.

TOTAL PAYMENTS TO THE STATES

The Commonwealth continues to provide substantial levels of funding to the States, in key sectors such as health, education, community services and affordable housing, and deliver important productivity-enhancing projects and reforms in sectors including infrastructure, and skills and workforce development.

In 2014-15, the Commonwealth will provide the States with payments totalling \$101.1 billion. This represents a \$3.3 billion increase compared to 2013-14. Total estimated funding for 2014-15 has decreased by \$0.6 billion since the *Mid-Year*

Economic and Fiscal Outlook 2013-14. Total payments to the States as a proportion of Commonwealth expenditure are estimated to be 24.4 per cent in 2014-15.

Payments for specific purposes

In 2014-15, the Commonwealth will provide the States with \$46.3 billion in payments for specific purposes, an increase of \$0.5 billion compared with \$45.8 billion in 2013-14. Payments for specific purposes as a proportion of Commonwealth expenditure are estimated to be 11.2 per cent in 2014-15.

National Specific Purpose Payments (National SPPs), along with National Health Reform and Students First funding are expected to total \$33.6 billion in 2014-15, a change of \$2.5 billion from \$31.1 billion in 2013-14.

National Partnership payments are expected to be \$12.7 billion in 2014-15, a change of \$2.0 billion from \$14.7 billion in 2013-14.

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

General revenue assistance

General revenue assistance, which principally comprises GST entitlements, provides a further, untied, funding base to support the delivery of State services.

In 2014-15, the States are expected to receive \$54.9 billion in general revenue assistance, comprising GST payments of \$53.7 billion and other general revenue assistance of \$1.2 billion. This is an increase of \$2.8 billion from \$52.1 billion in 2013-14. Payments for general revenue assistance are estimated to be 13.2 per cent of Commonwealth expenditure in 2014-15.

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

Table 1.1: Commonwealth payments to the States

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14									
Payments for specific purposes(a)	13,815	12,551	9,147	4,632	2,977	1,015	750	892	45,779
General revenue assistance(b)	15,778	11,451	10,823	2,558	4,618	1,809	1,061	2,808	52,056
Total payments to the States	29,593	24,002	19,970	7,190	7,595	2,825	1,812	3,699	97,834
2014-15									
Payments for specific purposes(a)	13,654	11,166	9,792	5,313	3,171	1,039	755	1,041	46,285
General revenue assistance(b)	16,808	11,853	11,736	2,310	4,956	1,911	1,137	3,166	54,861
Total payments to the States	30,462	23,019	21,527	7,623	8,128	2,950	1,892	4,207	101,147
2015-16									
Payments for specific purposes(a)	14,847	11,145	10,654	5,394	3,655	1,145	749	1,018	49,905
General revenue assistance(b)	17,603	12,588	12,659	2,405	5,252	2,095	1,204	3,384	58,165
Total payments to the States	32,450	23,733	23,313	7,799	8,906	3,241	1,953	4,402	108,070
2016-17									
Payments for specific purposes(a)	16,540	11,743	11,622	6,096	3,510	1,119	812	1,044	53,791
General revenue assistance(b)	18,259	13,257	13,932	2,494	5,699	2,150	1,255	3,571	61,598
Total payments to the States	34,800	25,000	25,554	8,590	9,209	3,269	2,067	4,615	115,389
2017-18									
Payments for specific purposes(a)	16,088	11,279	11,089	5,980	3,452	1,087	815	973	51,786
General revenue assistance(b)	19,284	14,181	14,660	2,765	5,921	2,203	1,309	3,658	64,909
Total payments to the States	35,371	25,460	25,750	8,746	9,373	3,290	2,124	4,631	116,695

(a) As State allocations for a small number of programmes have yet to be determined, these payments are not reflected in State totals. As such, total payments for specific purposes will not equal the sum of State totals.

(b) As State allocations for royalties are not published due to commercial sensitivities, these payments are not reflected in State totals. As such, total general revenue assistance will not equal the sum of the State totals.

For 2014-15, total payments to the States as a proportion of GDP are estimated to be 6.2 per cent, with payments for specific purposes estimated to be 2.8 per cent and general revenue assistance estimated to be 3.4 per cent.

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

\$million	National	Health	Students	National	GST	Other	Total	Per cent change from prior year	Per cent of GDP
	National SPPs (a)	Reform funding (b)	First funding (c)	Partnership payments (d)		general revenue assistance			
2013-14	10,377	13,845	6,872	14,685	50,720	1,336	97,834	-	6.2
2014-15	4,139	15,116	14,374	12,657	53,710	1,151	101,147	3.4	6.2
2015-16	4,243	16,551	15,646	13,465	57,020	1,145	108,070	6.8	6.3
2016-17	4,353	18,095	17,032	14,311	60,440	1,158	115,389	6.8	6.4
2017-18	4,471	18,872	18,149	10,294	63,810	1,099	116,695	1.1	6.2

(a) Includes National Schools SPP funding, which ceased in December 2013.

(b) New indexation arrangements for public hospital funding will apply from July 2017.

(c) Students First funding commenced from January 2014. New indexation arrangements for schools funding will apply from January 2018.

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

PART 2: PAYMENTS FOR SPECIFIC PURPOSES

OVERVIEW OF PAYMENTS

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

The Commonwealth currently supports the States in certain service delivery sectors through three National Specific Purpose Payments (National SPPs) – Skills and Workforce Development, Disability Services and Affordable Housing. The States are required to spend each National SPP in the relevant sector.

The National SPPs are ongoing and are indexed each year by growth factors specified in the *Intergovernmental Agreement on Federal Financial Relations* (the Intergovernmental Agreement). They are distributed amongst the States in accordance with population shares based on the Australian Statistician's determination as at 31 December of that year.

Two former National SPPs have been superseded. On 1 July 2012, the National Healthcare SPP was replaced by National Health Reform funding, which comprises base funding equivalent to the National Healthcare SPP and, from 1 July 2014, efficient growth funding. New indexation arrangements will apply from 1 July 2017 for public hospitals funding. Further details are included in the Health section of this Part.

From 1 January 2014, the National Schools SPP was replaced by funding through the Students First programme. New indexation arrangements will apply for this funding from 1 January 2018. Further details are included in the Education section of this Part.

Under the Intergovernmental Agreement, National Partnership payments to the States are the key vehicle to facilitate reforms or support the delivery of specified projects. National Partnerships are typically entered into for a fixed period of time, reflecting the nature of the project or reform involved.

To the fullest extent possible, payments are aligned with the achievement of project milestones and are made after the States have achieved the outcomes or outputs specified in the relevant National Partnership.

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

Total payments for specific purposes

Total payments for specific purposes by category are shown in Table 2.1.

Table 2.1: Total payments for specific purposes by category, 2013-14 to 2017-18

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total(a)
2013-14									
National Specific Purpose									
Payments(b)	3,286	2,568	2,124	1,095	772	227	179	127	10,377
National Health Reform funding	4,350	3,464	2,803	1,517	1,006	299	272	135	13,845
Students First funding(c)	2,112	1,683	1,441	706	523	161	122	123	6,872
National Partnership payments(d)	4,067	4,836	2,779	1,315	676	328	178	507	14,685
Total payments for specific purposes	13,815	12,551	9,147	4,632	2,977	1,015	750	892	45,779
2014-15									
National Specific Purpose									
Payments	1,319	1,028	835	460	295	90	68	43	4,139
National Health Reform funding	4,688	3,716	3,163	1,722	1,078	344	271	135	15,116
Students First funding	4,384	3,519	3,055	1,499	1,074	334	248	260	14,374
National Partnership payments(d)	3,264	2,902	2,739	1,632	724	270	168	603	12,657
Total payments for specific purposes	13,654	11,166	9,792	5,313	3,171	1,039	755	1,041	46,285
2015-16									
National Specific Purpose									
Payments	1,347	1,055	858	478	300	91	70	44	4,243
National Health Reform funding	5,148	4,021	3,471	1,919	1,168	365	298	161	16,551
Students First funding	4,725	3,814	3,401	1,662	1,139	361	262	280	15,646
National Partnership payments(d)	3,628	2,255	2,924	1,334	1,047	328	119	533	13,465
Total payments for specific purposes	14,847	11,145	10,654	5,394	3,655	1,145	749	1,018	49,905
2016-17									
National Specific Purpose									
Payments	1,377	1,082	882	498	306	91	72	45	4,353
National Health Reform funding	5,641	4,346	3,804	2,134	1,264	388	328	189	18,095
Students First funding	5,168	4,095	3,766	1,822	1,207	390	277	306	17,032
National Partnership payments(d)	4,354	2,220	3,170	1,642	733	249	135	504	14,311
Total payments for specific purposes	16,540	11,743	11,622	6,096	3,510	1,119	812	1,044	53,791

Table 2.1: Total payments for specific purposes by category, 2013-14 to 2017-18 (continued)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total(a)
2017-18									
National Specific Purpose									
Payments	1,409	1,112	907	519	312	93	74	46	4,471
Public hospitals funding	5,947	4,694	3,829	2,189	1,316	391	311	195	18,872
Students First funding	5,462	4,280	4,049	2,060	1,277	409	300	311	18,149
National Partnership payments(d)	3,270	1,193	2,304	1,213	547	195	130	421	10,294
Total payments for specific purposes	16,088	11,279	11,089	5,980	3,452	1,087	815	973	51,786

(a) As State allocations for a small number of programmes have yet to be determined, these payments are not included in State totals. As such, total payments may not equal the sum of State totals.

(b) Includes National Schools SPP funding, which ceased in December 2013.

(c) Students First funding commenced from January 2014.

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

Total payments for specific purposes by sector are shown in Table 2.2.

Table 2.2: Total payments for specific purposes by sector, 2013-14 to 2017-18

\$million	2013-14	2014-15	2015-16	2016-17	2017-18
Health	15,855	16,420	17,500	18,764	19,532
Education	14,389	14,879	15,776	17,106	18,196
Skills and workforce development	1,754	1,824	1,837	2,003	1,515
Community services	2,347	2,168	1,766	1,940	2,148
Affordable housing	2,079	1,962	1,748	1,810	1,871
Infrastructure	6,919	5,703	8,022	9,108	5,674
Environment	547	638	703	526	216
Contingent	184	99	19	-	-
Other(a)	1,706	2,593	2,533	2,535	2,634
Total payments for specific purposes	45,779	46,285	49,905	53,791	51,786

(a) Includes financial assistance grants for local government.

Total payments for specific purposes by sector and category are shown in Table 2.3.

Table 2.3: Total payments for specific purposes by sector and category, 2013-14 to 2017-18

\$million	2013-14	2014-15	2015-16	2016-17	2017-18
<i>Health</i>					
National Health Reform funding	13,845	15,116	16,551	18,095	-
Public hospitals funding	-	-	-	-	18,872
National Partnerships	2,010	1,304	949	669	660
Total health payments	15,855	16,420	17,500	18,764	19,532
<i>Education</i>					
National Schools SPP(a)	6,352	-	-	-	-
Students First funding(b)	6,872	14,374	15,646	17,032	18,149
National Partnerships	1,165	505	130	73	47
Total education payments	14,389	14,879	15,776	17,106	18,196
<i>Skills and workforce development</i>					
National Skills and Workforce Development SPP					
National Partnerships	1,409	1,435	1,460	1,487	1,515
National Partnerships	345	389	377	516	-
Total skills and workforce development payments	1,754	1,824	1,837	2,003	1,515
<i>Community services</i>					
National Disability SPP(c)	1,334	1,398	1,455	1,514	1,580
National Partnerships	1,013	770	311	426	568
Total community services payments	2,347	2,168	1,766	1,940	2,148
<i>Affordable housing</i>					
National Affordable Housing SPP	1,283	1,306	1,328	1,352	1,376
National Partnerships	796	656	420	458	495
Total affordable housing payments	2,079	1,962	1,748	1,810	1,871
<i>Infrastructure</i>					
National Partnerships	6,919	5,703	8,022	9,108	5,674
<i>Environment</i>					
National Partnerships	547	638	703	526	216
<i>Contingent payments</i>					
National Partnerships	184	99	19	-	-
<i>Other</i>					
National Partnerships(d)	1,706	2,593	2,533	2,535	2,634
Total payments for specific purposes	45,779	46,285	49,905	53,791	51,786

(a) National Schools SPP funding ceased in December 2013.

(b) Students First funding commenced from January 2014.

(c) Does not include National Disability SPP adjustments to achieve budget neutrality as this is still subject to negotiation (see footnotes to Table 2.7 in this Part for further details).

(d) Includes financial assistance grants for local government.

Further information on each of these payments is contained in this Part. New measures associated with payments to the States are included in Budget Paper No. 2, *Budget Measures 2014-15*.

Total payments to the States for specific purposes, as categorised by Government Finance Statistics function, are set out in Appendix B, which is available online.

HEALTH

In 2014-15, the Commonwealth will provide funding of \$16.4 billion to support state health services, including \$15.1 billion in National Health Reform funding and \$1.3 billion in National Partnership payments, as detailed in Table 2.4.

This funding will account for approximately 35.5 per cent of the Commonwealth's \$46.3 billion in total payments for specific purposes.

Table 2.4: Payments to support state health services

\$million	2013-14	2014-15	2015-16	2016-17	2017-18
National Health Reform funding	13,844.5	15,115.5	16,551.3	18,094.9	-
Public hospitals funding	-	-	-	-	18,872.1
National Partnership payments					
National Health Reform(a)	916.2	nfp	-	-	-
Health infrastructure	458.9	771.4	380.6	52.4	9.4
Health services	70.3	74.3	71.4	62.4	6.4
Indigenous health	44.3	51.0	17.4	17.6	15.5
Other health payments	520.3	407.4	479.7	536.5	628.7
Total	15,854.6	16,419.7	17,500.4	18,763.8	19,532.0

(a) Reward funding in 2014-15 has been provisioned in the Contingency Reserve.

National Health Reform and public hospitals funding

In 2014-15, National Health Reform funding is estimated to be \$15.1 billion. This is an estimated increase in funding of 9.2 per cent compared to 2013-14.

National Health Reform and public hospitals funding^{(a)(b)(c)}

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14									
National Health Reform									
Hospital services	4,246.8	3,383.8	2,738.2	1,481.3	983.3	291.6	266.6	131.2	13,522.8
Public health	102.9	79.9	64.8	35.2	23.1	7.1	5.3	3.3	321.7
Total	4,349.8	3,463.7	2,803.0	1,516.5	1,006.4	298.7	271.9	134.5	13,844.5
2014-15									
National Health Reform									
Hospital services	4,579.4	3,631.1	3,094.0	1,684.5	1,053.4	336.6	265.5	131.1	14,775.7
Public health	108.3	84.4	68.6	37.8	24.3	7.4	5.6	3.5	339.8
Total	4,687.7	3,715.5	3,162.6	1,722.3	1,077.7	344.0	271.1	134.6	15,115.5
2015-16									
National Health Reform									
Hospital services	5,033.8	3,931.6	3,398.5	1,878.5	1,142.7	357.8	292.5	157.0	16,192.3
Public health	114.0	89.2	72.6	40.5	25.4	7.7	5.9	3.7	359.0
Total	5,147.8	4,020.8	3,471.1	1,919.0	1,168.1	365.4	298.4	160.7	16,551.3
2016-17									
National Health Reform									
Hospital services	5,521.5	4,251.7	3,727.1	2,091.0	1,237.2	380.1	321.9	185.0	17,715.5
Public health	120.0	94.3	76.8	43.4	26.7	8.0	6.3	3.9	379.3
Total	5,641.4	4,346.0	3,803.9	2,134.4	1,263.9	388.1	328.2	189.0	18,094.9

National Health Reform and public hospitals funding (continued)^{(a)(b)(c)}

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2017-18									
Public hospitals funding	5,946.6	4,694.3	3,829.5	2,188.8	1,316.0	390.6	311.1	195.3	18,872.1

(a) State allocations of funding for 2013-14 have been adjusted to reflect estimated cross-border activity, where residents of one State receive hospital treatment in another State. See Appendix A for further details.

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

(c) State allocations of public hospitals funding for 2017-18 are shown on the basis of state population shares of total funding and are not adjusted for cross-border activity.

In 2013-14, National Health Reform funding is equivalent to the amount that would have been previously payable through the former National Healthcare SPP. State funding entitlements have been adjusted for cross-border activity (further details in Appendix A).

From July 2014 to June 2017, National Health Reform funding will be linked to the level of services delivered by public hospitals as provided under the *National Health Reform Agreement* (the Agreement). During this period, each State's entitlement will be directly linked to the growth in public hospital activity provided in that jurisdiction. The Australian Government has announced that from 2014-15 the funding guarantees under the Agreement will cease.

From 1 July 2017, the Commonwealth will index its contribution for public hospitals funding by the Consumer Price Index and population growth. This new approach ensures public hospital funding growth is more sustainable. State funding entitlements are reported on an equal per capita basis.

The measures taken in the 2014-15 Budget relating to National Health Reform and public hospitals funding are discussed in Budget Paper No. 2, *Budget Measures 2014-15*.

National Partnership payments for health

A total of \$1.3 billion will be provided to the States in 2014-15 under the following health categories:

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

National Partnerships supporting National Health Reform arrangements

\$million	2013-14	2014-15	2015-16	2016-17	2017-18
National Partnership payments					
National Health Reform					
Public hospital system – additional funding	170.5	-	-	-	-
Financial assistance for long stay older patients	78.2	-	-	-	-
Improving Public Hospital Services					
Flexible funding pool for emergency departments, elective surgery and subacute care	1.1	-	-	-	-
National elective surgery target					
Capital funding	1.2	-	-	-	-
Facilitation and reward funding(a)	20.6	nfp	-	-	-
National emergency access target					
Capital funding	1.9	-	-	-	-
Facilitation and reward funding(a)	10.1	nfp	-	-	-
New subacute beds guarantee funding					
	632.5	-	-	-	-
Total(a)	916.2	nfp	-	-	-

(a) Reward funding in 2014-15 has been provisioned in the Contingency Reserve.

National Partnership on public hospital system — additional funding

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	46.3	42.5	38.8	15.9	17.1	5.4	4.3	0.4	170.5
2014-15	-	-	-	-	-	-	-	-	-
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-
2017-18	-	-	-	-	-	-	-	-	-

The Commonwealth is providing funding to offset downward adjustments in National Health Reform funding during 2013-14. This funding will increase certainty to Local Hospital Networks from these within-year adjustments.

National Partnership on financial assistance for long stay older patients

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	36.0	4.1	13.5	7.3	10.6	1.4	4.0	1.3	78.2
2014-15	-	-	-	-	-	-	-	-	-
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-
2017-18	-	-	-	-	-	-	-	-	-

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

National Partnership on Improving Public Hospital Services

Several payments are provided under the *National Partnership on Improving Public Hospital Services* which seeks to contribute to improved public patient access to elective

surgery, emergency department and subacute care services elements of the *National Health Reform Agreement*.

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

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	-	-	-	-	-	1.1	-	-	1.1
2014-15	-	-	-	-	-	-	-	-	-
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-
2017-18	-	-	-	-	-	-	-	-	-

The Commonwealth has provided funding to increase hospital capacity and improve services to patients through a flexible funding pool. The funding pool was used by the States to provide additional capacity to respond to capital and ongoing cost needs in the public hospital system in relation to elective surgery, emergency departments and subacute care.

National elective surgery target component

The Commonwealth is providing funding aimed at ensuring elective surgery patients are seen within clinically recommended times, and reducing the number of patients waiting beyond those times.

Capital funding

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	-	-	-	-	-	1.2	-	-	1.2
2014-15	-	-	-	-	-	-	-	-	-
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-
2017-18	-	-	-	-	-	-	-	-	-

The Commonwealth has provided funding for the national elective surgery target to boost elective surgery capacity in public hospitals.

Facilitation and reward funding^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	7.2	5.1	1.8	2.2	1.1	2.3	0.7	0.2	20.6
2014-15	nfp	nfp	nfp	nfp	nfp	nfp	nfp	nfp	nfp
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-
2017-18	-	-	-	-	-	-	-	-	-

(a) Reward funding for 2014-15 has been provisioned in the Contingency Reserve pending assessment of State performance under this agreement.

The Commonwealth has provided facilitation funding to improve patient access to elective surgery.

The Commonwealth is providing reward funding to jurisdictions based on their achievement against the national elective surgery target. The target aims to improve

the number of patients treated within the clinically recommended time across all urgency categories.

A savings measure associated with this National Partnership is discussed in Budget Paper No. 2, *Budget Measures 2014-15*.

National emergency access target component

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

Capital funding

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	-	-	-	-	-	1.9	-	-	1.9
2014-15	-	-	-	-	-	-	-	-	-
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-
2017-18	-	-	-	-	-	-	-	-	-

The Commonwealth has provided funding for the expansion of emergency departments and associated facilities to help achieve the agreed national emergency access target. This measure allowed for the redesign and upgrade of public hospital emergency departments to meet the target.

Facilitation and reward funding^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	-	-	-	5.3	3.1	1.7	-	-	10.1
2014-15	nfp	nfp	nfp	nfp	nfp	nfp	nfp	nfp	nfp
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-
2017-18	-	-	-	-	-	-	-	-	-

(a) Reward funding for 2014-15 has been provisioned in the Contingency Reserve pending assessment of State performance under this agreement.

The Commonwealth has provided facilitation funding to improve patient access to emergency care.

The Commonwealth is providing reward funding to jurisdictions based on their achievement against the national emergency access target. The target aims to improve the percentage of patients that present to a public hospital emergency department and are admitted to hospital, referred to another hospital for treatment, or discharged home, within four hours.

A savings measure associated with this National Partnership is discussed in Budget Paper No. 2, *Budget Measures 2014-15*.

New subacute beds guarantee funding component

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	203.8	154.7	125.9	64.3	46.0	21.0	9.9	6.9	632.5
2014-15	-	-	-	-	-	-	-	-	-
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-
2017-18	-	-	-	-	-	-	-	-	-

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

By 30 June 2014, States are expected to have delivered an agreed number of new subacute beds or equivalent services in public hospitals or in community settings. Funding is being provided for beds and services for palliative care, rehabilitation, psychogeriatric care, geriatric evaluation and management, and subacute mental health care.

Health infrastructure

\$million	2013-14	2014-15	2015-16	2016-17	2017-18
National Partnership payments					
Health infrastructure					
Health and Hospitals Fund					
Hospital infrastructure and other					
projects of national significance	98.2	66.4	0.6	-	-
National cancer system	125.3	117.5	55.4	-	4.6
Regional priority round	235.5	494.1	251.7	52.4	4.8
Albury-Wodonga Cardiac Catheterisation					
Laboratory	-	5.0	-	-	-
Bright Hospital – feasibility study	-	0.1	0.1	-	-
Cancer Support Clinic in Katherine	-	0.5	-	-	-
Construction of Palmerston Hospital	-	20.0	20.0	-	-
Improving local access to health care on Phillip Island	-	2.5	-	-	-
Oncology Day Treatment Centre at Frankston Hospital	-	0.4	0.3	-	-
Redevelopment of the Royal Victorian Eye and Ear Hospital	-	50.0	50.0	-	-
Upgrade of Ballina Hospital	-	1.9	2.6	-	-
Upgrade of the Casino and District Memorial Hospital	-	3.0	-	-	-
Warrnambool Integrated Cancer Care Centre	-	10.0	-	-	-
Total	458.9	771.4	380.6	52.4	9.4

Health and Hospitals Fund

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

Hospital infrastructure and other projects of national significance component

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	-	-	35.6	62.6	-	-	-	-	98.2
2014-15	-	-	15.0	50.0	-	1.0	-	0.4	66.4
2015-16	-	-	-	0.6	-	-	-	-	0.6
2016-17	-	-	-	-	-	-	-	-	-
2017-18	-	-	-	-	-	-	-	-	-

The Commonwealth is providing funding from the Health and Hospitals Fund to support the development of health infrastructure projects of national significance. The Commonwealth will collaborate with the States to expand and modernise key public hospitals across Australia to improve hospital care.

National cancer system component

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	6.3	86.7	12.2	4.6	6.1	3.8	4.5	1.2	125.3
2014-15	-	70.0	34.4	3.4	0.4	8.6	0.1	0.6	117.5
2015-16	-	50.0	0.4	3.5	-	1.5	-	-	55.4
2016-17	-	-	-	-	-	-	-	-	-
2017-18	-	-	-	4.6	-	-	-	-	4.6

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

Regional priority round component

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	136.6	47.9	21.7	2.7	23.3	-	0.5	3.0	235.5
2014-15	214.0	84.8	52.8	26.2	30.1	-	-	86.3	494.1
2015-16	110.8	17.2	15.0	16.1	1.0	50.0	-	41.6	251.7
2016-17	29.0	0.4	4.0	10.2	-	-	-	8.9	52.4
2017-18	-	-	2.0	2.8	-	-	-	-	4.8

The Commonwealth is providing funding from the Health and Hospitals Fund to invest in Regional Australia. Regional priority funding will improve access to essential health services for Australians living in rural, regional and remote areas.

Other infrastructure projects

The following projects are funded as Project Agreements.

National Partnership on the Albury-Wodonga Cardiac Catheterisation Laboratory

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	-	-	-	-	-	-	-	-	-
2014-15	-	5.0	-	-	-	-	-	-	5.0
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-
2017-18	-	-	-	-	-	-	-	-	-

Budget Paper No. 3

The Commonwealth will provide funding for the *National Partnership on the Albury-Wodonga Cardiac Catheterisation Laboratory*. This new laboratory will enable local residents suffering from heart conditions to access quality care, without the need to travel long distances to capital cities.

National Partnership on Bright Hospital — feasibility study

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	-	-	-	-	-	-	-	-	-
2014-15	-	0.1	-	-	-	-	-	-	0.1
2015-16	-	0.1	-	-	-	-	-	-	0.1
2016-17	-	-	-	-	-	-	-	-	-
2017-18	-	-	-	-	-	-	-	-	-

The Commonwealth will provide funding for the *National Partnership on Bright Hospital — feasibility study*. This study will examine the feasibility of redeveloping the Bright Hospital.

National Partnership for the Cancer Support Clinic in Katherine

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	-	-	-	-	-	-	-	-	-
2014-15	-	-	-	-	-	-	-	0.5	0.5
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-
2017-18	-	-	-	-	-	-	-	-	-

The Commonwealth will provide funding for the *National Partnership for the Cancer Support Clinic in Katherine* to support the purchase and installation of a chemotherapy chair and associated minor building modification to improve delivery of cancer support services in Katherine Hospital.

National Partnership on construction of Palmerston Hospital

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	-	-	-	-	-	-	-	-	-
2014-15	-	-	-	-	-	-	-	20.0	20.0
2015-16	-	-	-	-	-	-	-	20.0	20.0
2016-17	-	-	-	-	-	-	-	-	-
2017-18	-	-	-	-	-	-	-	-	-

The Commonwealth will provide funding for the *National Partnership on construction of Palmerston Hospital*. The new hospital will provide a full emergency department, a paediatrics ward, and medical and surgical services.

National Partnership on improving local access to health care on Phillip Island

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	-	-	-	-	-	-	-	-	-
2014-15	-	2.5	-	-	-	-	-	-	2.5
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-
2017-18	-	-	-	-	-	-	-	-	-

The Commonwealth will provide funding for the *National Partnership on improving local access to health care on Phillip Island* to upgrade healthcare infrastructure on Phillip Island.

Funding for this National Partnership is a new spending measure in the 2014-15 Budget. This measure is discussed in Budget Paper No. 2, *Budget Measures 2014-15*.

National Partnership on Oncology Day Treatment Centre at Frankston Hospital

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	-	-	-	-	-	-	-	-	-
2014-15	-	0.4	-	-	-	-	-	-	0.4
2015-16	-	0.3	-	-	-	-	-	-	0.3
2016-17	-	-	-	-	-	-	-	-	-
2017-18	-	-	-	-	-	-	-	-	-

The Commonwealth will provide funding for the *National Partnership on Oncology Day Treatment Centre at Frankston Hospital* for the expansion and enhancement of the Oncology Day Treatment Centre at Frankston Hospital.

National Partnership on redevelopment of the Royal Victorian Eye and Ear Hospital

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	-	-	-	-	-	-	-	-	-
2014-15	-	50.0	-	-	-	-	-	-	50.0
2015-16	-	50.0	-	-	-	-	-	-	50.0
2016-17	-	-	-	-	-	-	-	-	-
2017-18	-	-	-	-	-	-	-	-	-

This Commonwealth will provide funding for the *National Partnership on redevelopment of the Royal Victorian Eye and Ear Hospital* for the completion of the development of the Royal Victorian Eye and Ear Hospital.

National Partnership for the upgrade of Ballina Hospital

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	-	-	-	-	-	-	-	-	-
2014-15	1.9	-	-	-	-	-	-	-	1.9
2015-16	2.6	-	-	-	-	-	-	-	2.6
2016-17	-	-	-	-	-	-	-	-	-
2017-18	-	-	-	-	-	-	-	-	-

The Commonwealth will provide funding for the *National Partnership for the upgrade of Ballina Hospital* for the construction of a second operating theatre and upgrade of the medical imaging department at Ballina Hospital. This will improve the delivery of services in the hospital and enable an increase in the operating theatre capacity. The upgrade will improve the flow of patients between the emergency department and the medical imaging department.

National Partnership for the upgrade of the Casino and District Memorial Hospital

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	-	-	-	-	-	-	-	-	-
2014-15	3.0	-	-	-	-	-	-	-	3.0
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-
2017-18	-	-	-	-	-	-	-	-	-

The Commonwealth will provide funding for the *National Partnership for the upgrade of the Casino and District Memorial Hospital* towards the upgrade of the emergency department at the Casino District and Memorial Hospital in northern New South Wales.

National Partnership on Warrnambool Integrated Cancer Care Centre

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	-	-	-	-	-	-	-	-	-
2014-15	-	10.0	-	-	-	-	-	-	10.0
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-
2017-18	-	-	-	-	-	-	-	-	-

The Commonwealth will provide funding for the *National Partnership on Warrnambool Integrated Cancer Care Centre* towards the construction of the Regional Cancer Centre in Warrnambool to provide cancer services to people in southwest Victoria.

Part 2: Payments for Specific Purposes

Health services

\$million	2013-14	2014-15	2015-16	2016-17	2017-18
National Partnership payments					
Health services					
National antimicrobial utilisation surveillance programme	0.2	-	-	-	-
Northern Territory medical school – funding contribution	2.3	-	-	-	-
Canberra Hospital – dedicated paediatric emergency care	-	5.0	-	-	-
Expansion of the BreastScreen Australia programme	5.5	11.9	13.5	15.6	-
Health care grants for the Torres Strait	4.5	4.5	4.6	4.7	-
Improving Health Services in Tasmania					
Better access to community based palliative care services	1.8	1.7	1.7	-	-
Cradle Coast Connected Care clinical repository	0.3	0.3	0.3	-	-
Improving patient pathways through clinical and system redesign	6.9	5.1	5.1	-	-
Innovative flexible funding for mental health	1.1	1.0	1.0	-	-
Reducing elective surgery waiting lists in Tasmania	8.3	7.1	6.2	-	-
National Bowel Cancer Screening Programme – participant follow-up function	1.8	1.9	2.4	4.7	6.4
National Perinatal Depression Initiative	10.9	8.2	8.2	8.2	-
OzFoodNet	1.7	1.7	1.7	1.8	-
Royal Darwin Hospital – equipped, prepared and ready	15.0	15.3	15.5	15.8	-
Torres Strait health protection strategy – mosquito control	0.9	1.0	1.0	1.0	-
Vaccine-preventable diseases surveillance	0.8	0.8	0.8	0.8	-
Victorian cytology service	8.5	8.9	9.4	9.8	-
Total	70.3	74.3	71.4	62.4	6.4

National Partnership on health services

A number of projects are funded as part of the *National Partnership on health services*.

National antimicrobial utilisation surveillance programme component

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	-	-	-	-	0.2	-	-	-	0.2
2014-15	-	-	-	-	-	-	-	-	-
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-
2017-18	-	-	-	-	-	-	-	-	-

The Commonwealth has provided funding for the national antimicrobial utilisation surveillance programme. The programme facilitates the collection, analysis and

reporting of inpatient antimicrobial usage data in Australian hospitals to support the development of strategies to minimise antimicrobial resistance.

Northern Territory medical school — funding contribution component

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	-	-	-	-	-	-	-	2.3	2.3
2014-15	-	-	-	-	-	-	-	-	-
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-
2017-18	-	-	-	-	-	-	-	-	-

The Commonwealth has provided funding as a contribution to the costs of the Northern Territory Medical Programme to provide medical training activities across the full four years of the graduate entry medical course. This programme is delivered by Flinders University. From 2014-15, the Commonwealth will provide funding directly for this programme.

A measure associated with this National Partnership is discussed in Budget Paper No. 2, *Budget Measures 2014-15*.

Other health services

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

National Partnership for the Canberra Hospital — dedicated paediatric emergency care

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	-	-	-	-	-	-	-	-	-
2014-15	-	-	-	-	-	-	5.0	-	5.0
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-
2017-18	-	-	-	-	-	-	-	-	-

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

National Partnership on the expansion of the BreastScreen Australia programme

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	1.0	0.9	0.8	0.6	0.6	0.5	0.5	0.5	5.5
2014-15	3.9	2.9	2.4	1.1	1.0	0.3	0.2	0.1	11.9
2015-16	4.4	3.3	2.7	1.3	1.1	0.4	0.2	0.1	13.5
2016-17	5.1	3.9	3.2	1.5	1.3	0.4	0.2	0.1	15.6
2017-18	-	-	-	-	-	-	-	-	-

The Commonwealth is providing funding for the *National Partnership on expansion of the BreastScreen Australia programme* to improve the early detection of breast cancer by

expanding the target age range of the BreastScreen Australia programme from women 50 to 69 years of age to women 50 to 74 years of age. This builds on the existing BreastScreen Australia programme, which commenced in 1991.

National Partnership on health care grants for the Torres Strait

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	-	-	4.5	-	-	-	-	-	4.5
2014-15	-	-	4.5	-	-	-	-	-	4.5
2015-16	-	-	4.6	-	-	-	-	-	4.6
2016-17	-	-	4.7	-	-	-	-	-	4.7
2017-18	-	-	-	-	-	-	-	-	-

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

National Partnership on Improving Health Services in Tasmania

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

Better access to community based palliative care services component

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	-	-	-	-	-	1.8	-	-	1.8
2014-15	-	-	-	-	-	1.7	-	-	1.7
2015-16	-	-	-	-	-	1.7	-	-	1.7
2016-17	-	-	-	-	-	-	-	-	-
2017-18	-	-	-	-	-	-	-	-	-

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

Cradle Coast Connected Care clinical repository component

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	-	-	-	-	-	0.3	-	-	0.3
2014-15	-	-	-	-	-	0.3	-	-	0.3
2015-16	-	-	-	-	-	0.3	-	-	0.3
2016-17	-	-	-	-	-	-	-	-	-
2017-18	-	-	-	-	-	-	-	-	-

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

Improving patient pathways through clinical and system redesign component

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	-	-	-	-	-	6.9	-	-	6.9
2014-15	-	-	-	-	-	5.1	-	-	5.1
2015-16	-	-	-	-	-	5.1	-	-	5.1
2016-17	-	-	-	-	-	-	-	-	-
2017-18	-	-	-	-	-	-	-	-	-

The Commonwealth is providing funding for the establishment of an emergency medical unit in the Royal Hobart Hospital and a specialist clinic service in the Launceston General Hospital.

Innovative flexible funding for mental health component

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	-	-	-	-	-	1.1	-	-	1.1
2014-15	-	-	-	-	-	1.0	-	-	1.0
2015-16	-	-	-	-	-	1.0	-	-	1.0
2016-17	-	-	-	-	-	-	-	-	-
2017-18	-	-	-	-	-	-	-	-	-

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

Reducing elective surgery waiting lists in Tasmania component

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	-	-	-	-	-	8.3	-	-	8.3
2014-15	-	-	-	-	-	7.1	-	-	7.1
2015-16	-	-	-	-	-	6.2	-	-	6.2
2016-17	-	-	-	-	-	-	-	-	-
2017-18	-	-	-	-	-	-	-	-	-

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

National Partnership on the National Bowel Cancer Screening Programme — participant follow-up function^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	-	0.6	0.5	0.2	0.2	0.1	0.1	0.1	1.8
2014-15	-	0.6	0.5	0.3	0.2	0.1	0.1	0.1	1.9
2015-16	-	0.8	0.7	0.3	0.3	0.2	0.1	0.1	2.4
2016-17	nfp	1.1	0.9	0.5	0.3	0.2	0.2	0.1	4.7
2017-18	nfp	1.5	1.2	0.6	0.4	0.2	0.2	0.1	6.4

(a) Funding for New South Wales is not published as it is not currently a signatory to this National Partnership. A funding allocation of \$1.5 million for 2016-17 and \$2.0 million for 2017-18 is set aside.

The Commonwealth is providing funding for the *National Partnership on the National Bowel Cancer Screening Programme – participant follow-up function*. This initiative funds the follow-up of participants who return a positive test result. The programme will be expanded to provide access for all Australians aged 50 to 74 to biennial screening by 2019-20.

A spending measure associated with this National Partnership is discussed in Budget Paper No. 2, *Budget Measures 2014-15*.

National Partnership on the National Perinatal Depression Initiative^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	3.1	2.6	2.2	1.3	0.7	0.3	0.3	0.3	10.9
2014-15	2.3	1.9	1.6	1.0	0.6	0.3	0.2	0.3	8.2
2015-16	2.3	1.9	1.6	1.0	0.6	0.3	0.2	0.3	8.2
2016-17	2.3	1.9	1.6	1.0	0.6	0.3	0.2	0.3	8.2
2017-18	-	-	-	-	-	-	-	-	-

(a) State splits from 2014-15 are indicative distributions based on state splits from previous years. Final distribution is contingent on a cost shared agreement to be negotiated.

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

National Partnership on OzFoodNet

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	0.3	0.2	0.2	0.2	0.2	0.2	0.1	0.1	1.7
2014-15	0.3	0.3	0.3	0.2	0.2	0.2	0.1	0.1	1.7
2015-16	0.3	0.3	0.3	0.2	0.2	0.2	0.1	0.1	1.7
2016-17	0.4	0.3	0.3	0.2	0.2	0.2	0.1	0.1	1.8
2017-18	-	-	-	-	-	-	-	-	-

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

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

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

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	-	-	-	-	-	-	-	15.0	15.0
2014-15	-	-	-	-	-	-	-	15.3	15.3
2015-16	-	-	-	-	-	-	-	15.5	15.5
2016-17	-	-	-	-	-	-	-	15.8	15.8
2017-18	-	-	-	-	-	-	-	-	-

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

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

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	-	-	0.9	-	-	-	-	-	0.9
2014-15	-	-	1.0	-	-	-	-	-	1.0
2015-16	-	-	1.0	-	-	-	-	-	1.0
2016-17	-	-	1.0	-	-	-	-	-	1.0
2017-18	-	-	-	-	-	-	-	-	-

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

National Partnership on vaccine-preventable diseases surveillance

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	0.2	0.2	0.2	0.1	0.1	..	..	..	0.8
2014-15	0.2	0.2	0.2	0.1	0.1	..	..	..	0.8
2015-16	0.2	0.2	0.2	0.1	0.1	..	..	..	0.8
2016-17	0.2	0.2	0.2	0.1	0.1	..	..	..	0.8
2017-18	-	-	-	-	-	-	-	-	-

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

National Partnership for Victorian cytology service

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	-	8.5	-	-	-	-	-	-	8.5
2014-15	-	8.9	-	-	-	-	-	-	8.9
2015-16	-	9.4	-	-	-	-	-	-	9.4
2016-17	-	9.8	-	-	-	-	-	-	9.8
2017-18	-	-	-	-	-	-	-	-	-

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

Indigenous health

\$million	2013-14	2014-15	2015-16	2016-17	2017-18
National Partnership payments					
Indigenous health					
Improving ear health services for Indigenous Australian children	0.7	-	-	-	-
Improving trachoma control services for Indigenous Australians	4.4	4.1	4.2	4.2	4.3
Indigenous early childhood development – antenatal and reproductive health	24.4	31.5	-	-	-
Reducing acute rheumatic heart fever among Indigenous children	2.9	3.0	3.1	2.7	-
Renal dialysis services in Central Australia	1.7	1.7	-	-	-
Stronger Futures in the Northern Territory					
Hearing health services	2.8	3.2	3.1	3.3	3.4
Mobile Outreach Service Plus	4.4	4.5	4.6	4.8	5.0
Oral health services	2.6	2.6	2.5	2.7	2.8
Torres Strait health protection strategy – Saibai Island health clinic	0.5	0.5	-	-	-
Total	44.3	51.0	17.4	17.6	15.5

National Partnership on improving ear health services for Indigenous Australian children

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	0.1	..	0.2	0.2	0.1	-	-	0.2	0.7
2014-15	-	-	-	-	-	-	-	-	-
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-
2017-18	-	-	-	-	-	-	-	-	-

The Commonwealth has provided funding for the *National Partnership on improving ear health services for Indigenous Australian children* to support the delivery of additional surgical services, clinical leadership programmes and ear health services.

National Partnership on improving trachoma control services for Indigenous Australians

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	0.3	-	-	1.4	1.1	-	-	1.7	4.4
2014-15	0.3	-	-	1.3	1.0	-	-	1.5	4.1
2015-16	0.3	-	-	1.4	1.0	-	-	1.6	4.2
2016-17	0.3	-	-	1.4	1.0	-	-	1.6	4.2
2017-18	0.3	-	-	1.4	1.0	-	-	1.6	4.3

The Commonwealth is providing funding for the *National Partnership on improving trachoma control services for Indigenous Australians* for the continued expansion of trachoma control activities in jurisdictions where trachoma, an infectious disease which can lead to blindness, is endemic.

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

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	5.5	1.4	7.6	3.9	1.1	0.7	0.3	3.8	24.4
2014-15	8.3	1.5	8.0	6.1	1.7	1.1	0.3	4.4	31.5
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-
2017-18	-	-	-	-	-	-	-	-	-

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

A spending measure associated with this National Partnership is discussed in Budget Paper No. 2, *Budget Measures 2014-15*.

National Partnership on reducing acute rheumatic heart fever among Indigenous children

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	-	-	0.9	0.9	0.4	-	-	0.9	2.9
2014-15	-	-	0.9	0.9	0.4	-	-	0.9	3.0
2015-16	-	-	0.9	0.9	0.4	-	-	0.9	3.1
2016-17	-	-	0.9	0.9	-	-	-	0.9	2.7
2017-18	-	-	-	-	-	-	-	-	-

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

National Partnership on renal dialysis services in Central Australia

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	-	-	-	-	-	-	-	1.7	1.7
2014-15	-	-	-	-	-	-	-	1.7	1.7
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-
2017-18	-	-	-	-	-	-	-	-	-

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

National Partnership on Stronger Futures in the Northern Territory

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

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

Hearing health services component

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	-	-	-	-	-	-	-	2.8	2.8
2014-15	-	-	-	-	-	-	-	3.2	3.2
2015-16	-	-	-	-	-	-	-	3.1	3.1
2016-17	-	-	-	-	-	-	-	3.3	3.3
2017-18	-	-	-	-	-	-	-	3.4	3.4

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

Mobile Outreach Service Plus component

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	-	-	-	-	-	-	-	4.4	4.4
2014-15	-	-	-	-	-	-	-	4.5	4.5
2015-16	-	-	-	-	-	-	-	4.6	4.6
2016-17	-	-	-	-	-	-	-	4.8	4.8
2017-18	-	-	-	-	-	-	-	5.0	5.0

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

Oral health services component

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	-	-	-	-	-	-	-	2.6	2.6
2014-15	-	-	-	-	-	-	-	2.6	2.6
2015-16	-	-	-	-	-	-	-	2.5	2.5
2016-17	-	-	-	-	-	-	-	2.7	2.7
2017-18	-	-	-	-	-	-	-	2.8	2.8

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

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

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	-	-	0.5	-	-	-	-	-	0.5
2014-15	-	-	0.5	-	-	-	-	-	0.5
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-
2017-18	-	-	-	-	-	-	-	-	-

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

Other Health National Partnership payments

\$million	2013-14	2014-15	2015-16	2016-17	2017-18
National Partnership payments					
Other					
Adult public dental services	-	-	200.0	295.0	390.0
Treating more public dental patients	155.2	119.6	-	-	-
Essential vaccines	249.5	235.8	234.4	241.5	238.7
National Coronial Information System	0.4	0.4	-	-	-
Preventive health					
Healthy children and workers	53.5	-	-	-	-
Healthy communities	11.1	-	-	-	-
Supporting National Mental Health Reform	50.6	51.6	45.3	-	-
Total	520.3	407.4	479.7	536.5	628.7
<i>Memorandum item - payments direct to local governments included in payments above</i>					
Preventive health					
Healthy communities	11.1	-	-	-	-
Total	11.1	-	-	-	-

National Partnership on adult public dental services

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	-	-	-	-	-	-	-	-	-
2014-15	-	-	-	-	-	-	-	-	-
2015-16	64.5	49.6	40.1	21.2	14.6	4.6	3.3	2.1	200.0
2016-17	95.1	73.1	59.2	31.3	21.6	6.7	4.9	3.0	295.0
2017-18	125.7	96.7	78.3	41.4	28.5	8.9	6.4	4.0	390.0

The Commonwealth will provide funding for the *National Partnership on adult public dental services* to support the provision of dental services to adults who rely on the public dental system. This initiative will contribute to long-term improvement in dental health by assisting low income adults to receive treatment.

A measure associated with this National Partnership is discussed in Budget Paper No. 2, *Budget Measures 2014-15*.

National Partnership on treating more public dental patients

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	50.0	38.5	30.4	13.0	12.5	5.5	2.5	2.8	155.2
2014-15	38.5	29.7	23.4	10.1	9.6	4.3	1.9	2.1	119.6
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-
2017-18	-	-	-	-	-	-	-	-	-

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

National Partnership on essential vaccines

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	72.4	61.6	56.2	26.2	20.1	5.4	4.0	3.5	249.5
2014-15	70.1	60.5	51.6	24.1	17.4	5.2	3.7	3.2	235.8
2015-16	67.5	59.8	54.7	23.8	17.1	4.9	3.4	3.1	234.4
2016-17	74.5	57.2	53.8	26.6	16.4	5.4	3.8	3.8	241.5
2017-18	73.7	56.4	53.1	26.2	16.1	5.3	3.7	4.3	238.7

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

National Partnership on the National Coronial Information System

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	-	0.4	-	-	-	-	-	-	0.4
2014-15	-	0.4	-	-	-	-	-	-	0.4
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-
2017-18	-	-	-	-	-	-	-	-	-

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

National Partnership on preventive health

The Commonwealth is providing funding for the *National Partnership on preventive health*.

Healthy children and workers component

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	17.3	13.0	11.0	5.6	3.9	1.2	0.9	0.6	53.5
2014-15	-	-	-	-	-	-	-	-	-
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-
2017-18	-	-	-	-	-	-	-	-	-

The Commonwealth has provided facilitation funding for the healthy children and healthy workers initiatives. The funding supported the delivery of programmes for children and workplace health programmes.

A savings measure associated with this National Partnership is discussed in Budget Paper No. 2, *Budget Measures 2014-15*.

Healthy communities component^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	2.9	2.5	2.2	1.5	1.4	0.3	-	0.3	11.1
2014-15	-	-	-	-	-	-	-	-	-
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-
2017-18	-	-	-	-	-	-	-	-	-

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

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

National Partnership on supporting National Mental Health Reform

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	13.6	9.3	15.3	6.0	3.4	1.6	0.6	0.9	50.6
2014-15	13.6	9.5	15.6	6.4	3.4	1.6	0.6	0.9	51.6
2015-16	13.6	7.6	10.4	7.0	3.4	1.7	0.6	0.9	45.3
2016-17	-	-	-	-	-	-	-	-	-
2017-18	-	-	-	-	-	-	-	-	-

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

EDUCATION

In 2014-15, the Commonwealth will provide funding of \$14.9 billion to support state education services, including \$14.4 billion in Students First funding, and \$505 million through National Partnership payments, as detailed in Table 2.5.

Table 2.5: Payments to support state education services

\$million	2013-14	2014-15	2015-16	2016-17	2017-18
National Schools SPP(a)	6,351.9	-	-	-	-
Students First funding(b)(c)	6,872.0	14,374.0	15,646.2	17,032.4	18,149.0
National Partnership payments					
Improving literacy and numeracy	80.8	-	-	-	-
Independent Public Schools	10.0	20.0	20.0	20.0	-
Indigenous early childhood development – children and family centres	78.0	-	-	-	-
MoneySmart Teaching	1.1	1.0	1.1	1.3	-
More support for students with disabilities	81.5	57.7	-	-	-
National quality agenda for early childhood education and care	19.1	19.1	nfp	nfp	nfp
National Solar Schools Programme	18.0	-	-	-	-
School Pathways Programme	1.3	1.3	-	-	-
Schools Security Programme	5.0	5.7	5.7	5.7	-
Smarter Schools(d)					
Improving teacher quality	173.8	-	-	-	-
Low socio-economic status school communities	140.9	-	-	-	-
Stronger Futures in the Northern Territory(d)					
Building a quality school workforce					
Additional teachers	26.4	27.6	28.1	21.6	22.1
Quality teaching	14.5	14.8	14.8	14.8	14.8
Teacher housing	5.1	5.4	6.1	7.4	7.6
Expansion of the school enrolment and attendance measure	2.3	2.3	2.2	2.3	2.1
Trade training centres in schools	100.3	115.6	52.2	-	-
Universal access to early childhood education	407.0	234.9	nfp	-	-
Total	14,388.9	14,879.4	15,776.4	17,105.5	18,195.6

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

\$million	2013-14	2014-15	2015-16	2016-17	2017-18
<i>Memorandum item – payments for non-government schools included in payments above</i>					
National Schools SPP(a)	4,271.6	-	-	-	-
Students First funding(b)(c)	4,464.1	9,260.4	9,956.7	10,684.9	11,277.2
National Partnership payments					
Improving literacy and numeracy	18.1	-	-	-	-
More support for students with disabilities	19.9	11.4	-	-	-
Schools Security Programme	5.0	5.7	5.7	5.7	-
Trade training centres in schools	31.1	46.5	-	-	-
Total	8,809.9	9,323.9	9,962.4	10,690.6	11,277.2

(a) National Schools SPP funding ceased in December 2013.

(b) Students First funding commenced in January 2014.

(c) Includes special circumstances funding for non-government schools and funding for non-government representative bodies.

(d) Includes government and non-government schools; however payments to non-government schools are not shown in the Memorandum item.

National Schools SPP and Students First funding

Students First funding replaced the National Schools SPP and various schools-related National Partnership payments from January 2014.

The Commonwealth's Students First policy aims to improve the education outcomes of Australian students and schools. The Commonwealth will work with the States and Territories, the non-government schools sector, teachers and parents to focus on:

- teacher quality;
- school autonomy;
- engaging parents in education; and
- strengthening the curriculum.

In 2014-15, the Commonwealth will provide \$14.4 billion in Students First funding to government and non-government schools in all States and Territories. This includes: recurrent funding for government and non-government schools; capital funding and special circumstances funding for non-government schools; and funding for non-government representative bodies.

National Schools SPP and Students First funding

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14									
<i>National Schools SPP (a)</i>									
Government schools	671.7	486.9	440.7	220.0	149.8	51.3	31.7	28.3	2,080.3
Non-government schools	1,323.7	1,088.7	876.7	437.8	330.0	85.4	79.1	50.2	4,271.6
<i>Students First funding (b)</i>									
Government schools	735.7	548.4	523.1	245.1	184.3	71.3	36.2	63.8	2,407.8
Non-government schools(c)(d)	1,376.4	1,134.1	918.2	461.0	338.3	89.8	86.1	59.6	4,464.1
Total	4,107.5	3,258.1	2,758.5	1,364.0	1,002.4	297.8	233.0	201.9	13,223.9
2014-15									
<i>Students First funding</i>									
Government schools	1,551.8	1,171.3	1,128.1	528.2	379.1	147.8	73.4	133.8	5,113.6
Non-government schools(c)(d)	2,831.8	2,348.0	1,927.3	970.6	694.8	186.6	174.3	125.8	9,260.4
Total	4,383.6	3,519.2	3,055.4	1,498.7	1,073.9	334.4	247.7	259.6	14,374.0
2015-16									
<i>Students First funding</i>									
Government schools	1,716.5	1,291.4	1,300.2	597.7	401.3	159.5	76.1	146.8	5,689.5
Non-government schools(c)(d)	3,008.2	2,522.9	2,101.1	1,064.6	737.3	201.9	185.6	133.7	9,956.7
Total	4,724.7	3,814.3	3,401.3	1,662.3	1,138.6	361.4	261.7	280.5	15,646.2
2016-17									
<i>Students First funding</i>									
Government schools	1,964.3	1,388.6	1,492.5	664.8	424.3	172.2	79.5	161.5	6,347.5
Non-government schools(c)(d)	3,203.7	2,706.3	2,273.5	1,157.0	782.9	218.0	197.6	144.5	10,684.9
Total	5,167.9	4,094.8	3,766.0	1,821.8	1,207.1	390.2	277.1	306.0	17,032.4
2017-18									
<i>Students First funding (e)</i>									
Government schools	2,105.2	1,424.2	1,626.1	824.8	457.8	179.5	95.8	158.4	6,871.8
Non-government schools(d)	3,356.8	2,855.8	2,422.5	1,235.3	819.4	229.2	204.3	152.4	11,277.2
Total	5,462.0	4,280.0	4,048.6	2,060.1	1,277.2	408.7	300.1	310.8	18,149.0

(a) National Schools SPP funding ceased in December 2013.

(b) Students First funding commenced in January 2014.

(c) Includes funding for non-government representative bodies.

(d) Includes special circumstances funding. As State allocations cannot be determined, this funding is included in the total for each year only. As such, the total for each year does not equal the sum of State totals.

(e) Final State allocations for the 2018 school year are subject to formal negotiations between the Commonwealth and the States and Territories and the non-government sector.

The Commonwealth will provide recurrent funding for all States and Territories and non-government schools to the end of the 2017 school year in accordance with the *Students First – A fairer funding agreement for schools* arrangements included in the 2013-14 Mid-Year Economic and Fiscal Outlook.

Consistent with the measure *Students First – indexation of school funding from 2018*, the Commonwealth will provide an additional \$54.1 million in 2017-18 to maintain real Commonwealth school funding beyond the 2017 school year. From the 2018 school year onwards, total recurrent funding will be indexed by the Consumer Price Index, with an allowance for changes in enrolments.

Further, from 2018, the Commonwealth will provide equal per student base funding, as well as an even proportion of existing loadings to address disadvantage, noting that final State allocations for the 2018 school year are subject to formal negotiations between the Commonwealth and the States and Territories and the non-government sector.

The measure taken in this Budget relating to Students First funding is discussed in Budget Paper No. 2, *Budget Measures 2014-15*.

National Partnership payments for education

In addition to the National Schools SPP and Students First funding, the Commonwealth will provide funding for state education services through National Partnerships, as detailed below.

National Partnership on improving literacy and numeracy^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	25.0	13.7	20.2	9.9	6.6	2.3	0.9	2.2	80.8
2014-15	-	-	-	-	-	-	-	-	-
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-
2017-18	-	-	-	-	-	-	-	-	-

(a) Includes government and non-government schools.

The Commonwealth is providing funding for the *National Partnership on improving literacy and numeracy*. This National Partnership was established to improve the performance of students who are falling behind in literacy and/or numeracy, including targeted groups such as students from disadvantaged backgrounds and Indigenous students in participating schools.

National Partnership on the Independent Public Schools initiative^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	3.3	2.3	1.8	1.1	0.8	0.3	0.1	0.2	10.0
2014-15	6.6	4.5	3.7	2.3	1.6	0.6	0.2	0.5	20.0
2015-16	6.6	4.5	3.7	2.3	1.6	0.6	0.2	0.5	20.0
2016-17	6.6	4.5	3.7	2.3	1.6	0.6	0.2	0.5	20.0
2017-18	-	-	-	-	-	-	-	-	-

(a) State allocations are notional, based on proportionate shares, and are subject to negotiation.

The Commonwealth will provide funding for the *National Partnership on the Independent Public Schools initiative*. The initiative will support increased autonomy in around 1,500 government schools across Australia, including through greater engagement of parents and local communities in school decision making and the provision of professional development for principals, school leaders and school communities.

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

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	25.4	3.8	12.7	11.9	5.3	1.7	1.1	16.3	78.0
2014-15	-	-	-	-	-	-	-	-	-
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-
2017-18	-	-	-	-	-	-	-	-	-

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

National Partnership on MoneySmart Teaching

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	0.3	0.2	0.2	0.1	0.1	-	-	0.1	1.1
2014-15	0.2	0.2	0.2	0.1	0.1	-	-	0.1	1.0
2015-16	0.3	0.3	0.2	0.1	0.1	-	-	0.1	1.1
2016-17	0.3	0.3	0.2	0.2	0.2	-	-	0.1	1.3
2017-18	-	-	-	-	-	-	-	-	-

The Commonwealth is providing funding for the *National Partnership on MoneySmart Teaching*. This National Partnership supports the delivery of professional learning to teachers in primary and secondary schools and the development of teacher support materials, to improve financial literacy in schools.

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

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	26.2	19.8	16.9	8.4	6.0	1.9	1.4	0.9	81.5
2014-15	18.4	14.0	12.1	5.9	4.3	1.4	1.0	0.7	57.7
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-
2017-18	-	-	-	-	-	-	-	-	-

(a) Includes government and non-government schools.

The Commonwealth is providing funding for the *National Partnership on more support for students with disabilities*. This National Partnership supports the education of students with disabilities and recognises the importance of increasing the skills and quality of classroom teachers and enabling a more inclusive culture in schools. Education authorities can direct funding to a series of activities which they consider would best meet the needs of students with disabilities, teachers and schools in their jurisdiction.

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

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	8.5	4.6	1.5	0.9	2.3	0.3	0.2	0.8	19.1
2014-15	8.5	4.6	1.5	0.9	2.3	0.3	0.2	0.8	19.1
2015-16	nfp								
2016-17	nfp								
2017-18	nfp								

(a) A review of this agreement is scheduled for 2014. Provision has been made in the Contingency Reserve for funding from 2015-16, subject to negotiations with the States.

The Commonwealth is providing funding for the *National Partnership on the national quality agenda for early childhood education and care*. This National Partnership was established to fund the implementation of an integrated and unified national regulatory system for early childhood education and care, and outside school hours care services.

National Partnership on the National Solar Schools Programme

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	2.4	5.4	4.6	3.4	0.9	0.2	0.4	0.6	18.0
2014-15	-	-	-	-	-	-	-	-	-
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-
2017-18	-	-	-	-	-	-	-	-	-

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

National Partnership on the School Pathways Programme

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	-	-	-	0.5	0.7	-	-	-	1.3
2014-15	-	-	-	0.5	0.7	-	-	-	1.3
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-
2017-18	-	-	-	-	-	-	-	-	-

The Commonwealth is providing funding for the *National Partnership on the School Pathways Programme* to encourage the ongoing skilling of the defence industry. The School Pathways Programme focuses on showcasing potential career paths and increasing the number of students undertaking science, technology, engineering and mathematics subjects relevant to the defence industry. The Programme is also increasing employer awareness of options for recruiting young people and the benefits to business of doing so.

National Partnership on the Schools Security Programme

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	2.2	2.0	0.4	0.3	0.1	-	-	-	5.0
2014-15	2.6	2.3	0.5	0.3	0.1	-	-	-	5.7
2015-16	2.6	2.3	0.5	0.3	0.1	-	-	-	5.7
2016-17	2.6	2.3	0.5	0.3	0.1	-	-	-	5.7
2017-18	-	-	-	-	-	-	-	-	-

The Commonwealth is providing funding for the *National Partnership on the Schools Security Programme*. This National Partnership will assist schools that face a special risk of attack, harassment or violence stemming from racial or religious intolerance to meet the costs of security guards and security infrastructure such as fencing, lighting and CCTV cameras.

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

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	56.0	44.1	34.5	16.9	12.8	4.2	3.1	2.1	173.8
2014-15	-	-	-	-	-	-	-	-	-
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-
2017-18	-	-	-	-	-	-	-	-	-

(a) Includes government and non-government schools.

The Commonwealth is providing funding for the *National Partnership on Smarter Schools – improving teacher quality*. This National Partnership was established to facilitate and reward reforms to attract, train, place, develop and retain quality teachers and school leaders in classrooms and schools.

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

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	66.2	20.5	18.6	7.2	17.8	5.2	0.2	5.2	140.9
2014-15	-	-	-	-	-	-	-	-	-
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-
2017-18	-	-	-	-	-	-	-	-	-

(a) Includes government and non-government schools.

The Commonwealth has provided funding for the *National Partnership on Smarter Schools – low socio-economic status school communities*. This National Partnership was established to address the specific challenges faced by students from disadvantaged backgrounds.

National Partnership on Stronger Futures in the Northern Territory

The Commonwealth is providing funding for the *National Partnership on Stronger Futures in the Northern Territory*, including the education-related elements described below.

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

Building a quality school workforce

The Commonwealth is providing funding for the *Building a Quality School Workforce* initiative. This funding supports the improvement of schooling outcomes for Indigenous children and comprises three components – additional teachers, quality teaching and teacher housing.

Additional teachers component^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	-	-	-	-	-	-	-	26.4	26.4
2014-15	-	-	-	-	-	-	-	27.6	27.6
2015-16	-	-	-	-	-	-	-	28.1	28.1
2016-17	-	-	-	-	-	-	-	21.6	21.6
2017-18	-	-	-	-	-	-	-	22.1	22.1

(a) Includes government and non-government schools.

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

Quality teaching component^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	-	-	-	-	-	-	-	14.5	14.5
2014-15	-	-	-	-	-	-	-	14.8	14.8
2015-16	-	-	-	-	-	-	-	14.8	14.8
2016-17	-	-	-	-	-	-	-	14.8	14.8
2017-18	-	-	-	-	-	-	-	14.8	14.8

(a) Includes government and non-government schools.

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

Teacher housing component^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	-	-	-	-	-	-	-	5.1	5.1
2014-15	-	-	-	-	-	-	-	5.4	5.4
2015-16	-	-	-	-	-	-	-	6.1	6.1
2016-17	-	-	-	-	-	-	-	7.4	7.4
2017-18	-	-	-	-	-	-	-	7.6	7.6

(a) Includes government and non-government schools.

The Commonwealth is providing funding for the provision of up to 103 teacher houses in remote Northern Territory communities to address critical staff housing shortages and help attract and retain high quality teachers in remote schools.

Expansion of the school enrolment and attendance measure

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	-	-	-	-	-	-	-	2.3	2.3
2014-15	-	-	-	-	-	-	-	2.3	2.3
2015-16	-	-	-	-	-	-	-	2.2	2.2
2016-17	-	-	-	-	-	-	-	2.3	2.3
2017-18	-	-	-	-	-	-	-	2.1	2.1

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

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

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	12.5	48.3	9.7	7.6	3.8	0.3	2.0	16.2	100.3
2014-15	29.9	31.5	22.4	12.3	7.6	1.2	4.7	5.9	115.6
2015-16	13.7	10.1	11.1	7.8	2.1	1.1	3.4	3.0	52.2
2016-17	-	-	-	-	-	-	-	-	-
2017-18	-	-	-	-	-	-	-	-	-

(a) Includes government and non-government schools.

The Commonwealth is providing funding for the *National Partnership on trade training centres in schools*. This National Partnership was established to fund the creation, upgrade and refurbishment of trade training centres and trade skill centres and to purchase industry standard equipment. The infrastructure funded under the programme will be used to deliver nationally recognised training qualifications to secondary school students seeking to achieve Year 12 or equivalent qualifications.

National Partnership on universal access to early childhood education

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	131.4	97.9	85.0	43.8	27.3	10.0	6.4	5.1	407.0
2014-15	76.0	56.6	49.2	25.4	15.8	5.2	3.7	3.0	234.9
2015-16	nfp	nfp	nfp	nfp	nfp	nfp	nfp	nfp	nfp
2016-17	-	-	-	-	-	-	-	-	-
2017-18	-	-	-	-	-	-	-	-	-

(a) A review of this agreement is scheduled for 2014. Provision has been made in the Contingency Reserve for additional funding in 2014-15 and 2015-16, subject to negotiations with the States.

The Commonwealth is providing funding for the *National Partnership on universal access to early childhood education*. This National Partnership was established to provide affordable, quality early childhood education programmes for all children in the year before full-time school for 600 hours.

SKILLS AND WORKFORCE DEVELOPMENT

In 2014-15, the Commonwealth will provide funding of \$1.8 billion to support state skills and workforce development services, including \$1.4 billion through the National Skills and Workforce Development SPP and \$389 million through National Partnership payments, as detailed in Table 2.6.

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

\$million	2013-14	2014-15	2015-16	2016-17	2017-18
National Skills and Workforce Development SPP	1,409.0	1,435.2	1,460.0	1,487.2	1,514.6
National Partnership payments					
Building Australia's Future Workforce Skills reform	238.4	377.2	377.4	516.3	-
Training places for single and teenage parents	26.7	-	-	-	-
Commonwealth/State and Territory joint group training programme	10.5	-	-	-	-
Industry and Indigenous Skills Centres	0.9	-	-	-	-
TAFE fee waivers for childcare qualifications	21.2	11.5	-	-	-
Youth attainment and transitions					
Maximising engagement, attainment and successful transitions	18.8	-	-	-	-
Year 12 attainment and transitions	28.2	-	-	-	-
Total	1,753.6	1,823.9	1,837.4	2,003.5	1,514.6

National Agreement for Skills and Workforce Development

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

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

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

National Skills and Workforce Development SPP

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	454.5	349.7	281.5	151.6	102.3	31.4	23.4	14.6	1,409.0
2014-15	457.4	356.6	289.5	159.5	102.4	31.1	23.7	14.9	1,435.2
2015-16	463.6	362.9	295.1	164.6	103.4	31.2	24.1	15.1	1,460.0
2016-17	470.4	369.8	301.2	170.1	104.5	31.3	24.5	15.4	1,487.2
2017-18	477.3	376.7	307.3	175.7	105.6	31.3	25.0	15.7	1,514.6

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

Growth factor

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

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

The growth factor is currently estimated to be 1.86 per cent in 2014-15.

National Partnership payments for skills and workforce development

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

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

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	76.6	59.3	48.7	24.9	17.3	5.3	3.8	2.5	238.4
2014-15	121.2	93.9	77.0	39.3	27.4	8.4	6.0	3.9	377.2
2015-16	121.3	93.9	77.1	39.4	27.4	8.4	6.1	3.9	377.4
2016-17	165.9	128.5	105.4	53.8	37.5	11.6	8.3	5.3	516.3
2017-18	-	-	-	-	-	-	-	-	-

The Commonwealth is providing funding for *Building Australia's Future Workforce — National Partnership on skills reform*, to progress reforms of the VET sector. The agreed reforms aim to create:

- accessible training for working-age Australians and, in particular, a more equitable training system, which provides greater opportunities for participation in education and training;
- a transparent VET sector, which enables better understanding of the VET activity that is occurring in each jurisdiction;
- a higher quality VET sector, which delivers learning experiences and qualifications that are relevant to individuals, employers and industry; and

- a more efficient VET sector, which is responsive to the needs of students, employers and industry.

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

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	8.5	6.3	5.7	2.6	2.2	0.8	0.2	0.3	26.7
2014-15	-	-	-	-	-	-	-	-	-
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-
2017-18	-	-	-	-	-	-	-	-	-

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

A savings measure associated with this National Partnership is discussed in Budget Paper No. 2, *Budget Measures 2014-15*.

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

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	-	3.1	3.2	2.6	1.1	-	0.3	0.2	10.5
2014-15	-	-	-	-	-	-	-	-	-
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-
2017-18	-	-	-	-	-	-	-	-	-

The Commonwealth is providing funding for the *National Partnership on the Commonwealth/State and Territory joint group training programme*. This National Partnership supports group training organisations to deliver strategies and initiatives to improve Australian apprenticeship commencements and completions.

National Partnership on Industry and Indigenous Skills Centres

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	-	0.1	0.3	0.2	0.1	0.1	0.1	0.1	0.9
2014-15	-	-	-	-	-	-	-	-	-
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-
2017-18	-	-	-	-	-	-	-	-	-

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

National Partnership on TAFE fee waivers for childcare qualifications

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	5.8	6.1	5.4	1.6	1.2	0.5	0.5	..	21.2
2014-15	1.7	4.4	2.4	1.4	1.3	0.3	0.1	-	11.5
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-
2017-18	-	-	-	-	-	-	-	-	-

The Commonwealth is providing funding for the *National Partnership on TAFE fee waivers for childcare qualifications*. This National Partnership removes fees for the Diploma and Advanced Diploma of Children’s Services courses delivered at TAFE institutions, or by other government VET providers.

National Partnership on youth attainment and transitions

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

The maximising engagement, attainment and successful transitions component of the National Partnership provides funding to assist with the implementation of strategies to address multiple learning pathways, career development and mentoring. The Year 12 attainment and transitions component provides reward funding for the achievement of participation and attainment targets.

Maximising engagement, attainment and successful transitions component

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	4.2	8.5	2.8	1.4	1.0	0.3	0.3	0.2	18.8
2014-15	-	-	-	-	-	-	-	-	-
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-
2017-18	-	-	-	-	-	-	-	-	-

Year 12 attainment and transitions component

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	10.2	7.2	-	4.8	3.9	0.7	0.5	1.0	28.2
2014-15	-	-	-	-	-	-	-	-	-
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-
2017-18	-	-	-	-	-	-	-	-	-

COMMUNITY SERVICES

In 2014-15, the Commonwealth will provide funding of \$2.2 billion to support state community services, including \$1.4 billion through the National Disability SPP and \$770 million through National Partnership payments, as detailed in Table 2.7.

Table 2.7: Payments to support state community services

\$million	2013-14	2014-15	2015-16	2016-17	2017-18
National Disability SPP	1,333.9	1,398.2	1,454.9	1,513.8	1,580.3
Changed roles and responsibilities – adjustment to achieve budget neutrality(a)	nfp	nfp	nfp	nfp	nfp
National Partnership payments					
Transitioning responsibilities for aged care and disability services –					
Specialist disability services(a)	nfp	nfp	nfp	nfp	nfp
Assisting preparation towards the trial of the National Disability Insurance Scheme	7.1	4.3	0.6	-	-
Certain concessions for pensioners and seniors card holders					
Certain concessions for pensioners	279.7	-	-	-	-
National reciprocal transport concessions	12.5	-	-	-	-
Home and Community Care(a)	541.0	586.4	nfp	nfp	nfp
Home and Community Care – services for veterans	8.1	-	-	-	-
National Occasional Care Programme	-	3.1	3.1	3.2	3.2
Pay equity for the social and community services sector	82.4	84.9	107.7	158.4	197.7
Payments from the DisabilityCare Australia Fund	-	-	73.9	188.5	298.0
Stronger Futures in the Northern Territory					
Alice Springs Transformation Plan	4.7	4.2	1.8	-	-
Child, youth, family and community wellbeing	13.6	11.3	11.6	11.9	3.1
Community safety and justice	40.3	35.0	35.8	34.8	35.6
Municipal and essential services	15.4	20.9	21.4	21.9	22.3
Remote engagement and coordination	4.2	4.2	3.7	3.5	3.5
Tackling alcohol abuse	3.8	4.0	4.0	4.0	4.1
Trial of My Way sites	-	11.8	43.2	-	-
Total(b)	2,346.7	2,168.3	1,765.8	1,939.9	2,147.9

(a) Where applicable, funding amounts are not published as negotiations are still being finalised.

(b) Total in 2015-16 includes \$4.1 million as detailed in the National Partnership on Home and Community Care table.

National Disability Agreement

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

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

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

National Disability SPP

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	426.8	331.3	268.6	146.1	95.9	29.4	22.0	13.8	1,333.9
2014-15	445.7	347.4	282.1	155.4	99.8	30.3	23.0	14.5	1,398.2
2015-16	461.9	361.6	294.1	164.1	103.0	31.1	24.0	15.1	1,454.9
2016-17	478.8	376.4	306.6	173.1	106.4	31.8	25.0	15.7	1,513.8
2017-18	498.0	393.1	320.7	183.3	110.2	32.7	26.0	16.4	1,580.3

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

Growth factor

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

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

The growth factor for the National Disability SPP is currently estimated to be 4.82 per cent in 2014-15.

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

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	nfp	-	nfp	-	nfp	nfp	nfp	nfp	nfp
2014-15	nfp	-	nfp	-	nfp	nfp	nfp	nfp	nfp
2015-16	nfp	-	nfp	-	nfp	nfp	nfp	nfp	nfp
2016-17	nfp	-	nfp	-	nfp	nfp	nfp	nfp	nfp
2017-18	nfp	-	nfp	-	nfp	nfp	nfp	nfp	nfp

(a) Funding amounts are not published as negotiations are still being finalised.

Under the *National Partnership on transitioning responsibilities for aged care and disability services*, the Commonwealth makes an adjustment to ensure the budget neutrality of changes to Commonwealth and State roles and responsibilities for aged care and disability services as part of the National Health Reform arrangements.

National Partnership payments for community services

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

National Partnership on transitioning responsibilities for aged care and disability services

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

Specialist disability services^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	nfp	-	nfp	-	nfp	nfp	nfp	nfp	nfp
2014-15	nfp	-	nfp	-	nfp	nfp	nfp	nfp	nfp
2015-16	nfp	-	nfp	-	nfp	nfp	nfp	nfp	nfp
2016-17	nfp	-	nfp	-	nfp	nfp	nfp	nfp	nfp
2017-18	nfp	-	nfp	-	nfp	nfp	nfp	nfp	nfp

(a) Funding amounts are not published as negotiations are still being finalised.

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

Victoria has agreed to transition responsibilities for aged care and disability services from 1 July 2015. Discussions between Western Australia and the Commonwealth are ongoing.

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

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	-	-	-	-	-	0.7	6.4	-	7.1
2014-15	-	-	-	-	-	0.6	3.7	-	4.3
2015-16	-	-	-	-	-	0.6	-	-	0.6
2016-17	-	-	-	-	-	-	-	-	-
2017-18	-	-	-	-	-	-	-	-	-

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

National Partnership on certain concessions for pensioners and seniors card holders

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

Certain concessions for pensioners component

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	97.3	69.5	48.6	24.5	27.7	8.9	2.0	1.4	279.7
2014-15	-	-	-	-	-	-	-	-	-
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-
2017-18	-	-	-	-	-	-	-	-	-

The Commonwealth has provided funding to assist the States with the cost of funding concessions for all pensioner concession card holders, without discrimination, in relation to council land and water rates, utilities including energy and sewerage, motor vehicle registration and public transport.

A savings measure associated with this National Partnership is discussed in Budget Paper No. 2, *Budget Measures 2014-15*.

National reciprocal transport concessions component

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	5.9	1.6	3.8	0.4	0.4	0.1	0.2	0.1	12.5
2014-15	-	-	-	-	-	-	-	-	-
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-
2017-18	-	-	-	-	-	-	-	-	-

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

A savings measure associated with this National Partnership is discussed in Budget Paper No. 2, *Budget Measures 2014-15*.

National Partnership on Home and Community Care^{(a)(b)}

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	-	378.5	-	162.4	-	-	-	-	541.0
2014-15	-	410.5	-	175.9	-	-	-	-	586.4
2015-16	-	nfp	-	4.1	-	-	-	-	nfp
2016-17	-	nfp	-	nfp	-	-	-	-	nfp
2017-18	-	nfp	-	nfp	-	-	-	-	nfp

(a) Funding for 2015-16 onwards is provisioned for in the Contingency Reserve subject to negotiations.

(b) The \$4.1 million in 2015-16 for Western Australia relates only to the trial of My Way sites, with further funding for the Home and Community Care programme subject to negotiations.

The Commonwealth is currently providing funding to Victoria and Western Australia to continue the joint Commonwealth-State *Home and Community Care* programme. This programme provides funding for basic community care maintenance and support services such as domestic assistance and personal care to older people.

The Commonwealth and Victoria are working on transitioning Home and Community Care responsibilities for older people to the Commonwealth from 1 July 2015.

National Partnership on Home and Community Care — services for veterans

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	0.9	4.0	1.2	1.5	0.3	0.1	0.1	..	8.1
2014-15	-	-	-	-	-	-	-	-	-
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-
2017-18	-	-	-	-	-	-	-	-	-

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

National Partnership on the National Occasional Care Programme^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	-	-	-	-	-	-	-	-	-
2014-15	~	~	~	~	~	~	~	~	3.1
2015-16	~	~	~	~	~	~	~	~	3.1
2016-17	~	~	~	~	~	~	~	~	3.2
2017-18	~	~	~	~	~	~	~	~	3.2

(a) State allocations are yet to be finalised.

The Commonwealth will provide funding for the *National Partnership on the National Occasional Care Programme*. This National Partnership will support non-Child Care Benefit approved child care service providers, particularly in rural, regional and remote areas.

Funding for this National Partnership is a new spending measure in the 2014-15 Budget. This measure is discussed in Budget Paper No. 2, *Budget Measures 2014-15*.

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

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	10.8	18.8	35.4	9.2	4.3	1.9	1.0	0.9	82.4
2014-15	12.1	23.9	28.2	12.7	4.1	1.9	1.3	0.7	84.9
2015-16	17.6	28.5	34.2	16.0	5.9	2.7	1.9	1.0	107.7
2016-17	25.6	46.8	42.3	25.3	9.9	4.3	2.6	1.7	158.4
2017-18	32.5	59.9	49.3	32.6	12.6	5.4	3.3	2.1	197.7

The Commonwealth is providing funding for the *National Partnership on pay equity for the social and community services sector*. This National Partnership funds the Commonwealth's share of the wage increases arising from Fair Work Australia's decision on 1 February 2012 to grant an Equal Remuneration Order in the Social and Community Services sector.

The Commonwealth's commitment includes providing funding for its share of the wage increases for in-scope programmes funded through existing National SPPs and National Partnership agreements.

National Partnership on payments from the DisabilityCare Australia Fund^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	-	-	-	-	-	-	-	-	-
2014-15	-	-	-	-	-	-	-	-	-
2015-16	27.5	21.3	-	nfp	6.3	2.0	7.1	0.8	73.9
2016-17	56.9	44.0	35.6	nfp	13.1	4.1	14.7	1.7	188.5
2017-18	161.8	45.5	36.9	nfp	13.6	4.2	15.2	1.8	298.0

(a) As Western Australia has not yet agreed to full implementation of the National Disability Insurance Scheme funding is not published. A funding allocation of \$8.9 million for 2015-16, \$18.4 million for 2016-17 and \$19.0 million for 2017-18 is set aside should Western Australia agree to the offer.

The Commonwealth is working closely with the States towards the goal of having full national roll out of the NDIS by 1 July 2019. The Commonwealth will provide funding through the *National Partnership on payments from the DisabilityCare Australia Fund*.

The Commonwealth will assist the States with their contribution to the NDIS for 10 years by allocating some of the payments going into the DisabilityCare Australia Fund, which comes into effect on 1 July 2014. The annual amount flowing into the fund to be set aside for the States will be \$825 million in 2014-15, which will grow in future years by 3.5 per cent per year.

The States will be able to draw down from the Fund when they meet key conditions such as agreement to fully roll out the NDIS and milestones relating to the participation of people with significant and permanent disability in the scheme.

National Partnership on Stronger Futures in the Northern Territory

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

The *Stronger Futures in the Northern Territory* initiative is a \$3.4 billion 10 year investment in programmes and services that are designed to close the gap in Indigenous disadvantage and make improvements in areas such as education, health, housing, policing, jobs and support for families and children.

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

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

Alice Springs Transformation Plan component

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	-	-	-	-	-	-	-	4.7	4.7
2014-15	-	-	-	-	-	-	-	4.2	4.2
2015-16	-	-	-	-	-	-	-	1.8	1.8
2016-17	-	-	-	-	-	-	-	-	-
2017-18	-	-	-	-	-	-	-	-	-

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

Child, youth, family and community wellbeing component

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	-	-	-	-	-	-	-	13.6	13.6
2014-15	-	-	-	-	-	-	-	11.3	11.3
2015-16	-	-	-	-	-	-	-	11.6	11.6
2016-17	-	-	-	-	-	-	-	11.9	11.9
2017-18	-	-	-	-	-	-	-	3.1	3.1

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

- continued funding for playgroups, home and parenting support services, youth workers and safe houses;

Budget Paper No. 3

- an expansion of the number of Stronger Communities for Children sites, which offer services to help parents provide a safe, happy and healthy environment for their children; and
- remote Indigenous family and community workers and the continuation of Mobile Child Protection Teams.

Community safety and justice component

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	-	-	-	-	-	-	-	40.3	40.3
2014-15	-	-	-	-	-	-	-	35.0	35.0
2015-16	-	-	-	-	-	-	-	35.8	35.8
2016-17	-	-	-	-	-	-	-	34.8	34.8
2017-18	-	-	-	-	-	-	-	35.6	35.6

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

Municipal and essential services component

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	-	-	-	-	-	-	-	15.4	15.4
2014-15	-	-	-	-	-	-	-	20.9	20.9
2015-16	-	-	-	-	-	-	-	21.4	21.4
2016-17	-	-	-	-	-	-	-	21.9	21.9
2017-18	-	-	-	-	-	-	-	22.3	22.3

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

Remote engagement and coordination component

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	-	-	-	-	-	-	-	4.2	4.2
2014-15	-	-	-	-	-	-	-	4.2	4.2
2015-16	-	-	-	-	-	-	-	3.7	3.7
2016-17	-	-	-	-	-	-	-	3.5	3.5
2017-18	-	-	-	-	-	-	-	3.5	3.5

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

Tackling alcohol abuse component

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	-	-	-	-	-	-	-	3.8	3.8
2014-15	-	-	-	-	-	-	-	4.0	4.0
2015-16	-	-	-	-	-	-	-	4.0	4.0
2016-17	-	-	-	-	-	-	-	4.0	4.0
2017-18	-	-	-	-	-	-	-	4.1	4.1

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

National Partnership on trial of My Way sites^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	-	-	-	-	-	-	-	-	-
2014-15	-	-	-	11.8	-	-	-	-	11.8
2015-16	-	-	-	43.2	-	-	-	-	43.2
2016-17	-	-	-	-	-	-	-	-	-
2017-18	-	-	-	-	-	-	-	-	-

(a) Funding allocations are yet to be finalised.

The Commonwealth will provide funding for the *National Partnership on trial of My Way sites*. This National Partnership will assist Western Australia to commence the trial of *My Way* in the Lower South West region from 1 July 2014 and the Cockburn/Kwinana region from 1 July 2015.

The *My Way* sites will run in parallel with the NDIS trial site in the Perth Hills region for two years from 1 July 2014. Together, the trials in Western Australian will provide support to around 8,400 eligible participants.

The trials seek to inform the delivery of disability reform by evaluating the merits of the *My Way* and NDIS trial sites during the trial period.

AFFORDABLE HOUSING

In 2014-15, the Commonwealth will provide funding of \$2.0 billion to support state affordable housing services, including \$1.3 billion through the National Affordable Housing SPP and \$656 million through National Partnerships, as detailed in Table 2.8.

Table 2.8: Payments to support state affordable housing services

\$million	2013-14	2014-15	2015-16	2016-17	2017-18
National Affordable Housing SPP	1,282.7	1,305.8	1,328.0	1,351.9	1,376.2
National Partnership payments					
Building Better Regional Cities	48.7	-	-	-	-
First Home Owners Boost	0.4	-	-	-	-
Homelessness	154.9	115.0	-	-	-
Remote Indigenous Housing	541.1	485.6	368.2	411.7	447.6
Stronger Futures in the Northern Territory Housing	51.2	55.9	52.3	46.2	47.4
Total	2,079.0	1,962.2	1,748.4	1,809.8	1,871.3
<i>Memorandum item – payments direct to local governments included in payments above</i>					
Building Better Regional Cities	48.7	-	-	-	-
Total	48.7	-	-	-	-

National Affordable Housing Agreement

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

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

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

National Affordable Housing SPP

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	409.4	311.5	256.6	139.0	94.0	30.0	22.5	19.6	1,282.7
2014-15	416.2	324.4	263.4	145.1	93.2	28.3	21.5	13.5	1,305.8
2015-16	421.6	330.1	268.4	149.8	94.0	28.4	21.9	13.8	1,328.0
2016-17	427.6	336.2	273.8	154.6	95.0	28.4	22.3	14.0	1,351.9
2017-18	433.6	342.3	279.3	159.6	96.0	28.5	22.7	14.2	1,376.2

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

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

Growth factor

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

The growth factor for the National Affordable Housing SPP is currently estimated to be 1.80 per cent in 2014-15.

National Partnership payments for affordable housing

In addition to the National Affordable Housing SPP funding, the Commonwealth will provide a total of \$656 million in 2014-15 through National Partnerships to support state affordable housing services. Further details on these National Partnerships are provided below.

Building Better Regional Cities^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	40.6	2.2	3.5	2.4	-	-	-	-	48.7
2014-15	-	-	-	-	-	-	-	-	-
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-
2017-18	-	-	-	-	-	-	-	-	-

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

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

National Partnership on the First Home Owners Boost

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	0.6	0.2	..	-0.2	-0.2	-	-	..	0.4
2014-15	-	-	-	-	-	-	-	-	-
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-
2017-18	-	-	-	-	-	-	-	-	-

The Commonwealth introduced the First Home Owners Boost to stimulate housing activity, support the construction industry and assist first home buyers to enter the housing market. The availability of the First Home Owners Boost ceased in December 2009.

The continuation of the First Home Owners Boost payment in 2013-14 reflects the final application period and the timeframes allowed for the construction of new homes. Negative expenditure for some States reflects an estimate of funds recovered from applicants later found to be ineligible; these funds were returned to the Commonwealth.

National Partnership on homelessness^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	38.7	30.1	36.8	18.7	15.4	4.6	5.5	5.2	154.9
2014-15	30.0	22.8	28.7	15.0	8.9	2.8	1.5	5.3	115.0
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-
2017-18	-	-	-	-	-	-	-	-	-

(a) Under this National Partnership, States are required to match Commonwealth funding.

The Commonwealth is providing funding for the *National Partnership on homelessness*. The agreement focuses on three key strategies to reduce homelessness:

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

A new National Partnership is being negotiated with the States for 2014-15. This agreement will reinstate service delivery funding for another year, providing much needed certainty for homelessness services. The Commonwealth will work closely with the States on future funding arrangements and a longer term solution for homelessness.

A spending measure associated with this National Partnership is discussed in Budget Paper No. 2, *Budget Measures 2014-15*.

National Partnership on Remote Indigenous Housing

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	44.8	2.5	177.5	191.3	36.4	2.9	-	85.7	541.1
2014-15	60.7	2.5	155.6	165.6	27.8	2.5	-	71.0	485.6
2015-16	16.3	2.5	137.3	124.3	18.7	2.5	-	66.6	368.2
2016-17	15.5	2.5	128.3	97.4	14.4	2.7	-	151.0	411.7
2017-18	19.6	2.5	138.6	106.2	15.7	2.8	-	162.3	447.6

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

National Partnership on Stronger Futures in the Northern Territory

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

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

Housing component

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	-	-	-	-	-	-	-	51.2	51.2
2014-15	-	-	-	-	-	-	-	55.9	55.9
2015-16	-	-	-	-	-	-	-	52.3	52.3
2016-17	-	-	-	-	-	-	-	46.2	46.2
2017-18	-	-	-	-	-	-	-	47.4	47.4

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

This funding complements the funding being provided under the *National Partnership on Remote Indigenous Housing*.

INFRASTRUCTURE

In 2014-15, the Commonwealth will provide funding of \$5.7 billion to support state infrastructure services, as detailed in Table 2.9.

Table 2.9: Payments to support state infrastructure services

\$million	2013-14	2014-15	2015-16	2016-17	2017-18
National Partnership payments					
Infrastructure Investment Programme					
Black spot projects	64.5	60.0	60.0	60.0	60.0
Bridges renewal programme	-	60.0	60.0	60.0	60.0
Heavy vehicle safety and productivity	40.0	48.0	40.0	40.0	40.0
Improving the national network(a)	0.8	-	-	-	-
Investment					
Rail	332.7	353.7	124.2	23.5	24.6
Road(b)	4,279.6	3,005.9	3,973.4	5,311.6	2,780.0
Off-network projects					
Rail	89.6	115.9	219.0	160.1	3.0
Road	404.8	556.4	354.3	395.4	222.6
Supplementary(a)	7.5	-	-	-	-
Roads to Recovery	373.2	349.8	349.8	349.8	349.8
Infrastructure Growth Package –					
Asset Recycling Fund					
Asset Recycling Initiative	-	335.0	1,278.0	1,285.0	1,007.0
New investments(b)	-	201.7	1,010.1	969.2	519.3
Western Sydney Infrastructure Plan	-	103.0	210.2	351.6	530.9
Building Australia Fund					
Rail	1,128.0	331.0	232.1	-	-
Road	71.0	48.1	-	-	-
Centenary of Canberra 2013 – a gift to the national capital	-	10.0	-	-	-
Community Infrastructure Grants –					
Glenbrook precinct upgrade	0.8	-	-	-	-
Interstate road transport	77.0	77.0	77.0	77.0	77.0
Latrobe Valley economic diversification	2.4	5.4	3.1	-	-
Liveable communities	9.5	-	-	-	-
Local Government and Regional Development – infrastructure employment projects	1.6	-	-	-	-
Managed motorways	20.8	9.4	-	-	-
Murray-Darling Basin regional economic diversification programme	10.0	32.5	30.5	24.7	-
Townsville Convention and Entertainment Centre	5.0	-	-	-	-
Total	6,918.6	5,702.9	8,021.8	9,107.8	5,674.2

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

\$million	2013-14	2014-15	2015-16	2016-17	2017-18
<i>Memorandum item – payments direct to local governments included in payments above</i>					
Infrastructure Investment Programme					
Bridges renewal programme	-	60.0	60.0	60.0	60.0
Off-network projects					
Rail	2.5	-	-	-	-
Road	300.0	114.0	-	-	-
Supplementary(a)	7.5	-	-	-	-
Roads to Recovery	357.7	331.5	331.5	331.5	331.5
Infrastructure Growth Package –					
Asset Recycling Fund					
New investments	-	-	331.5	-	-
Latrobe Valley economic diversification	1.0	4.1	2.4	-	-
Liveable communities	4.4	-	-	-	-
Local Government and Regional Development –					
infrastructure employment projects	1.6	-	-	-	-
Townsville Convention and Entertainment Centre	5.0	-	-	-	-
Total	679.7	509.6	725.5	391.5	391.5

(a) Figures represent expenses incurred against prepayments made to the States in prior years.

(b) Additional funding for East West Link (Victoria) under the Infrastructure Growth Package is included in the 2013-14 amount under the Infrastructure Investment Programme — investment — road.

National Partnership payments for infrastructure

Infrastructure Investment Programme

The Commonwealth is providing funding for road and rail infrastructure through the Infrastructure Investment Programme. The programme assists economic and social development regionally and nationally by providing funding to improve the performance of land transport infrastructure.

The Infrastructure Investment Programme comprises several components that are detailed in the tables below.

The measures associated with this programme are discussed in Budget Paper No. 2, *Budget Measures 2014-15*.

Black spot projects

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	21.4	16.2	12.2	6.2	4.8	2.1	0.8	0.8	64.5
2014-15	19.2	13.7	12.2	6.6	4.8	1.6	1.0	1.0	60.0
2015-16	19.2	13.7	12.2	6.6	4.8	1.6	1.0	1.0	60.0
2016-17	19.2	13.7	12.2	6.6	4.8	1.6	1.0	1.0	60.0
2017-18	19.2	13.7	12.2	6.6	4.8	1.6	1.0	1.0	60.0

Black spot projects improve the safety of road sites which have been identified as high risk areas for serious crashes. Most funding goes to projects to treat sites that have a

record of at least three accidents involving casualties over a five year period and can demonstrate a robust benefit to cost ratio of at least 2:1.

In addition to the amounts shown above, the Commonwealth will provide additional funding for black spot projects through the new investments component of the Infrastructure Growth Package, to be funded from the Asset Recycling Fund. The table below shows the consolidated Commonwealth funding for black spot projects, including the additional funding from the Asset Recycling Fund.

Black spot projects — including additional funding from the Asset Recycling Fund

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	21.4	16.2	12.2	6.2	4.8	2.1	0.8	0.8	64.5
2014-15	19.2	13.7	12.2	6.6	4.8	1.6	1.0	1.0	60.0
2015-16	51.2	36.4	32.5	17.6	12.8	4.3	2.6	2.7	160.0
2016-17	51.2	36.4	32.5	17.6	12.8	4.3	2.6	2.7	160.0
2017-18	19.2	13.7	12.2	6.6	4.8	1.6	1.0	1.0	60.0

Bridges renewal programme^{(a)(b)}

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	-	-	-	-	-	-	-	-	-
2014-15	19.1	14.9	12.1	6.8	4.2	1.3	1.0	0.6	60.0
2015-16	19.1	14.9	12.1	6.8	4.2	1.3	1.0	0.6	60.0
2016-17	19.1	14.9	12.1	6.8	4.2	1.3	1.0	0.6	60.0
2017-18	19.1	14.9	12.1	6.8	4.2	1.3	1.0	0.6	60.0

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

(b) State allocations have not been determined for the bridges renewal programme. These amounts have been notionally allocated on an equal per capita basis to all States.

The Commonwealth will provide funding to upgrade bridges across the nation to deliver on a commitment made as part of the 2013 election. The bridges renewal programme will renew and replace bridges to improve productivity and community access.

Heavy vehicle safety and productivity^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	13.7	5.7	4.6	4.2	3.3	1.9	0.4	6.3	40.0
2014-15	15.2	11.9	9.7	5.4	3.4	1.0	0.8	0.5	48.0
2015-16	12.7	9.9	8.1	4.6	2.8	0.8	0.7	0.4	40.0
2016-17	12.7	9.9	8.1	4.6	2.8	0.8	0.7	0.4	40.0
2017-18	12.7	9.9	8.1	4.6	2.8	0.8	0.7	0.4	40.0

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

The Commonwealth is contributing to the safety and productivity of heavy vehicles by providing funding for projects aimed at improving the capacity of roads to deal with larger and higher mass vehicles, and other projects including rest stops, de-coupling bays and trials of innovative technology.

Improving the national network^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	-	-	-	-	0.8	-	-	-	0.8
2014-15	-	-	-	-	-	-	-	-	-
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-
2017-18	-	-	-	-	-	-	-	-	-

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

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

Investment**Rail component**

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	281.6	-	-	17.2	0.6	33.3	-	-	332.7
2014-15	326.0	-	-	-	0.2	27.5	-	-	353.7
2015-16	101.0	-	-	-	-	23.2	-	-	124.2
2016-17	-	-	-	-	-	23.5	-	-	23.5
2017-18	-	-	-	-	-	24.6	-	-	24.6

Road component^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	1,641.9	1,660.9	596.5	244.5	73.7	16.6	0.3	45.3	4,279.6
2014-15	912.8	367.0	1,006.7	493.5	144.2	45.1	0.6	36.1	3,005.9
2015-16	1,501.6	676.0	1,230.2	333.0	135.4	68.1	12.3	16.8	3,973.4
2016-17	2,284.8	830.1	1,535.1	444.8	130.0	69.5	0.6	16.8	5,311.6
2017-18	1,200.3	108.1	1,004.5	284.4	127.9	37.3	0.6	16.8	2,780.0

(a) Additional funding for East West Link (Victoria) under the Infrastructure Growth Package is included in the 2013-14 amount above.

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

In addition to the amounts shown above, the Commonwealth will provide additional funding for significant road projects through the new investments component of the Infrastructure Growth Package, to be funded from the Asset Recycling Fund. The table below shows the consolidated Commonwealth funding for road projects, including the additional funding from the Asset Recycling Fund.

Investment road projects — including additional funding from the Asset Recycling Fund^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	1,641.9	1,660.9	596.5	244.5	73.7	16.6	0.3	45.3	4,279.6
2014-15	1,031.9	379.6	1,016.9	573.2	197.8	46.2	1.4	63.6	3,310.6
2015-16	1,726.5	687.6	1,406.6	494.3	302.5	69.1	13.1	44.2	4,743.9
2016-17	2,667.3	854.5	1,740.0	889.1	266.9	71.5	2.2	40.8	6,532.4
2017-18	1,741.7	116.4	1,244.3	491.3	180.2	38.0	1.1	17.1	3,830.2

(a) State allocations have not been determined for the National Highway Upgrade Programme to be funded under the new investments component of the Infrastructure Growth Package. These amounts have been notionally allocated on an equal per capita basis to all States.

Off-network projects

Rail component^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	10.8	6.6	68.4	3.8	-	-	-	-	89.6
2014-15	-	7.4	108.0	0.5	-	-	-	-	115.9
2015-16	-	19.0	200.0	-	-	-	-	-	219.0
2016-17	-	18.1	142.0	-	-	-	-	-	160.1
2017-18	-	3.0	-	-	-	-	-	-	3.0

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

Road component^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	12.0	39.6	304.8	3.2	0.3	19.6	-	25.3	404.8
2014-15	46.1	194.3	172.9	73.7	5.0	9.0	0.3	55.1	556.4
2015-16	45.1	22.1	124.9	71.7	15.0	10.9	-	64.7	354.3
2016-17	74.0	19.0	147.6	85.7	25.0	10.5	-	33.7	395.4
2017-18	55.5	2.5	50.0	89.6	25.0	-	-	-	222.6

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

Supplementary component^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	-	-	-	7.5	-	-	-	-	7.5
2014-15	-	-	-	-	-	-	-	-	-
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-
2017-18	-	-	-	-	-	-	-	-	-

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

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

Roads to Recovery^{(a)(b)}

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	110.5	73.0	78.3	56.9	31.1	10.3	..	13.0	373.2
2014-15	97.5	71.2	71.2	51.2	31.5	11.4	5.6	10.2	349.8
2015-16	97.5	71.2	71.2	51.2	31.5	11.4	5.6	10.2	349.8
2016-17	97.5	71.2	71.2	51.2	31.5	11.4	5.6	10.2	349.8
2017-18	97.5	71.2	71.2	51.2	31.5	11.4	5.6	10.2	349.8

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

(b) Payments to South Australia include funding in 2013-14 paid to local governments through the State.

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

In addition to the amounts shown above, the Commonwealth will provide additional funding for the Roads to Recovery programme through the new investments component of the Infrastructure Growth Package, to be funded from the Asset Recycling Fund. The table below shows the consolidated Commonwealth funding for the Roads to Recovery programme, including the additional funding from the Asset Recycling Fund.

Roads to Recovery — including additional funding from the Asset Recycling Fund^{(a)(b)}

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	110.5	73.0	78.3	56.9	31.1	10.3	..	13.0	373.2
2014-15	97.5	71.2	71.2	51.2	31.5	11.4	5.6	10.2	349.8
2015-16	195.0	142.4	142.4	102.4	63.0	22.8	11.2	20.4	699.6
2016-17	97.5	71.2	71.2	51.2	31.5	11.4	5.6	10.2	349.8
2017-18	97.5	71.2	71.2	51.2	31.5	11.4	5.6	10.2	349.8

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

(b) Payments to South Australia include funding in 2013-14 paid to local governments through the State.

Infrastructure Growth Package — Asset Recycling Fund

The Commonwealth will establish an Asset Recycling Fund to provide funding for additional investment in high quality economic infrastructure under the Infrastructure Growth Package. Three components of the Growth Package are detailed in the tables below: the Asset Recycling Initiative; new investments; and the Western Sydney Infrastructure Plan.

The spending measures associated with this package are discussed in Budget Paper No. 2, *Budget Measures 2014-15*.

Asset Recycling Initiative^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	-	-	-	-	-	-	-	-	-
2014-15	~	~	~	~	~	~	~	~	335.0
2015-16	~	~	~	~	~	~	~	~	1,278.0
2016-17	~	~	~	~	~	~	~	~	1,285.0
2017-18	~	~	~	~	~	~	~	~	1,007.0

(a) State allocations have not been determined for payments under the Asset Recycling Initiative. Projects will be agreed between the Commonwealth and individual States on a first-come, first-served basis, until the total amount of funding available under this measure is exhausted.

Under the Asset Recycling Initiative, the Commonwealth will provide financial incentives to States that sell assets and reinvest the sale proceeds into new productive infrastructure. The total funding available under this component of the Infrastructure Growth Package is \$5 billion over five years. Funding will be allocated to specific projects on a first-come, first-served basis, as projects are agreed between the Commonwealth and individual States.

New investments^{(a)(b)}

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	-	-	-	-	-	-	-	-	-
2014-15	16.1	12.6	10.2	79.7	53.6	1.1	0.8	27.5	201.7
2015-16	144.2	105.6	267.9	223.5	206.5	15.1	8.0	39.3	1,010.1
2016-17	62.9	47.2	225.2	455.4	144.8	4.7	3.2	25.7	969.2
2017-18	10.5	8.3	239.8	206.9	52.3	0.7	0.5	0.3	519.3

(a) Additional funding for East West Link (Victoria) under the Infrastructure Growth Package is included in the 2013-14 amount under the Infrastructure Investment Programme — investment — road.

(b) State allocations have not been determined for the National Highway Upgrade Programme. These amounts have been notionally allocated on an equal per capita basis to all States.

Under the new investments component of the Infrastructure Growth Package, the Commonwealth will provide \$3.7 billion in additional funding to expedite investment in high quality economic infrastructure. This funding will be administered under the existing Infrastructure Investment Programme.

Western Sydney Infrastructure Plan

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	-	-	-	-	-	-	-	-	-
2014-15	103.0	-	-	-	-	-	-	-	103.0
2015-16	210.2	-	-	-	-	-	-	-	210.2
2016-17	351.6	-	-	-	-	-	-	-	351.6
2017-18	530.9	-	-	-	-	-	-	-	530.9

Under the Western Sydney Infrastructure Plan component of the Infrastructure Growth Package, the Commonwealth will provide \$2.9 billion in additional funding over ten years to enhance capacity and improve transport infrastructure, including for the development of an airport at Badgerys Creek. This funding will be administered under the existing Infrastructure Investment Programme.

Other National Partnership payments**Building Australia Fund — rail component**

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	-	1,128.0	-	-	-	-	-	-	1,128.0
2014-15	-	331.0	-	-	-	-	-	-	331.0
2015-16	-	-	-	-	232.1	-	-	-	232.1
2016-17	-	-	-	-	-	-	-	-	-
2017-18	-	-	-	-	-	-	-	-	-

Building Australia Fund — road component

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	8.0	-	-	-	-	-	63.0	-	71.0
2014-15	-	-	-	-	-	-	48.1	-	48.1
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-
2017-18	-	-	-	-	-	-	-	-	-

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

A measure associated with this National Partnership is discussed in Budget Paper No. 2, *Budget Measures 2014-15*.

Centenary of Canberra 2013 — a gift to the national capital

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	-	-	-	-	-	-	-	-	-
2014-15	-	-	-	-	-	-	10.0	-	10.0
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-
2017-18	-	-	-	-	-	-	-	-	-

The Commonwealth is providing funding for the *National Partnership on the Centenary of Canberra 2013 – a gift to the national capital*. A contribution was provided toward the development of the National Arboretum Canberra, which opened in February 2013. A contribution is also being provided for the redevelopment of the Constitution Avenue road corridor and public realm space, including dedicated bus and cycle lanes and shared commuter paths.

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

Community Infrastructure Grants — Glenbrook precinct upgrade

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	0.8	-	-	-	-	-	-	-	0.8
2014-15	-	-	-	-	-	-	-	-	-
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-
2017-18	-	-	-	-	-	-	-	-	-

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

Interstate road transport

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	35.5	20.7	7.3	3.1	9.3	0.4	0.4	0.4	77.0
2014-15	35.5	20.7	7.3	3.1	9.3	0.4	0.4	0.4	77.0
2015-16	35.5	20.7	7.3	3.1	9.3	0.4	0.4	0.4	77.0
2016-17	35.5	20.7	7.3	3.1	9.3	0.4	0.4	0.4	77.0
2017-18	35.5	20.7	7.3	3.1	9.3	0.4	0.4	0.4	77.0

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

Latrobe Valley economic diversification

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	-	2.4	-	-	-	-	-	-	2.4
2014-15	-	5.4	-	-	-	-	-	-	5.4
2015-16	-	3.1	-	-	-	-	-	-	3.1
2016-17	-	-	-	-	-	-	-	-	-
2017-18	-	-	-	-	-	-	-	-	-

The Commonwealth is providing funding for two projects which will support economic diversification in the Latrobe Valley in Victoria; namely, the Moe Rail revitalisation project and the upgrade of the Warragul Station precinct project.

Liveable communities^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	3.0	1.6	0.2	2.9	1.1	0.2	0.3	0.2	9.5
2014-15	-	-	-	-	-	-	-	-	-
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-
2017-18	-	-	-	-	-	-	-	-	-

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

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

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

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	-	-	1.6	-	-	-	-	-	1.6
2014-15	-	-	-	-	-	-	-	-	-
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-
2017-18	-	-	-	-	-	-	-	-	-

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

The Commonwealth has provided funding for infrastructure employment projects under the *National Partnership on Local Government and Regional Development*.

Managed motorways

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	3.0	9.8	8.0	-	-	-	-	-	20.8
2014-15	-	-	9.4	-	-	-	-	-	9.4
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-
2017-18	-	-	-	-	-	-	-	-	-

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

Murray-Darling Basin regional economic diversification programme

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	3.3	2.6	1.5	-	2.6	-	-	-	10.0
2014-15	10.8	8.3	5.0	-	8.3	-	-	-	32.5
2015-16	10.2	7.8	4.7	-	7.8	-	-	-	30.5
2016-17	8.2	6.3	3.8	-	6.3	-	-	-	24.7
2017-18	-	-	-	-	-	-	-	-	-

The Commonwealth will provide funding to New South Wales, Victoria, Queensland and South Australia to support economic diversification in regional communities likely to be affected by the implementation of the Murray-Darling Basin Plan. Projects will encourage sustainable economic development through joint government, private and community sector investment in regional communities.

Townsville Convention and Entertainment Centre^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	-	-	5.0	-	-	-	-	-	5.0
2014-15	-	-	-	-	-	-	-	-	-
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-
2017-18	-	-	-	-	-	-	-	-	-

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

The Commonwealth is providing funding for the construction of the Townsville Convention and Entertainment Centre.

ENVIRONMENT

In 2014-15, the Commonwealth will provide funding of \$637.5 million to support state environment services, as detailed in Table 2.10.

Table 2.10: Payments to support state environment services

\$million	2013-14	2014-15	2015-16	2016-17	2017-18
National Partnership payments					
Assistance for water infrastructure and pest management in drought-affected areas	5.0	17.0	-	-	-
Assistance to farm businesses for water-related infrastructure	10.1	-	-	-	-
Bushfire mitigation	-	5.0	5.0	5.0	-
Coal seam gas and large coal mining development	19.7	-	-	-	-
Environmental management of the former Rum Jungle Mine site	3.4	3.9	4.3	-	-
Great Artesian Basin Sustainability Initiative	15.8	-	-	-	-
Implementation of the National Insurance Affordability Initiative	7.0	3.0	7.0	-	-
Implementation of the Tasmanian Forests Intergovernmental Agreement	12.5	13.0	12.8	10.0	10.3
Implementing water reform in the Murray-Darling Basin	13.5	20.0	20.0	20.0	20.0
National Urban Water and Desalination Plan	6.5	7.1	2.1	-	-
National Water Security Plan for Cities and Towns	23.1	10.1	2.9	-	-
Natural disaster resilience	17.6	39.2	26.1	26.1	nfp
Pest and disease preparedness and response programmes					
Animal and plant pest and disease eradication	17.9	10.9	11.4	11.7	13.1
Exotic disease preparedness	0.4	-	-	-	-
South Australian River Murray Sustainability Programme					
Irrigation efficiency and water purchase	14.0	29.0	45.0	23.5	8.5
Irrigation industry assistance	9.0	17.0	28.0	39.5	16.5
Regional economic development	7.0	9.0	7.0	2.0	-
Sustainable Australia – Sustainable regional development	0.8	0.1	-	-	-
Sustainable Rural Water Use and Infrastructure Programme	363.8	453.0	530.9	388.3	147.9
Whale and dolphin entanglements	-	0.3	0.1	0.2	-
Total	547.2	637.5	702.6	526.3	216.3

Table 2.10: Payments to support state environment services (continued)

\$million	2013-14	2014-15	2015-16	2016-17	2017-18
<i>Memorandum item – payments direct to local governments included in payments above</i>					
National Urban Water and Desalination Plan	1.0	5.5	2.1	-	-
National Water Security Plan for Cities and Towns	4.3	-	-	-	-
Sustainable Australia – Sustainable regional development	0.8	0.1	-	-	-
Total	6.0	5.6	2.1	-	-

National Partnership payments for the environment

National Partnership on assistance for water infrastructure and pest management in drought-affected areas^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	1.5	-	3.5	-	-	-	-	-	5.0
2014-15	5.5	-	11.5	-	-	-	-	-	17.0
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-
2017-18	-	-	-	-	-	-	-	-	-

(a) Up to \$4 million of the funding in 2014-15 is notionally allocated as a contingency should additional States have drought-affected areas, or if further areas of Queensland or New South Wales become drought-affected. This is subject to the outcomes of negotiations with the States.

The Commonwealth will provide funding for the *National Partnership on assistance for water infrastructure and pest management in drought-affected areas*. This National Partnership will assist drought-affected farm businesses with installing water-related infrastructure and with managing the impacts of pest animals in drought-affected areas, with the pest management component contingent upon equal contributions from the States. Funding for water infrastructure is a continuation of funding provided for the *National Partnership on assistance to farm businesses for water-related infrastructure*.

Funding for this National Partnership is a new spending measure in the 2014-15 Budget. This measure is discussed in Budget Paper No. 2, *Budget Measures 2014-15*.

National Partnership on assistance to farm businesses for water-related infrastructure

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	3.0	-	7.1	-	-	-	-	-	10.1
2014-15	-	-	-	-	-	-	-	-	-
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-
2017-18	-	-	-	-	-	-	-	-	-

The Commonwealth is providing funding for the *National Partnership on assistance to farm businesses for water-related infrastructure*. Funding is provided to New South Wales and Queensland to supplement these states' existing Emergency Water Infrastructure Rebate programmes.

National Partnership on bushfire mitigation^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	-	-	-	-	-	-	-	-	-
2014-15	~	~	~	~	~	~	~	~	5.0
2015-16	~	~	~	~	~	~	~	~	5.0
2016-17	~	~	~	~	~	~	~	~	5.0
2017-18	-	-	-	-	-	-	-	-	-

(a) State allocations are yet to be finalised.

The Commonwealth will provide funding for the *National Partnership on bushfire mitigation*. This National Partnership will enable states to implement long-term bushfire mitigation strategies and improved fuel reduction activities.

Funding for this National Partnership is a new spending measure in the 2014-15 Budget. This measure is discussed in Budget Paper No. 2, *Budget Measures 2014-15*.

National Partnership on coal seam gas and large coal mining development

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	7.0	4.1	7.4	-	1.3	-	-	-	19.7
2014-15	-	-	-	-	-	-	-	-	-
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-
2017-18	-	-	-	-	-	-	-	-	-

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

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

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	-	-	-	-	-	-	-	3.4	3.4
2014-15	-	-	-	-	-	-	-	3.9	3.9
2015-16	-	-	-	-	-	-	-	4.3	4.3
2016-17	-	-	-	-	-	-	-	-	-
2017-18	-	-	-	-	-	-	-	-	-

The Commonwealth is providing funding for the *National Partnership on the environmental management of the former Rum Jungle Mine site (Stage 2)*. This National Partnership will continue the programme of work established to improve the daily management of the site and to further develop a rehabilitation strategy. This work continues to be developed in partnership with stakeholders, including the site's traditional owners.

National Partnership on the Great Artesian Basin Sustainability Initiative

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	7.4	-	6.8	-	1.6	-	-	-	15.8
2014-15	-	-	-	-	-	-	-	-	-
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-
2017-18	-	-	-	-	-	-	-	-	-

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

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

National Partnership on the implementation of the National Insurance Affordability Initiative

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	-	-	7.0	-	-	-	-	-	7.0
2014-15	-	-	3.0	-	-	-	-	-	3.0
2015-16	-	-	7.0	-	-	-	-	-	7.0
2016-17	-	-	-	-	-	-	-	-	-
2017-18	-	-	-	-	-	-	-	-	-

The Commonwealth is providing funding for the *National Partnership on the implementation of the National Insurance Affordability Initiative* to reduce flood risk and bring about reductions in insurance premiums. The National Insurance Affordability Initiative will provide funding for the construction of a flood levee in Roma and improving the flood defences in Ipswich.

A savings measure associated with this National Partnership is discussed in Budget Paper No. 2, *Budget Measures 2014-15*.

National Partnership on the implementation of the Tasmanian Forests Intergovernmental Agreement

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	-	-	-	-	-	12.5	-	-	12.5
2014-15	-	-	-	-	-	13.0	-	-	13.0
2015-16	-	-	-	-	-	12.8	-	-	12.8
2016-17	-	-	-	-	-	10.0	-	-	10.0
2017-18	-	-	-	-	-	10.3	-	-	10.3

The Commonwealth is providing funding for the *National Partnership on the implementation of the Tasmanian Forests Intergovernmental Agreement 2013*. Funding will support the implementation of this Intergovernmental Agreement as well as the ongoing management of additional native forest reserves.

National Partnership on implementing water reform in the Murray-Darling Basin

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	6.3	4.6	1.3	-	1.0	-	0.2	-	13.5
2014-15	9.4	6.8	2.0	-	1.5	-	0.3	-	20.0
2015-16	9.4	6.8	2.0	-	1.5	-	0.3	-	20.0
2016-17	9.4	6.8	2.0	-	1.5	-	0.3	-	20.0
2017-18	9.4	6.8	2.0	-	1.5	-	0.3	-	20.0

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

National Urban Water and Desalination Plan^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	-	5.6	-	-	1.0	-	-	-	6.5
2014-15	-	1.6	-	-	5.5	-	-	-	7.1
2015-16	-	-	-	-	2.1	-	-	-	2.1
2016-17	-	-	-	-	-	-	-	-	-
2017-18	-	-	-	-	-	-	-	-	-

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

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

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

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	14.2	-	1.3	7.4	0.3	-	-	-	23.1
2014-15	9.2	-	-	0.9	-	-	-	-	10.1
2015-16	2.9	-	-	-	-	-	-	-	2.9
2016-17	-	-	-	-	-	-	-	-	-
2017-18	-	-	-	-	-	-	-	-	-

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

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

National Partnership on natural disaster resilience^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	3.4	2.1	6.0	3.1	1.0	0.7	0.7	0.7	17.6
2014-15	10.2	6.3	9.0	4.7	3.1	2.0	2.0	2.0	39.2
2015-16	6.8	4.2	6.0	3.1	2.1	1.3	1.3	1.3	26.1
2016-17	6.8	4.2	6.0	3.1	2.1	1.3	1.3	1.3	26.1
2017-18	nfp	nfp	nfp	nfp	nfp	nfp	nfp	nfp	nfp

(a) Funding in 2017-18 has been provided for in the Contingency Reserve.

The Commonwealth is providing funding for the *National Partnership on natural disaster resilience* which supports the States to strengthen community resilience and minimise the impact of a range of natural disasters in Australia.

This National Partnership is a joint funding arrangement that provides the flexibility for States to address their specific natural disaster risk priorities. This arrangement recognises that the Commonwealth and the States have a mutual interest in reducing the impact of, and increasing resilience to, natural disasters. It formalises their commitment to work together with other parties, such as volunteers, the private sector and local government, to achieve this outcome.

National Partnership on pest and disease preparedness and response programmes

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

Animal and plant pest and disease eradication component^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	4.2	0.9	11.4	0.1	-	-	-	1.4	17.9
2014-15	1.0	1.1	8.4	0.1	-	-	-	0.3	10.9
2015-16	1.6	1.0	8.7	-	-	-	-	0.1	11.4
2016-17	1.6	1.1	9.0	-	-	-	-	-	11.7
2017-18	1.6	1.1	10.5	-	-	-	-	-	13.1

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

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

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

Exotic disease preparedness component

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	0.3	..	0.1	-	..	..	-	..	0.4
2014-15	-	-	-	-	-	-	-	-	-
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-
2017-18	-	-	-	-	-	-	-	-	-

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

A savings measure associated with this programme is discussed in Budget Paper No. 2, *Budget Measures 2014-15*.

National Partnership on the South Australian River Murray Sustainability Programme

The Commonwealth is providing funding for the *National Partnership on the South Australian River Murray Sustainability Programme*. The four components of this National Partnership support the Murray-Darling Basin water reforms by contributing to a healthy working river system, strong communities and sustainable food and fibre production.

Irrigation efficiency and water purchase components

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	-	-	-	-	14.0	-	-	-	14.0
2014-15	-	-	-	-	29.0	-	-	-	29.0
2015-16	-	-	-	-	45.0	-	-	-	45.0
2016-17	-	-	-	-	23.5	-	-	-	23.5
2017-18	-	-	-	-	8.5	-	-	-	8.5

The Commonwealth is providing funding for South Australia to deliver a grants programme to support more efficient delivery and use of water by irrigation water providers and irrigators, as well as delivery of a water access entitlement purchase programme. In total, these components aim to return 36 gigalitres of 'gap bridging' long term average annual yield water to the Commonwealth.

Irrigation industry assistance component

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	-	-	-	-	9.0	-	-	-	9.0
2014-15	-	-	-	-	17.0	-	-	-	17.0
2015-16	-	-	-	-	28.0	-	-	-	28.0
2016-17	-	-	-	-	39.5	-	-	-	39.5
2017-18	-	-	-	-	16.5	-	-	-	16.5

The Commonwealth is providing funding for South Australia to deliver a grants programme to improve the productivity of the South Australian River Murray irrigation industry.

Regional economic development component

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	-	-	-	-	7.0	-	-	-	7.0
2014-15	-	-	-	-	9.0	-	-	-	9.0
2015-16	-	-	-	-	7.0	-	-	-	7.0
2016-17	-	-	-	-	2.0	-	-	-	2.0
2017-18	-	-	-	-	-	-	-	-	-

The Commonwealth is providing funding for the redevelopment of the Loxton Research Centre; a programme of industry-led research; and a Regional Development and Innovation programme. This component aims to create opportunities for economic diversification and regional development for Basin communities in South Australia.

Sustainable Australia — Sustainable regional development^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	-	-	-	-	0.4	0.4	-	0.1	0.8
2014-15	..	-	-	-	-	-	0.1
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-
2017-18	-	-	-	-	-	-	-	-	-

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

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

Sustainable Rural Water Use and Infrastructure Programme

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	77.6	187.6	19.0	1.9	46.8	28.0	2.3	0.6	363.8
2014-15	119.8	228.0	28.6	1.3	56.5	13.8	4.5	0.5	453.0
2015-16	158.8	277.1	42.8	0.7	40.8	7.2	3.3	0.2	530.9
2016-17	110.8	190.7	40.6	-	19.2	-	27.0	-	388.3
2017-18	54.5	56.8	6.6	-	-	-	30.0	-	147.9

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

Budget Paper No. 3

A measure associated with this programme is discussed in Budget Paper No.2, *Budget Measures 2014-15*.

National Partnership on whale and dolphin entanglements

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	-	-	-	-	-	-	-	-	-
2014-15	0.1	..	..	-	..	0.3
2015-16	-	..	0.1
2016-17	-	..	0.2
2017-18	-	-	-	-	-	-	-	-	-

The Commonwealth will provide funding for the *National Partnership on whale and dolphin entanglements*. This National Partnership will support State government purchase of equipment and training aimed at improving responses to whale and dolphin entanglements. This funding forms part of the Commonwealth's broader Whale and Dolphin Protection Plan.

Funding for this National Partnership is a new spending measure in the 2014-15 Budget. This measure is discussed in Budget Paper No. 2, *Budget Measures 2014-15*.

CONTINGENT PAYMENTS

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

Table 2.11 provides information on contingent payments.

Table 2.11: Contingent payments to the States

\$million	2013-14	2014-15	2015-16	2016-17	2017-18
National Partnership payments					
Hepatitis C settlement fund	0.7	0.7	0.7	-	-
Natural Disaster Relief and Recovery Arrangements	182.9	97.8	18.0	-	-
Total	183.7	98.6	18.8	-	-

Contingent payments

Hepatitis C settlement fund

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	0.5	-	-	0.1	0.1	-	0.1	-	0.7
2014-15	0.5	-	-	0.1	0.1	-	0.1	-	0.7
2015-16	0.5	-	-	0.1	0.1	-	0.1	-	0.7
2016-17	-	-	-	-	-	-	-	-	-
2017-18	-	-	-	-	-	-	-	-	-

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

Natural Disaster Relief and Recovery Arrangements (NDRRA)

NDRRA accrual estimates

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	41.1	4.3	135.3	1.7	0.2	0.4	-	-	182.9
2014-15	2.5	2.6	92.6	..	0.1	-	-	-	97.8
2015-16	-	-	18.0	..	-	-	-	-	18.0
2016-17	-	-	-	-	-	-	-	-	-
2017-18	-	-	-	-	-	-	-	-	-

The Commonwealth is providing funding under the NDRRA to assist the States with relief and recovery assistance following eligible natural disasters. This includes payments to the States in response to recent natural disasters including the bushfires in New South Wales in October 2013 and Victoria in January 2014. Payments are also being made for past disasters such as the January 2013 floods and Tropical Cyclone Oswald, as well as the November 2010 to February 2011 floods, bushfires and Tropical Cyclone Yasi.

Budget Paper No. 3

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

The estimated expenses in the table above reflect expected Commonwealth costs associated with disasters that have occurred in 2013-14 and the unwinding of the discount on the provision, which reflects the time value of money.

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

NDRRA cash estimates

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	472.9	1.0	1,514.5	53.2	-	13.6	-	-	2,055.3
2014-15	94.4	95.4	2,787.1	1.2	3.1	-	-	-	2,981.2
2015-16	-	-	668.8	0.3	-	-	-	-	669.1
2016-17	-	-	-	-	-	-	-	-	-
2017-18	-	-	-	-	-	-	-	-	-

OTHER NATIONAL PARTNERSHIP PAYMENTS

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

- agriculture, forestry and fishing;
- public order and safety;
- recreation and culture;
- tourism; and
- transport and communication.

Table 2.12 provides information on payments to the States to support these services.

Table 2.12: Payments to support other state services

\$million	2013-14	2014-15	2015-16	2016-17	2017-18
National Partnership payments					
2014 G20 leaders' summit security	83.5	65.0	-	-	-
2018 Gold Coast Commonwealth Games	156.0	-	-	-	-
Addressing insurance costs in North Queensland	-	3.1	6.3	3.1	-
Assistance to Tasmania to implement national policy reforms	30.0	-	-	-	-
Australian Capital Territory emergency services	4.0	-	-	-	-
Centenary of Canberra 2013 – joint national programme	1.0	-	-	-	-
Developing demand-driver infrastructure for the tourism industry	-	11.0	10.7	10.7	10.7
Financial assistance to local governments					
Financial assistance grants	1,150.2	2,286.7	2,286.7	2,286.7	2,385.3
Supplementary funding to South Australia for local roads	17.8	-	-	-	-
Legal assistance services	200.6	204.4	207.8	211.6	215.0
Pilot of drought reform measures in Western Australia	1.2	-	-	-	-
Port Arthur Penitentiary restoration	-	1.5	-	-	-
Provision of fire services	18.4	19.0	19.7	20.3	21.1
Remote Indigenous public internet access	2.1	2.2	2.2	2.2	2.3
Seamless National Economy	41.8	-	-	-	-
Sinking fund on state debt	..	..	..	..	..
Total	1,706.5	2,592.9	2,533.4	2,534.7	2,634.3

Other National Partnership payments

National Partnership on the 2014 G20 leaders' summit security

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	-	-	83.5	-	-	-	-	-	83.5
2014-15	-	-	65.0	-	-	-	-	-	65.0
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-
2017-18	-	-	-	-	-	-	-	-	-

The Commonwealth is providing funding for the *National Partnership on the 2014 G20 leaders' summit security* to upgrade Queensland's policing capacity to support the G20 leaders' summit in Brisbane, and the finance ministers' and central bank governors' meeting in Cairns.

National Partnership on the 2018 Gold Coast Commonwealth Games

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	-	-	156.0	-	-	-	-	-	156.0
2014-15	-	-	-	-	-	-	-	-	-
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-
2017-18	-	-	-	-	-	-	-	-	-

The Commonwealth will provide funding for the *National Partnership on the 2018 Gold Coast Commonwealth Games* to support investment in Games-related infrastructure.

Funding for this National Partnership is a new spending measure in the 2014-15 Budget. This measure is discussed in Budget Paper No. 2, *Budget Measures 2014-15*.

National Partnership on addressing insurance costs in North Queensland

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	-	-	-	-	-	-	-	-	-
2014-15	-	-	3.1	-	-	-	-	-	3.1
2015-16	-	-	6.3	-	-	-	-	-	6.3
2016-17	-	-	3.1	-	-	-	-	-	3.1
2017-18	-	-	-	-	-	-	-	-	-

The Commonwealth will provide funding for the *National Partnership on addressing insurance costs in North Queensland* to undertake a grants programme for engineering inspections of North Queensland strata title properties. The assessments will provide better information to insurers which will enable them to set premiums that more accurately reflect individual property risks, and help residents of strata title properties to be fully aware of the risks to their properties from natural disasters.

Funding for this National Partnership is a new spending measure in the 2014-15 Budget. This measure is discussed in Budget Paper No. 2, *Budget Measures 2014-15*.

Assistance to Tasmania to implement national policy reforms

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	-	-	-	-	-	30.0	-	-	30.0
2014-15	-	-	-	-	-	-	-	-	-
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-
2017-18	-	-	-	-	-	-	-	-	-

The Commonwealth has provided funding to assist Tasmania with budget flexibility in the case of expected challenges arising from the implementation of national policy reforms.

National Partnership on Australian Capital Territory emergency services

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	-	-	-	-	-	-	4.0	-	4.0
2014-15	-	-	-	-	-	-	-	-	-
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-
2017-18	-	-	-	-	-	-	-	-	-

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

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

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	-	-	-	-	-	-	1.0	-	1.0
2014-15	-	-	-	-	-	-	-	-	-
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-
2017-18	-	-	-	-	-	-	-	-	-

The Commonwealth has provided funding for the *National Partnership on the Centenary of Canberra 2013 – joint national programme* to celebrate the Centenary of Canberra in 2013. These activities included cultural, sporting and civic awareness events which engaged communities across Australia to celebrate the centenary of Canberra's role as the nation's capital.

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

National Partnership on developing demand-driver infrastructure for the tourism industry^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	-	-	-	-	-	-	-	-	-
2014-15	~	~	~	~	~	~	~	~	11.0
2015-16	~	~	~	~	~	~	~	~	10.7
2016-17	~	~	~	~	~	~	~	~	10.7
2017-18	~	~	~	~	~	~	~	~	10.7

(a) State allocations are yet to be finalised.

The Commonwealth will provide funding for the *National Partnership on developing demand-driver infrastructure for the tourism industry*. This National Partnership will fund projects that create and encourage tourism, and assist the tourism industry to meet the national tourism strategy, *Tourism 2020*.

Funding for this National Partnership is a new spending measure in the 2014-15 Budget. This measure is discussed in Budget Paper No. 2, *Budget Measures 2014-15*.

Financial assistance to local governments — financial assistance grants

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14									
General purpose financial assistance	255.7	197.5	160.4	86.0	57.8	17.8	13.2	8.2	796.7
Untied local roads grants	102.6	72.9	66.2	54.1	19.4	18.7	11.3	8.3	353.5
Total financial assistance grants	358.2	270.4	226.6	140.1	77.2	36.5	24.5	16.5	1,150.2
2014-15									
General purpose financial assistance	506.8	393.4	318.9	173.5	113.9	34.9	26.1	16.4	1,583.9
Untied local roads grants	203.9	144.9	131.7	107.5	38.6	37.2	22.5	16.5	702.8
Total financial assistance grants	710.7	538.3	450.6	280.9	152.5	72.1	48.6	32.9	2,286.7
2015-16									
General purpose financial assistance	504.9	393.6	319.5	176.1	113.0	34.3	26.1	16.4	1,583.9
Untied local roads grants	203.9	144.9	131.7	107.5	38.6	37.2	22.5	16.5	702.8
Total financial assistance grants	708.8	538.4	451.2	283.5	151.7	71.6	48.6	32.9	2,286.7
2016-17									
General purpose financial assistance	502.9	393.7	320.2	178.6	112.2	33.8	26.1	16.4	1,583.9
Untied local roads grants	203.9	144.9	131.7	107.5	38.6	37.2	22.5	16.5	702.8
Total financial assistance grants	706.8	538.6	451.9	286.1	150.8	71.1	48.6	32.9	2,286.7
2017-18									
General purpose financial assistance	522.6	410.8	334.6	189.0	116.1	34.7	27.2	17.1	1,652.2
Untied local roads grants	212.7	151.1	137.4	112.1	40.3	38.9	23.5	17.2	733.1
Total financial assistance grants	735.3	562.0	472.0	301.1	156.4	73.6	50.7	34.3	2,385.3

The Commonwealth is providing a financial contribution through State governments for the provision of local government services to the community. Current arrangements for financial assistance grants are made up of general purpose assistance and untied local roads grants. General purpose assistance is the larger component and is distributed between the States on a per capita basis, while untied local roads grants are distributed according to fixed historical shares.

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

A savings measure associated with financial assistance grants is discussed in Budget Paper No. 2, *Budget Measures 2014-15*.

Financial assistance to local governments — supplementary funding to South Australia for local roads

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	-	-	-	-	17.8	-	-	-	17.8
2014-15	-	-	-	-	-	-	-	-	-
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-
2017-18	-	-	-	-	-	-	-	-	-

The Commonwealth has provided supplementary funding to South Australia for local roads.

National Partnership on legal assistance services

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	63.4	44.9	41.7	20.2	15.9	6.0	4.5	4.0	200.6
2014-15	64.6	45.8	42.5	20.5	16.2	6.1	4.6	4.0	204.4
2015-16	65.7	46.6	43.2	20.9	16.5	6.2	4.6	4.1	207.8
2016-17	66.9	47.4	44.0	21.3	16.8	6.3	4.7	4.2	211.6
2017-18	68.0	48.2	44.7	21.6	17.0	6.4	4.8	4.2	215.0

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

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

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	-	-	-	1.2	-	-	-	-	1.2
2014-15	-	-	-	-	-	-	-	-	-
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-
2017-18	-	-	-	-	-	-	-	-	-

Budget Paper No. 3

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

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

National Partnership on the Port Arthur Penitentiary restoration

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	-	-	-	-	-	-	-	-	-
2014-15	-	-	-	-	-	1.5	-	-	1.5
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-
2017-18	-	-	-	-	-	-	-	-	-

The Commonwealth will provide funding for the *National Partnership on the Port Arthur Penitentiary restoration*. This National Partnership will support conservation works on the Port Arthur Historic Site's Penitentiary ruin in Tasmania. The funding will contribute to a structural solution to support the building and make it safe for visitors.

Funding for this National Partnership is a new spending measure in the 2014-15 Budget. This measure is discussed in Budget Paper No. 2, *Budget Measures 2014-15*.

National Partnership on provision of fire services

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	4.0	2.8	2.8	1.3	0.9	0.2	4.8	1.5	18.4
2014-15	4.1	2.9	2.9	1.3	1.0	0.3	4.9	1.6	19.0
2015-16	4.3	3.0	3.0	1.4	1.0	0.3	5.1	1.6	19.7
2016-17	4.4	3.1	3.1	1.4	1.0	0.3	5.3	1.7	20.3
2017-18	4.6	3.2	3.2	1.4	1.1	0.3	5.5	1.7	21.1

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

National Partnership on remote Indigenous public internet access

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	0.2	-	0.4	0.7	0.2	-	-	0.7	2.1
2014-15	0.2	-	0.4	0.7	0.2	-	-	0.7	2.2
2015-16	0.2	-	0.4	0.8	0.2	-	-	0.8	2.2
2016-17	0.2	-	0.4	0.8	0.2	-	-	0.8	2.2
2017-18	0.2	-	0.4	0.8	0.2	-	-	0.8	2.3

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

National Partnership to Deliver a Seamless National Economy

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	22.2	-	11.5	1.4	4.1	1.6	0.5	0.6	41.8
2014-15	-	-	-	-	-	-	-	-	-
2015-16	-	-	-	-	-	-	-	-	-
2016-17	-	-	-	-	-	-	-	-	-
2017-18	-	-	-	-	-	-	-	-	-

The Commonwealth is providing reward funding for the delivery by the States of regulatory reforms under the *National Partnership to Deliver a Seamless National Economy*, aimed at reducing inefficient and costly regulation. Final payments to jurisdictions reflect the achievement of agreed reform outcomes as specified in the National Partnership.

Sinking fund on state debt

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	-	-	-	-	-	-	..
2014-15	-	-	-	-	-	-	..
2015-16	-	-	-	-	-	-	..
2016-17	-	-	-	-	-	-	..
2017-18	-	-	-	-	-	-	..

The Commonwealth 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.

PART 3: GENERAL REVENUE ASSISTANCE

OVERVIEW OF PAYMENTS

General revenue assistance is a broad category of payments. This assistance is provided to the States without conditions, to spend according to their own budget priorities. The main form of general revenue assistance is the GST entitlement. Other general revenue assistance includes payments in relation to municipal services in the Australian Capital Territory, royalties, and Snowy Hydro Limited tax compensation.

In 2014-15, the States will receive \$54.9 billion from the Commonwealth in total general revenue assistance – \$53.7 billion for the GST entitlement and \$1.2 billion for other general revenue assistance. This represents a 5.9 per cent increase in the GST entitlement compared to the \$50.7 billion the States are expected to receive in 2013-14. In 2014-15, total general revenue assistance to the States will represent 13.2 per cent of total Commonwealth expenditure. Total general revenue assistance provided to the States by the Commonwealth is shown in Table 3.1 and Table 3.2 shows a breakdown by State.

Table 3.1: General revenue assistance

\$million	2013-14	2014-15	2015-16	2016-17	2017-18
GST entitlement	50,720.0	53,710.0	57,020.0	60,440.0	63,810.0
Other payments					
ACT municipal services	37.3	38.0	38.6	39.3	40.0
Reduced royalties	72.8	54.9	56.9	61.5	56.2
Royalties	1,149.7	983.5	974.5	981.8	928.2
Snowy Hydro Limited tax compensation	76.0	75.0	75.0	75.0	75.0
Total other payments	1,335.8	1,151.4	1,145.1	1,157.6	1,099.4
Total	52,055.8	54,861.4	58,165.1	61,597.6	64,909.4

Table 3.2: General revenue assistance by State^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	15,777.8	11,451.4	10,822.7	2,557.6	4,618.2	1,809.5	1,061.2	2,807.6	52,055.8
2014-15	16,808.1	11,853.4	11,735.7	2,310.1	4,956.3	1,911.4	1,136.5	3,166.4	54,861.4
2015-16	17,602.6	12,588.4	12,658.8	2,405.2	5,251.8	2,095.2	1,204.2	3,384.2	58,165.1
2016-17	18,259.4	13,256.7	13,932.4	2,493.6	5,698.5	2,149.6	1,254.7	3,571.0	61,597.6
2017-18	19,283.5	14,180.6	14,660.3	2,765.3	5,921.3	2,202.9	1,309.5	3,657.7	64,909.4

(a) State splits for royalties are not published due to commercial sensitivities. Therefore, total general revenue assistance will not equal the sum of the state splits above.

GST ENTITLEMENT TO THE STATES

Under the *Intergovernmental Agreement on Federal Financial Relations*, the States are entitled to receive payments from the Commonwealth equivalent to the revenue received from the GST. GST revenue refers to the amount of GST recognised by the Australian Taxation Office (ATO), less the amount not remitted to the ATO as at

30 June of each financial year. GST entitlement refers to the amount of GST which is entitled to be distributed to the States. GST payments reflect the GST entitlement which is distributed to the States adjusted for any balancing amount from the prior financial year.

Specifically, GST revenue for a financial year varies from the amount of GST paid to the States for that year because of:

- GST revenues which are recognised on a Commonwealth whole-of-government basis, but not remitted to the ATO by 30 June of each financial year, as the revenues will not be remitted until the following financial year;
- penalties, other than general interest charge (GIC) penalties, which are not included in the definition in the *Federal Financial Relations Act 2009* of GST to be paid to the States;
- the GST component of sales by Commonwealth agencies which has been collected by those agencies but which, as at 30 June in each financial year, has not been remitted to the ATO, because it is not due to be paid until the next Business Activity Statement is lodged; and
- a balancing adjustment to account for any variation in the previous financial year between the Treasurer's final outcome determination, and GST payment advances made during that financial year.

States receive monthly advances of GST throughout the year based on the Commonwealth estimate of the GST entitlement. The Treasurer makes a determination of the components of GST revenue collected in the financial year upon receipt of the final outcome after the close of the financial year. Any variation between GST advances and the final outcome is settled in the following financial year.

In 2013-14, an amount of \$361.0 million was added to the States' 2013-14 GST entitlement as a balancing adjustment for the difference between the final amount and advances made during the 2012-13 financial year.

A reconciliation of GST revenue, GST entitlement and GST payments to the States is provided in Table 3.3.

Table 3.3: Reconciling GST revenue, GST entitlement and GST payments to the States

\$million	2013-14	2014-15	2015-16	2016-17	2017-18
GST revenue	54,321	56,970	60,370	63,740	67,300
less change in GST receivables	3,318	2,992	3,080	3,017	3,201
GST receipts	51,003	53,978	57,290	60,723	64,099
less non-GIC penalties collected	250	260	270	280	290
less GST collected by Commonwealth agencies but not yet remitted to the ATO	33	8	0	3	-1
GST entitlement	50,720	53,710	57,020	60,440	63,810
plus prior year balancing adjustment	361				
GST payments to the States	51,081	53,710	57,020	60,440	63,810

Table 3.4 provides a reconciliation of the GST entitlement estimates since the 2013-14 Budget and 2013-14 MYEFO. The reconciliation accounts for policy decisions and parameter and other variations. The GST entitlement in 2014-15 has been revised up by \$1.0 billion since the 2013-14 MYEFO.

Table 3.4: Reconciliation of the GST entitlement estimates since the 2013-14 Budget and 2013-14 MYEFO

\$million	2013-14	2014-15	2015-16	2016-17
GST entitlement at 2013-14 Budget	50,250	52,820	55,800	58,670
Changes between 2013-14 Budget and MYEFO				
Effect of policy decisions	92	152	232	303
Effect of parameter and other variations	-362	-272	-252	-33
Total variations	-270	-120	-20	270
GST entitlement at 2013-14 MYEFO	49,980	52,700	55,780	58,940
Changes between 2013-14 MYEFO and Budget				
Effect of policy decisions	-2	4	9	23
Effect of parameter and other variations	742	1,006	1,231	1,477
Total variations	740	1,010	1,240	1,500
GST entitlement at 2014-15 Budget	50,720	53,710	57,020	60,440

Specific policy decisions taken since MYEFO that affect the GST entitlement are shown in Table 3.5. These decisions increase the amount of the GST entitlement by \$71.1 million over five years to 2017-18.

Detailed information on policy decisions since the 2013-14 MYEFO is included in Budget Paper No. 2, *Budget Measures 2014-15*.

Table 3.5: Policy decisions since MYEFO that affect the GST entitlement

\$million	2013-14	2014-15	2015-16	2016-17	2017-18
Migration Programme – allocation of places for 2014-15	-1.8	-6.0	-11.3	-17.0	-22.8
Reintroduction of fuel excise indexation	0.0	10.0	20.0	40.0	60.0
Total	-1.8	4.0	8.7	23.0	37.2

Distribution of the GST entitlement among the States

The Commonwealth distributes GST among the States in accordance with the principle of horizontal fiscal equalisation and having regard to the recommendations of the Commonwealth Grants Commission (the Commission).

The Commission recommends GST revenue sharing relativities to be used in calculating each State's entitlement of the GST pool. The relativities determine how much GST each State receives compared with an equal per capita share and are determined such that, if each State made the same effort to raise revenue from its own sources and operated at the same level of efficiency, each State would have the capacity to provide services and the associated infrastructure at the same standard.

This does not necessarily result in the same standard of government services being delivered – just the equalisation of each State's capacity to provide the same standard of services. In calculating GST relativities, the Commission takes into account differences in the States' capacities to raise revenues and differences in the costs the States would incur in providing the same standard of government services, including through acquiring the infrastructure used to deliver those services.

Table 3.6 shows the relativities recommended by the Commission and determined by the Treasurer for 2013-14 and 2014-15, and the Commonwealth projected relativities for distributing GST for 2015-16 to 2017-18. The Commission does not provide projected relativities.

Table 3.6: GST relativities

	NSW	VIC	QLD	WA	SA	TAS	ACT	NT
2013-14	0.96576	0.90398	1.05624	0.44581	1.26167	1.61454	1.22083	5.31414
2014-15	0.97500	0.88282	1.07876	0.37627	1.28803	1.63485	1.23600	5.66061
2015-16(a)	0.96513	0.88240	1.09328	0.36355	1.29491	1.71346	1.23444	5.70038
2016-17(a)	0.94732	0.87560	1.13192	0.34988	1.33452	1.68279	1.21322	5.67391
2017-18(a)	0.95023	0.88592	1.12472	0.36364	1.32193	1.65697	1.19896	5.50247

(a) Treasury projection.

The Commonwealth's relativity projections utilise a simplified version of the Commission's workings, starting with each State's relative fiscal need from the Commission's most recent Update report, in this case, the *Report on GST Revenue Sharing Relativities – 2014 Update*. Technical adjustments are then made for estimated changes in the size of the GST pool, State population shares and the distribution of National SPPs. This means that the Commonwealth's projections do not try to predict future State revenues, expenses or take into account any other major changes in Commonwealth-State financial relations.

Consistent with the Commission's approach, the projected relativity for an individual year is the average of relativities for three historical assessment years. For example, the 2015-16 projected relativity is based on relativities for 2011-12, 2012-13 and 2013-14.

The detailed calculation for the distribution of the GST entitlement in 2013-14 and 2014-15 is shown in Table 3.7. Table 3.8 shows the distribution of the GST entitlement over the budget year and forward estimates.

Table 3.7: Calculation of GST entitlements^(a)

	Estimated 31 December population (1)	GST relativities (2)	Adjusted population (1) x (2) (3)	Share of adjusted population % (4)	Share of GST pool \$million (5)
2013-14					
NSW	7,463,711	0.96576	7,208,154	31.0%	15,727.2
VIC	5,793,116	0.90398	5,236,861	22.5%	11,426.1
QLD	4,696,215	1.05624	4,960,330	21.3%	10,822.7
WA	2,554,574	0.44581	1,138,855	4.9%	2,484.8
SA	1,677,635	1.26167	2,116,622	9.1%	4,618.2
TAS	513,657	1.61454	829,320	3.6%	1,809.5
ACT	384,395	1.22083	469,281	2.0%	1,023.9
NT	242,149	5.31414	1,286,814	5.5%	2,807.6
Total	23,325,452	na	23,246,235	100.0%	50,720.0
2014-15					
NSW	7,566,847	0.97500	7,377,676	31.2%	16,758.1
VIC	5,898,590	0.88282	5,207,393	22.0%	11,828.4
QLD	4,789,361	1.07876	5,166,571	21.9%	11,735.7
WA	2,638,729	0.37627	992,875	4.2%	2,255.3
SA	1,694,049	1.28803	2,181,986	9.2%	4,956.3
TAS	514,719	1.63485	841,488	3.6%	1,911.4
ACT	391,290	1.23600	483,634	2.0%	1,098.6
NT	246,259	5.66061	1,393,976	5.9%	3,166.4
Total	23,739,844	na	23,645,600	100.0%	53,710.0

(a) Amounts shown in 2013-14 are estimates of each jurisdiction's GST entitlement based on the estimated total GST pool. These amounts do not take into account the prior year balancing adjustment for underpayments made in 2012-13, totalling \$361.0 million, which was paid in 2013-14.

Table 3.8: Distribution of the GST entitlement over budget year and forward estimates^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	15,727.2	11,426.1	10,822.7	2,484.8	4,618.2	1,809.5	1,023.9	2,807.6	50,720.0
2014-15	16,758.1	11,828.4	11,735.7	2,255.3	4,956.3	1,911.4	1,098.6	3,166.4	53,710.0
2015-16	17,552.6	12,563.4	12,658.8	2,348.3	5,251.8	2,095.2	1,165.5	3,384.2	57,020.0
2016-17	18,209.4	13,231.7	13,932.4	2,432.1	5,698.5	2,149.6	1,215.4	3,571.0	60,440.0
2017-18	19,233.5	14,155.6	14,660.3	2,709.2	5,921.3	2,202.9	1,269.4	3,657.7	63,810.0

(a) Amounts shown in 2013-14 are estimates of each jurisdiction's GST entitlement based on the estimated total GST pool. These amounts do not take into account the prior year balancing adjustment for underpayments made in 2012-13, totalling \$361.0 million, which was paid in 2013-14.

Box 3.1: The effect of horizontal fiscal equalisation

It is common for individual States within a federation to have different capacities to raise revenue or deliver services. The practice of equalising revenue capacities and/or expenditure capacities between the States in a federation is common. Australia has had various forms of fiscal equalisation since 1901.

One way to view the degree of horizontal fiscal equalisation is to compare each State’s share of the GST entitlement using the GST relativities, with a notional distribution on an equal per capita basis. In 2014-15, around \$5.6 billion (or 10.4 per cent) of the GST entitlement will be redistributed among the States, compared with an equal per capita distribution (Table A).

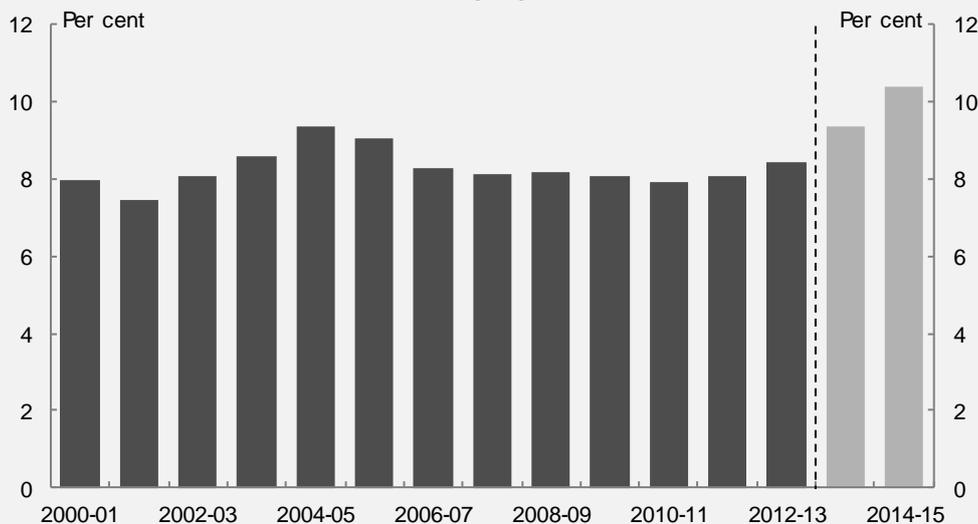
Table A: Difference from equal per capita distribution, 2014-15

	GST distribution 2014-15 Budget \$million	Equal per capita distribution of GST \$million	Redistribution(a) \$million	Projected population '000	Per capita redistribution \$
NSW	16,758.1	17,119.5	-361.5	7,567	-47.8
VIC	11,828.4	13,345.2	-1,516.8	5,899	-257.2
QLD	11,735.7	10,835.6	900.0	4,789	187.9
WA	2,255.3	5,970.0	-3,714.7	2,639	-1,407.8
SA	4,956.3	3,832.7	1,123.6	1,694	663.3
TAS	1,911.4	1,164.5	746.9	515	1,451.1
ACT	1,098.6	885.3	213.3	391	545.1
NT	3,166.4	557.1	2,609.2	246	10,595.4
Total	53,710.0	53,710.0	5,593.0	23,740	

(a) The total redistribution of \$5,593 million is the sum of positive items in that column.

Chart A below shows the proportion of the GST entitlement being redistributed in 2014-15 and since the GST commenced.

Chart A: GST redistributed as a proportion of the GST entitlement



GST administration

States compensate the Commonwealth for the agreed costs incurred by the ATO in administering the GST, including costs incurred by the Australian Customs Service. The GST administration budget for the ATO is estimated to be \$692.7 million for 2014-15, as shown in Table 3.9.

Table 3.9: Reconciliation of the GST administration budget

\$million	2013-14	2014-15	2015-16	2016-17	2017-18
Administration budget at 2013-14 Budget	698.6	715.0	725.4	592.4	na
Total parameter variations from 2013-14 Budget to MYEFO	-	-7.1	-14.6	-11.5	-
Administration budget at 2013-14 MYEFO	698.6	707.9	710.8	580.9	na
Changes from MYEFO to 2014-15 Budget					
Parameter variations	-	-8.4	-10.1	-15.8	-
Other variations	-	-6.8	-6.8	-5.5	-
Total variations	-	-15.2	-16.9	-21.3	565.1
Administration budget at 2014-15 Budget	698.6	692.7	693.9	559.6	565.1
less prior year adjustment	-11.0				
<i>equals</i> State government payments	709.6	692.7	693.9	559.6	565.1

In 2012-13, the GST administration payments made by the States were \$11 million less than the combination of the total final audited GST administration cost for 2012-13 and the States' 2011-12 net underpayment. This underpayment was added to the estimated administration costs of \$698.6 million for 2013-14.

OTHER GENERAL REVENUE ASSISTANCE

The Commonwealth makes payments of other general revenue assistance to the States, including:

- payments to the Australian Capital Territory for municipal services;
- compensation for reduced royalties;
- royalties; and
- Snowy Hydro Limited tax compensation.

Similar to GST, other general revenue assistance is provided to the States without conditions, to spend according to their own budget priorities. These payments are detailed below.

Table 3.10: Other general revenue assistance

\$million	2013-14	2014-15	2015-16	2016-17	2017-18
ACT municipal services	37.3	38.0	38.6	39.3	40.0
Reduced royalties	72.8	54.9	56.9	61.5	56.2
Royalties	1,149.7	983.5	974.5	981.8	928.2
Snowy Hydro Limited tax compensation	76.0	75.0	75.0	75.0	75.0
Total other general revenue assistance	1,335.8	1,151.4	1,145.1	1,157.6	1,099.4

Payments in respect of Australian Capital Territory municipal services

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	-	-	-	-	-	-	37.3	-	37.3
2014-15	-	-	-	-	-	-	38.0	-	38.0
2015-16	-	-	-	-	-	-	38.6	-	38.6
2016-17	-	-	-	-	-	-	39.3	-	39.3
2017-18	-	-	-	-	-	-	40.0	-	40.0

The Commonwealth provides general revenue assistance to the Australian Capital Territory to assist meeting the additional municipal costs which arise from Canberra's role as the national capital; and to compensate the Australian Capital Territory for additional costs resulting from the national capital planning influences on the provision of water and sewerage services.

The level of funding is based upon the findings of the Commonwealth Grants Commission, in its second and third reports on financing for the Australian Capital Territory, prior to the move to self-government in 1989.

Reduced royalties

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	-	-	-	72.8	-	-	-	-	72.8
2014-15	-	-	-	54.9	-	-	-	-	54.9
2015-16	-	-	-	56.9	-	-	-	-	56.9
2016-17	-	-	-	61.5	-	-	-	-	61.5
2017-18	-	-	-	56.2	-	-	-	-	56.2

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

Royalties^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	-	-	-	nfp	-	-	-	nfp	1,149.7
2014-15	-	-	-	nfp	-	-	-	nfp	983.5
2015-16	-	-	-	nfp	-	-	-	nfp	974.5
2016-17	-	-	-	nfp	-	-	-	nfp	981.8
2017-18	-	-	-	nfp	-	-	-	nfp	928.2

(a) State splits for royalties are not published due to commercial sensitivities.

Royalty payments to Western Australia

The Commonwealth provides general revenue assistance to Western Australia from royalties collected under the *Offshore Petroleum (Royalty) Act 2006* in respect of the North West Shelf oil and gas project off the coast of Western Australia. The Commonwealth collects these royalties because it has jurisdiction over offshore areas.

These royalties are shared between the Commonwealth (approximately one third) and Western Australia (approximately two thirds). These payment arrangements are in accordance with the revenue sharing arrangements in section 75 of the *Offshore Petroleum and Greenhouse Gas Storage Act 2006*.

Royalty payments to the Northern Territory

The Commonwealth provides general revenue assistance to the Northern Territory in lieu of royalties on uranium mining in the Ranger Project Area, due to the Commonwealth's ownership of uranium in the Northern Territory.

General revenue assistance is payable biannually at the royalty rate of 1.25 per cent of the net proceeds of sales. These royalties are paid under a continuing agreement established under the 1978 Memorandum of Understanding between the Commonwealth and the Northern Territory.

Snowy Hydro Limited tax compensation

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	50.7	25.3	-	-	-	-	-	-	76.0
2014-15	50.0	25.0	-	-	-	-	-	-	75.0
2015-16	50.0	25.0	-	-	-	-	-	-	75.0
2016-17	50.0	25.0	-	-	-	-	-	-	75.0
2017-18	50.0	25.0	-	-	-	-	-	-	75.0

On 28 June 2002, the Snowy Mountains Hydro Electric Authority was corporatised. The assets and business of the Authority were transferred to Snowy Hydro Limited, a company jointly owned by the Commonwealth, New South Wales and Victoria (with 13 per cent, 58 per cent and 29 per cent shareholdings respectively).

The Commonwealth provides compensation payments to New South Wales and Victoria, in the form of general revenue assistance, for Commonwealth income taxes paid by Snowy Hydro Limited in proportion to the States' shareholdings.

Payments are made in accordance with the Snowy Hydro Tax Compensation Deed between the Commonwealth, New South Wales and Victoria. These taxes would have previously been payable to the States through tax equivalence regime payments.

MIRROR TAX ARRANGEMENTS

The Commonwealth introduced mirror tax arrangements in 1998 to ensure that the States were not financially disadvantaged by the High Court decision in

Allders International Pty Ltd v Commissioner of State Revenue (Victoria), which invalidated state taxes on Commonwealth places. These arrangements mirror certain state taxes, including payroll taxes, land taxes and stamp duties, with respect to Commonwealth places. The States collect these mirror taxes on behalf of the Commonwealth and bear the administrative costs of collection. All mirror tax revenues are credited to the Commonwealth and simultaneously appropriated to the States. Hence, mirror taxes are recorded as both a Commonwealth revenue and expense, with no net impact on the Commonwealth's budget position, as shown in Table 3.11.

Table 3.11: Mirror taxes accrued on behalf of the States

\$million	2013-14	2014-15	2015-16	2016-17	2017-18
Mirror taxes	508.4	524.3	559.8	593.2	615.7
less Payments to State governments	508.4	524.3	559.8	593.2	615.7
Commonwealth Budget impact	-	-	-	-	-

PART 4: DEVELOPMENTS IN THE CONSOLIDATED NON-FINANCIAL PUBLIC SECTOR

INTRODUCTION

This Part provides a perspective on the financial position of all levels of government in Australia.

It discusses trends in key fiscal indicators including the net operating balance, fiscal balance, cash balance and net debt, at the Commonwealth level, State level, and the consolidated level, which includes local government.

This Part focuses on trends in the non-financial public sector (NFPS) which comprises the general government sector and the public non-financial corporations (PNFC) sector.¹ The general government sector provides non-market goods and services such as policing, health and education. The PNFC sector comprises government controlled corporations engaged in providing market goods such as electricity and public transport, but not financial services.

For further information on the fiscal indicators and the institutional structure of the public sectors see Budget Paper No. 1, *Budget Strategy and Outlook 2014-15, Statement 9: Budget Financial Statements*.

State estimates in this Part come from their most recent publicly available financial reports. Victoria's are based on their 2014-15 Budget, while the remaining jurisdictions are drawn from their mid-year 2013-14 financial reports. Aggregate State data are only available to 2016-17, so references to the forward estimates in this Part relate to the period 2014-15 to 2016-17.

Additional data tables can be found in Appendix C (available online).

NET OPERATING BALANCE

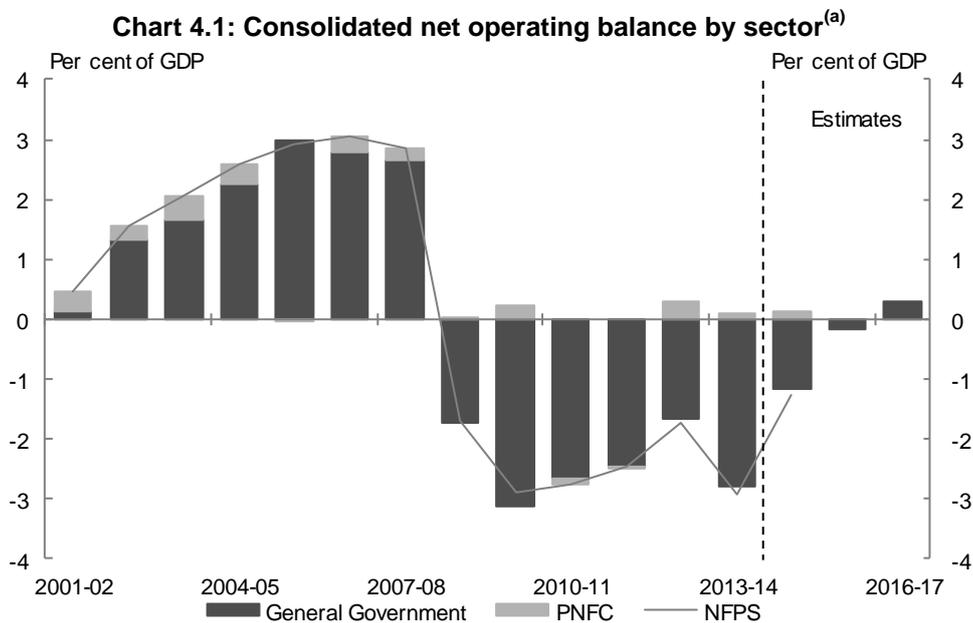
The net operating balance measures in accrual terms the gap between recurrent expenses and revenue for a given period. This is the headline budget measure used by most States to provide an indication of the medium-term sustainability of the existing level of government services. The Commonwealth does not use net operating balance as a headline fiscal indicator.

1 Due to inter-sectoral transfers, NFPS does not always equal the sum of the general government and PNFC sectors.

In aggregate, the States are expecting the general government sector to record a net operating surplus of 0.1 per cent of GDP in 2014-15, improving to a surplus of 0.3 per cent of GDP in 2016-17.

In aggregate, on average across the forward estimates, the States are expecting revenue as a proportion of GDP to be 13.9 per cent, which is below the pre-Global Financial Crisis 10-year average of 14.3 per cent of GDP. The return to surplus reflects a moderation in State expenses as a proportion of GDP.

As shown in Chart 4.1, the consolidated general government sector is expected to record a net operating deficit of 1.2 per cent of GDP in 2014-15, improving to a surplus of 0.3 per cent of GDP in 2016-17.

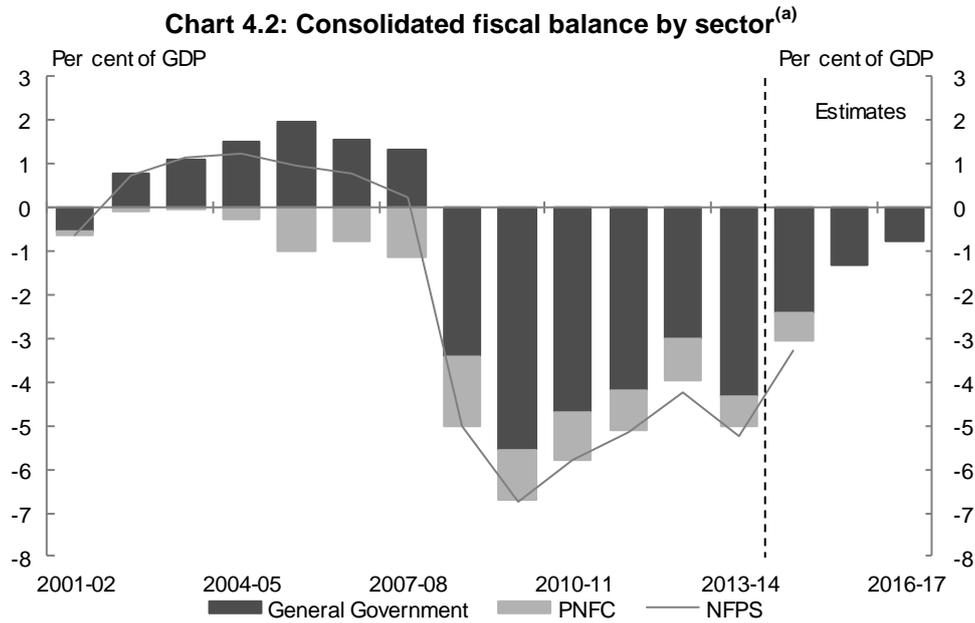


(a) Data for the PNFC sector (and therefore NFPS) are not available beyond 2014-15.

FISCAL AND CASH BALANCES

A fiscal surplus indicates that a government is saving more than enough to finance all of its investment spending and is therefore not contributing directly to the current account deficit. A fiscal deficit indicates that a government needs to borrow or liquidate financial assets in order to fund its capital and/or recurrent expenditures.

As the fiscal balance includes capital transfers and investment in non-financial assets, which are not included in the net operating balance, the difference between the fiscal balance and the net operating balance is the effect of investment in non-financial assets, including infrastructure.



(a) Data for the PNFC sector (and therefore the NFPS) are not available beyond 2014-15.

The fiscal balance of the Commonwealth general government sector is expected to remain in deficit over the forward estimates, however the expected 2014-15 deficit of 1.6 per cent of GDP will decrease in both 2015-16 and 2016-17.

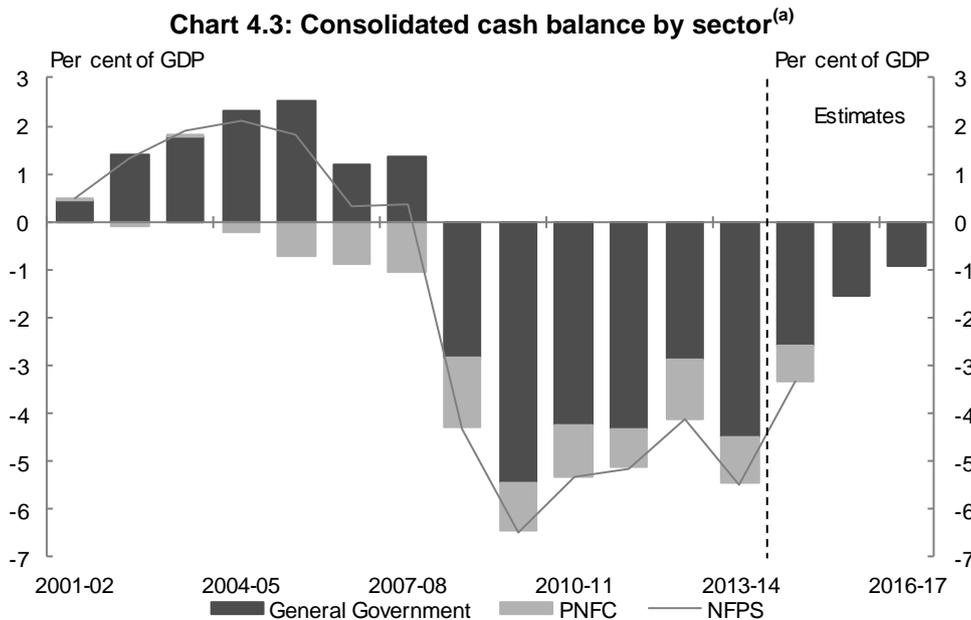
Aggregate State net capital investment is forecast to decline from 0.5 per cent of GDP in 2014-15 to a low of 0.4 per cent of GDP in 2016-17. Despite this decline in net capital investment and improvements in forecast general government State net operating balances over the forward estimates, the aggregate State fiscal balance is expected to remain in deficit.

At the consolidated level, the general government sector fiscal balance is expected to remain in deficit across the forward estimates, although the deficit is expected to narrow from 2.4 per cent of GDP in 2014-15 to 0.8 per cent of GDP by 2016-17. A fiscal deficit of 0.6 per cent of GDP is expected in the PNFC sector for 2014-15, contributing to an NFPS deficit of 3.3 per cent of GDP in 2014-15.

The cash balance is the equivalent of a fiscal balance measured on a non-accrual basis, capturing payments and receipts as they occur. It therefore reflects the extent to which cash is available to a government.

The cash balance of the Commonwealth general government sector is expected to remain in deficit over the forward estimates, with a deficit of 1.8 per cent of GDP in 2014-15 improving to a deficit of 0.6 per cent of GDP in 2016-17. At the State level, the expected 2014-15 deficit of 0.5 per cent of GDP will improve to a deficit of 0.1 per cent of GDP in 2016-17.

As shown in Chart 4.3, the consolidated general government sector cash balance is expected to be a deficit of 2.6 per cent of GDP in 2014-15, before improving to a deficit of 0.9 per cent of GDP in 2016-17. A cash deficit of 0.7 per cent of GDP is also expected in the PNFC sector in 2014-15, contributing to an NFPS deficit of 3.3 per cent of GDP in 2014-15.



(a) Data for the PNFC sector (and therefore the NFPS) are not available beyond 2014-15.

NET DEBT

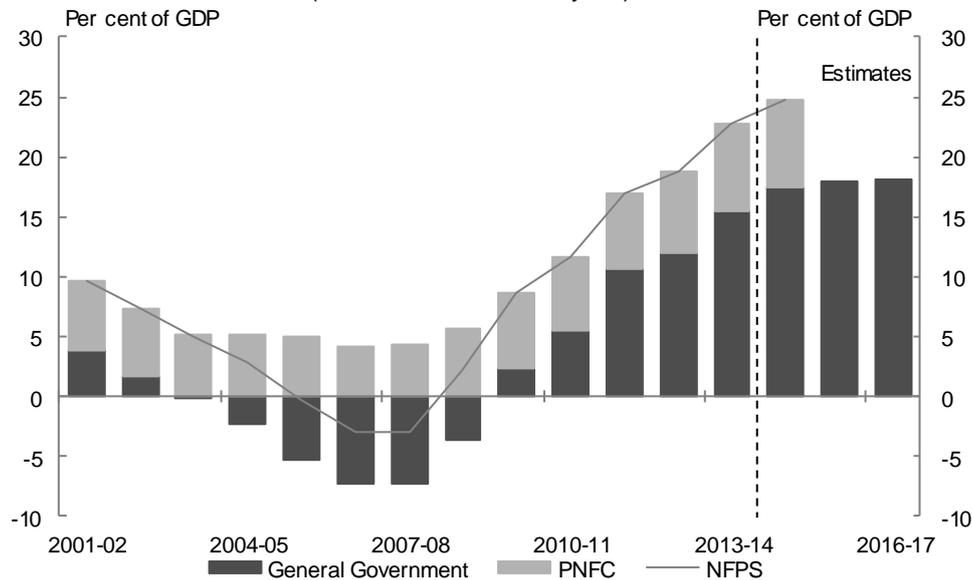
Net debt is the sum of selected financial liabilities (deposits held, advances received, government securities, loans and other borrowing) less the sum of selected financial assets (cash and deposits, advances paid, investments, loans and placements). Net debt does not include superannuation-related liabilities.

As shown in Chart 4.4, consolidated general government sector net debt is expected to increase from 17.4 per cent of GDP in 2014-15 to 18.1 per cent of GDP in 2016-17.

Commonwealth general government sector net debt as a proportion of GDP is expected to increase from 13.9 per cent in 2014-15 to 14.6 per cent of GDP in 2016-17. State net debt as a proportion of GDP is expected to peak at 4.2 per cent in 2014-15, before declining to 3.8 per cent of GDP in 2016-17. The local government sector is expected to continue to have negative net debt, that is, selected financial assets will exceed selected financial liabilities.

Commonwealth net debt is expected to continue to make up the bulk of consolidated net debt.

Chart 4.4: Consolidated net debt by sector
(as at end of financial year)^(a)



(a) Data for the PNFC sector (and therefore the NFPS) are not available beyond 2014-15.

THE AUSTRALIAN LOAN COUNCIL

The Australian Loan Council (Loan Council) is a Commonwealth-State council that coordinates public sector borrowing. It consists of the Prime Minister of Australia and the Premier/Chief Minister of each State and Territory. In practice, each member is represented by a nominee, usually the Treasurer of that jurisdiction, with the Commonwealth Treasurer as Chair.

Current Loan Council arrangements operate on a voluntary basis and emphasise transparency of public sector financing rather than adherence to strict borrowing limits. These arrangements are designed to enhance financial market scrutiny of public sector borrowing and facilitate informed judgments about each government's financial performance.

The Loan Council traditionally meets annually in March or April to consider jurisdictions' nominated borrowings for the forthcoming year. As part of the agreed arrangements, the Loan Council considers these nominations, having regard to each jurisdiction's fiscal position and the macroeconomic implications of the aggregate figure.

Outcome of the 2014 Loan Council meeting

The Loan Council met on 28 March 2014 to consider Loan Council Allocation nominations for 2014-15. The Loan Council approved each jurisdiction's nominated

Budget Paper No. 3

allocation. In aggregate, the nominations represent a deficit of \$60.9 billion (Table 4.1). The States nominated a deficit of \$16.4 billion and the Commonwealth nominated a deficit of \$44.5 billion.

Developments since the 2014 Loan Council meeting

As part of the Loan Council arrangements, all jurisdictions are required to update their Loan Council Allocation to reflect their Budget and to provide an explanation to the Loan Council if they are likely to exceed the tolerance limit.

2014-15 Loan Council Allocation budget updates will be available in the States' 2014-15 Budgets.

The Commonwealth's 2014-15 Loan Council Allocation budget update is available in Budget Paper No. 1, *Budget Strategy and Outlook 2014-15, Statement 9: Budget Financial Statements, Appendix B*.

Table 4.1: Loan Council Allocation nominations for 2014-15^(a)

	NSW \$m	VIC \$m	QLD \$m	WA \$m	SA \$m	TAS \$m	ACT \$m	NT \$m	C'with \$m	Total \$m
Nominated 2014-15 LCAs										
General government sector cash surplus(-)/deficit(+)	3,315	603	723	1,446	236	50	158	262	30,953	
PNFC sector cash surplus(-)/deficit(+)	2,611	2,200	711	894	174	103	88	57	3,251	
NFPS cash surplus(-)/deficit(+)(b)	5,926	2,741	1,434	2,340	410	153	246	319	34,204	
<i>plus</i> Acquisitions under finance leases and similar arrangements	301	36	59	217	0	0	0	0	0	0
<i>equals</i> ABS GFS cash surplus(-)/deficit(+)	6,226	2,778	1,493	2,557	410	153	246	319	34,204	
<i>minus</i> Net cash flows from investments in financial assets for policy purposes(c)	-71	-1	0	0	-25	-6	2	17	-11,484	
<i>plus</i> Memorandum items(d)	826	625	1,137	56	-559	62	-9	0	-1,171	
Loan Council Allocations	7,123	3,404	2,630	2,612	-124	221	235	302	44,517	60,920
2014-15 tolerance limit(e)	1,607	1,125	1,195	942	342	168	105	117	7,806	

(a) Loan Council Allocation (LCA) nominations for 2014-15 reflect best estimates of cash surpluses/deficits. Nominations have been provided on the basis of policies announced up to and included in jurisdictions' mid-year financial reports. Each jurisdiction will publish an updated LCA estimate as part of its budget documentation.

(b) The sum of the general government and PNFC sector balances may not equal the NFPS balance due to inter-sectoral transfers.

(c) Net cash flows from investments in financial assets for policy purposes comprise net lending by governments with the aim of achieving government policy as well as net equity sales and net lending to other sectors or jurisdictions. Such transactions involve the transfer or exchange of a financial asset and are not included within the cash deficit. However, these flows have implications for a government's call on financial markets. Net cash flows from investments in financial assets for policy purposes are displayed with the same sign as reported in cash flow statements.

(d) Memorandum items are used to adjust the NFPS surplus/deficit to include in LCAs certain transactions — such as operating leases — that have many of the characteristics of public sector borrowings but do not constitute formal borrowings. They are also used, where appropriate, to deduct from the NFPS surplus/deficit certain transactions that the Loan Council has agreed should not be included in LCAs, for example, the funding of more than employers' emerging costs under public sector superannuation schemes, or borrowings by entities such as statutory marketing authorities. Where relevant, memorandum items include an amount for gross new borrowings of government home finance schemes.

(e) Tolerance limits are designed, inter alia, to accommodate changes to LCAs resulting from changes in policy. Tolerance limits apply between jurisdictions' LCA nominations and budget estimates, and again between budget estimates and outcomes. They are calculated as two per cent of NFPS cash receipts from operating activities in each jurisdiction.

APPENDIX A: PARAMETERS AND FURTHER INFORMATION

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

Budget Paper No. 1, *Budget Strategy and Outlook 2014-15, Statement 2: Economic Outlook*, provides information on the forecasting approach used in the 2014-15 Budget.

POPULATION

Population data are used to distribute funding between the States and in the calculation of annual growth factors.

Estimates of State populations

Table A.1 sets out the State population series used in this Budget Paper.

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

million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013	7.464	5.793	4.696	2.555	1.678	0.514	0.384	0.242	23.325
2014	7.567	5.899	4.789	2.639	1.694	0.515	0.391	0.246	23.740
2015	7.671	6.005	4.884	2.724	1.711	0.516	0.398	0.250	24.159
2016	7.776	6.113	4.979	2.812	1.727	0.517	0.405	0.255	24.585
2017	7.883	6.223	5.076	2.901	1.744	0.518	0.412	0.259	25.016

The State populations for 2013-14 to 2017-18 are Treasury estimates of the population of each State on 31 December in the respective year. They are constructed using the latest demographic data available from the Australian Bureau of Statistics (ABS) and Treasury assumptions. These assumptions are in respect of fertility, mortality, net overseas migration and interstate migration.

Fertility

For the 2013-14 Budget, the Treasury fertility assumption was that the Total Fertility Rate (TFR) would fall to 1.85 babies per woman by 2015 and then stay at that level for the remainder of the projection period. Since the 2013-14 Budget, the ABS have revised their historical TFR estimates upwards. The latest published ABS preliminary estimate of the TFR is 1.933 in the 2012 calendar year. For the 2014-15 Budget it is assumed that the TFR drops to 1.90 in 2013 and then remains stable for the remainder of the projection period.

Mortality

The mortality assumptions are based on the medium assumptions used in the ABS *Population Projections, 2012-2101* (cat. no. 3222.0). In these assumptions, a continuing decline in mortality rates across Australia, with state differentials persisting, is assumed. Overall, life expectancy is assumed to improve to the year 2017 at the rate observed over the period 1981 to 2011.

Net overseas migration

For the 2014-15 Budget, the Net Overseas Migration assumption is based on the Department of Immigration and Border Protection's (DIBP's) December 2013 *Outlook for Net Overseas Migration* publication. The DIBP forecasts take into consideration government policy. This includes the decision announced in December 2013 to remove 4,000 Migration Programme places allocated to sponsored family of Illegal Maritime Arrivals. Currently, the migration programme is 203,750 places, 190,000 places under the permanent migration programme, and 13,750 places under the humanitarian migration programme.

Table A.2 shows the net overseas migration assumptions used in this Budget Paper.

Table A.2: Net overseas migration

	2013	2014	2015	2016	2017
Net overseas migration, Australia	238,400	246,400	247,500	250,800	252,000

State shares of net overseas migration are estimated by using a weighted average of the three most recent observed years – 2011, 2012 and 2013 – with weights of 1, 2 and 4 respectively.

Interstate migration

Similar to State shares of net overseas migration, the Treasury's estimates of net interstate migration are based on a weighted average of the three most recent observed years – 2011, 2012 and 2013 – with weights of 1, 2 and 4 respectively. Due to data lags, the 2013 observation includes an assumption for the December quarter based on weighted averages of arrivals and departures for December quarters 2010 to 2012.

Table A.3: Net interstate migration

	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2014	-14,400	4,900	8,250	8,350	-3,350	-1,950	-200	-1,600	-
2015	-14,400	4,900	8,250	8,350	-3,350	-1,950	-200	-1,600	-
2016	-14,400	4,900	8,250	8,350	-3,350	-1,950	-200	-1,600	-
2017	-14,400	4,900	8,250	8,350	-3,350	-1,950	-200	-1,600	-

AGE/GENDER WEIGHTED POPULATIONS

The Treasury's estimates of State population have been used to calculate the population weighted for hospital utilisation for different age/gender cohorts. The weighted hospital utilisation forms part of the growth factor for the former National Healthcare Specific Purpose Payment (upon which 2013-14 National Health Reform funding is based).

Table A.4: Age/gender weighted population

million	2013	2014	2015	2016	2017
Weighted population, Australia(a)	23.562	na	na	na	na

(a) These figures are relevant for National Health Reform funding until June 2014.

CROSS-BORDER ADJUSTMENTS FOR 2013-14 NATIONAL HEALTH REFORM FUNDING

State allocations of 2013-14 National Health Reform funding are published on a population basis, adjusted for cross-border patient flows. The adjustment is calculated by the Administrator of the National Health Funding Body reflecting State estimates of cross-border activity. Such activity occurs when a resident of one state receives hospital treatment in another state. The patient's resident state compensates the state that treated the patient for the cost of that care via a 'cross-border' payment. Commonwealth funding flows under National Health Reform need to be adjusted accordingly.

Table A.5 shows estimated net cross-border adjustments for 2013-14.

Table A.5: Cross-border adjustments to Commonwealth funding flows

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14	-80.2	25.2	15.6	0.3	10.7	-6.2	43.8	-9.2	-

SCHOOL ENROLMENTS

Student enrolment projections are based on a grade progression ratio model, which incorporates student movements between government and non-government sectors. These projections do not take into account future economic, migration or social policy changes. However, they do take into account the proposals by Queensland and Western Australia to transfer the Year 7 primary programme to their secondary programme, starting from 2015. These figures only include students funded by the Australian Government.

Table A.6: School enrolments

million	2013	2014	2015	2016	2017
FTE enrolments, government schools(a)	2.351	na	na	na	na

(a) From January 2014 the National Schools SPP was replaced by funding under the Students First programme.

WAGE, PRICE AND COST INDICES

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

Table A.7: Wage, price and cost indices

per cent	2013-14	2014-15	2015-16	2016-17	2017-18
Average government schools recurrent costs(a)	5 1/2	na	na	na	na
Consumer Price Index(b)	na	na	na	na	2 1/2
Health specific price index(c)	2	na	na	na	na
Health technology index(c)	1 1/4	na	na	na	na
Wage cost index - 1	1 1/2	1 3/4	1 3/4	1 3/4	1 3/4
Wage cost index - 6	1 3/4	2 1/4	2	2	2

(a) This figure is relevant for the National Schools SPP until December 2013.

(b) This figure is relevant for public hospitals funding from July 2017 and Students First funding from January 2018.

(c) These figures are relevant for National Health Reform funding until June 2014.

DATA SOURCES

The information in Part 4, Appendix B and Appendix C of this Budget Paper is consistent with the ABS Government Finance Statistics reporting framework for the public sector.

Commonwealth data are sourced from the Commonwealth Government Final Budget Outcomes, ABS, and Commonwealth Government Consolidated Financial Statements. See Budget Paper No. 1, *Budget Strategy and Outlook 2014-15, Statement 10: Historical Australian Government Data*, for more information.

State data for 2013-14 onwards are sourced from States' 2013-14 mid-year financial reports, with the exception of Victoria which is sourced from the 2014-15 Victorian Budget.

Commonwealth Government budget aggregates have been backcast to 2001-2002 (where applicable) for recent accounting clarification changes that require revisions to the historic series, ensuring that data are consistent across the period.

The 2014-15 Budget also includes revisions to Commonwealth Government budget aggregates that improve the accuracy and comparability of the data through time. See Budget Paper No. 1, *Budget Strategy and Outlook 2014-15, Statement 10: Historical Australian Government Data*, for more information on these revisions.

FURTHER INFORMATION

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

- *Australian Demographic Statistics* (cat. no. 3101.0);
- *Population Projections, 2012-2101* (cat. no. 3222.0);
- *Taxation Revenue, Australia* (cat. no. 5506.0);
- *Government Finance Statistics, Australia* (cat. no. 5512. 0);
- *Australian System of Government Finance Statistics – Concepts, Sources and Methods* (cat. no. 5514.0);
- *Information Paper: Developments in Government Finance Statistics* (cat. no. 5516.0); and
- *Information Paper: Accruals Based Government Finance Statistics* (cat. no. 5517.0).

Several publications by the Commonwealth Grants Commission can also provide information relevant to the analysis of federal financial relations relating to the distribution of GST revenue. In relation to the 2014-15 financial year, the relevant publication is *Report on GST Revenue Sharing Relativities – 2014 Update*.

APPENDIX B: TOTAL PAYMENTS TO THE STATES BY GOVERNMENT FINANCE STATISTICS (GFS) FUNCTION

The tables in this Appendix provide information on key fiscal indicators at the Commonwealth, State and local levels, and together at the consolidated level.

Table B.1: Total payments to the States by GFS function

	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total(a)
2013-14									
General public services	22,197	-	18,463	1,446	4,070	1,561	537	573	48,847
Public order and safety	69,645	49,723	128,461	21,704	16,897	6,256	13,242	45,820	351,748
Education	4,988,167	3,942,149	3,289,545	1,646,400	1,206,131	390,909	275,990	277,205	16,017,163
Health	4,953,073	3,944,494	3,185,772	1,742,601	1,159,562	372,821	305,039	191,887	15,855,248
Social security and welfare	575,509	812,240	371,688	356,872	136,093	43,116	33,056	83,431	2,412,005
Housing and community amenities	554,595	359,325	503,292	357,218	158,959	38,623	28,872	181,317	2,182,201
Recreation and culture	-	-	156,000	-	-	-	991	-	156,991
Fuel and energy	2,383	5,437	4,552	3,412	924	246	382	615	17,951
Agriculture, forestry and fishing	111,396	198,748	43,412	10,510	73,689	40,468	2,570	1,958	482,751
Mining, manufacturing and construction	-	-	-	-	-	-	-	-	-
Transport and communication	2,138,516	2,960,462	1,080,358	347,197	123,963	84,214	64,879	91,846	6,891,435
Other economic affairs	-	3,222	3,430	2,719	1,239	75	348	357	11,390
Other purposes	16,177,144	11,726,142	11,184,657	2,699,462	4,713,371	1,846,372	1,085,752	2,824,164	53,406,720
Total payments to the States	29,592,625	24,001,942	19,969,630	7,189,541	7,594,898	2,824,661	1,811,658	3,699,173	97,834,450
less payments 'through' the States	2,872,050	2,361,877	1,942,717	959,697	732,878	188,717	174,524	149,713	9,382,840
less financial assistance grants for local government	358,217	270,396	226,636	140,087	77,219	36,543	24,536	16,518	1,150,152
less payments direct 'to' local government	159,240	81,891	390,665	68,448	25,487	11,154	-	8,630	745,515
equals total payments 'to' the States for own-purpose expenses	26,203,118	21,287,778	17,409,612	6,021,309	6,759,314	2,588,247	1,612,598	3,524,312	86,555,943

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

Table B.1: Total payments to the States by GFS function (continued)

	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total(a)
2014-15									
General public services	-	-	3,000	-	-	-	-	-	3,000
Public order and safety	71,308	50,958	110,916	22,171	17,240	6,379	9,494	40,620	334,086
Education	5,095,073	4,080,926	3,511,900	1,745,490	1,235,217	382,679	287,167	330,080	16,669,970
Health	5,044,631	4,054,648	3,375,216	1,853,500	1,143,739	381,963	283,322	283,366	16,420,385
Social security and welfare	466,285	786,398	311,754	356,780	106,140	33,101	28,276	48,183	2,139,992
Housing and community amenities	527,967	369,750	464,908	330,524	150,341	35,608	35,000	172,500	2,086,598
Recreation and culture	-	-	-	-	-	1,500	-	-	1,500
Fuel and energy	-	-	-	-	-	-	-	-	-
Agriculture, forestry and fishing	144,962	237,387	50,463	2,319	109,495	26,853	4,778	826	577,083
Mining, manufacturing and construction	-	-	-	-	-	-	-	-	-
Transport and communication	1,590,725	1,044,635	1,420,177	721,099	256,449	98,385	58,535	132,138	5,657,143
Other economic affairs	-	-	-	-	-	-	-	-	11,029
Other purposes	17,521,383	12,394,225	12,278,839	2,591,115	5,108,920	1,983,531	1,185,177	3,199,266	57,245,988
Total payments to the States	30,462,334	23,018,927	21,527,173	7,622,998	8,127,541	2,949,999	1,891,749	4,206,979	101,146,774
less payments 'through' the States	2,951,431	2,453,017	2,028,863	1,013,886	730,098	195,836	187,892	146,987	9,709,448
less financial assistance grants for local government	710,734	538,278	450,580	280,931	152,544	72,125	48,638	32,907	2,286,737
less payments direct 'to' local government	115,891	90,214	187,329	67,966	33,928	12,721	989	6,222	515,260
equals total payments 'to' the States for own-purpose expenses	26,684,278	19,937,418	18,860,401	6,260,215	7,210,971	2,669,317	1,654,230	4,020,863	88,635,329

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

Table B.1: Total payments to the States by GFS function (continued)

	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total(a)
2015-16									
General public services	-	-	7,000	-	-	-	-	-	7,000
Public order and safety	72,551	51,839	46,740	22,568	17,549	6,491	9,747	41,515	274,000
Education	5,330,093	4,285,976	3,788,471	1,876,440	1,273,247	402,676	295,476	345,675	17,599,531
Health	5,414,838	4,271,278	3,603,725	1,996,427	1,207,967	443,347	306,527	257,052	17,501,161
Social security and welfare	507,028	411,459	328,277	236,222	115,180	36,393	33,015	46,603	1,717,301
Housing and community amenities	454,965	347,643	422,674	277,158	129,675	32,205	23,195	159,580	1,847,095
Recreation and culture	-	-	-	-	-	-	-	-	-
Fuel and energy	-	-	-	-	-	-	-	-	-
Agriculture, forestry and fishing	172,709	284,888	53,526	671	117,373	19,982	3,647	306	653,102
Mining, manufacturing and construction	-	-	-	-	-	-	-	-	-
Transport and communication	2,186,231	953,090	1,934,254	701,087	641,862	132,781	28,925	134,154	7,990,384
Other economic affairs	-	-	-	-	-	-	-	-	10,675
Other purposes	18,311,437	13,126,825	13,128,083	2,688,753	5,403,487	2,166,827	1,252,816	3,417,097	60,469,858
Total payments to the States	32,449,852	23,732,998	23,312,750	7,799,326	8,906,340	3,240,702	1,953,348	4,401,982	108,070,107
less payments 'through' the States	3,036,524	2,557,889	2,148,787	1,079,300	760,035	205,916	200,026	153,776	10,143,730
less financial assistance grants for local government	708,768	538,449	451,228	283,517	151,651	71,587	48,643	32,894	2,286,737
less payments direct 'to' local government	212,651	159,714	154,529	109,166	54,628	24,081	989	11,822	727,580
equals total payments 'to' the States for own-purpose expenses	28,491,909	20,476,946	20,558,206	6,327,343	7,940,026	2,939,118	1,703,690	4,203,490	94,912,060

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

Appendix B: Total Payments to the States by GFS Function

Table B.1: Total payments to the States by GFS function (continued)

	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total(a)
2016-17									
General public services	73,883	52,783	47,625	22,990	17,879	6,612	10,009	40,655	277,436
Public order and safety	5,811,135	4,597,945	4,176,533	2,048,138	1,350,927	433,573	310,154	365,740	19,095,674
Education	5,849,826	4,493,890	3,933,659	2,207,960	1,305,320	401,340	337,527	234,279	18,763,801
Health	561,298	467,175	384,463	216,860	129,324	40,230	42,256	46,109	1,890,889
Social security and welfare	458,161	349,195	415,033	255,224	119,802	32,439	23,589	234,338	1,887,781
Housing and community amenities	-	-	-	-	-	-	-	-	-
Recreation and culture	-	-	-	-	-	-	-	-	-
Fuel and energy	-	-	-	-	-	-	-	-	-
Agriculture, forestry and fishing	121,816	198,534	51,620	-	83,647	10,002	27,327	-	492,946
Mining, manufacturing and construction	-	-	-	-	-	-	-	-	-
Transport and communication	2,957,412	1,044,784	2,161,153	1,058,745	352,666	123,725	12,397	89,507	9,085,389
Other economic affairs	-	-	-	-	-	-	-	-	10,675
Other purposes	18,966,196	13,795,260	14,384,216	2,779,685	5,849,302	2,220,683	1,303,331	3,603,896	63,884,346
Total payments to the States	34,799,727	24,999,566	25,554,302	8,589,602	9,208,867	3,268,604	2,066,590	4,614,524	115,388,937
less payments 'through' the States	3,239,325	2,759,492	2,322,247	1,179,432	802,232	223,576	207,139	159,721	10,894,693
less financial assistance grants for local government	706,823	538,606	451,866	286,081	150,776	71,059	48,645	32,881	2,286,737
less payments direct 'to' local government	115,851	86,114	83,329	57,966	28,388	12,681	989	6,222	391,540
equals total payments 'to' the States for own-purpose expenses	30,737,728	21,615,354	22,696,860	7,066,123	8,227,471	2,961,288	1,809,817	4,415,700	101,815,967

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

Table B.1: Total payments to the States by GFS function (continued)

	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total(a)
2017-18									
General public services	72,558	51,390	47,927	23,060	18,112	6,723	10,269	41,552	271,591
Public order and safety	5,939,242	4,656,763	4,355,937	2,235,794	1,382,767	440,064	325,037	365,260	19,702,420
Education	6,148,326	4,848,895	3,964,087	2,265,780	1,362,030	405,006	321,345	216,546	19,532,015
Health	692,248	498,517	406,831	234,932	136,383	42,328	44,559	38,748	2,097,774
Social security and welfare	453,239	344,822	417,810	265,813	111,635	31,276	22,684	246,307	1,893,586
Housing and community amenities	-	-	-	-	-	-	-	-	-
Recreation and culture	-	-	-	-	-	-	-	-	-
Fuel and energy	-	-	-	-	-	-	-	-	-
Agriculture, forestry and fishing	65,521	64,623	19,059	-	26,486	10,253	30,327	-	216,269
Mining, manufacturing and construction	-	-	-	-	-	-	-	-	-
Transport and communication	1,981,296	252,324	1,405,589	653,861	258,043	78,106	9,717	30,517	5,676,453
Other economic affairs	-	-	-	-	-	-	-	-	10,675
Other purposes	20,018,807	14,742,529	15,132,332	3,066,382	6,077,690	2,276,517	1,360,221	3,692,025	67,294,705
Total payments to the States	35,371,237	25,459,863	25,749,572	8,745,622	9,373,146	3,290,273	2,124,159	4,630,955	116,695,488
less payments 'through' the States	3,390,041	2,915,706	2,471,749	1,259,822	839,325	234,591	213,198	166,817	11,492,805
less financial assistance grants for local government	735,278	561,972	471,986	301,076	156,379	73,578	50,742	34,284	2,385,295
less payments direct 'to' local government	115,851	86,114	83,329	57,966	28,388	12,681	989	6,222	391,540
equals total payments 'to' the States for own-purpose expenses	31,130,067	21,896,071	22,722,508	7,126,758	8,349,054	2,969,423	1,859,230	4,423,632	102,425,848

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

APPENDIX C: SUPPLEMENTARY TABLES

The tables in this Appendix provide information on key fiscal indicators at the Commonwealth, State and local levels, and together at the consolidated level. Due to inter-sectoral transfers, non-financial public sector does not always equal the sum of the general government and public non-financial corporations sectors.

Table C.1: General government sector cash balance by level of government as a percentage of GDP

	Commonwealth(a)			State/local			Consolidated(b)		
	Receipts	Payments	Cash balance(c)	Receipts	Payments	Cash balance	Receipts	Payments	Cash balance(c)
2001-02	24.9	25.0	-0.1	16.5	15.9	0.6	34.9	34.5	0.4
2002-03	25.5	24.6	0.9	16.6	16.0	0.6	35.9	34.5	1.4
2003-04	25.3	24.3	0.9	16.8	15.9	0.9	36.1	34.3	1.8
2004-05	25.6	24.1	1.5	16.8	16.0	0.9	36.4	34.1	2.3
2005-06	25.6	24.1	1.6	17.0	16.1	1.0	36.6	34.1	2.5
2006-07	25.1	23.3	1.6	16.5	16.8	-0.3	35.9	34.5	1.2
2007-08	25.0	23.1	1.7	16.1	16.4	-0.3	35.3	33.7	1.4
2008-09	23.2	25.1	-2.1	16.2	16.8	-0.6	33.4	36.0	-2.8
2009-10	22.0	26.0	-4.2	17.5	18.5	-1.0	32.4	37.7	-5.5
2010-11	21.5	24.6	-3.4	16.5	17.4	-0.9	31.7	35.8	-4.3
2011-12	22.2	25.0	-2.9	16.6	17.6	-1.0	32.6	36.8	-4.3
2012-13	23.1	24.1	-1.2	15.8	17.2	-1.4	33.4	36.1	-2.9
2013-14(e)	23.0	25.9	-3.1	16.1	17.3	-1.1	33.6	37.9	-4.5
2014-15(e)	23.6	25.3	-1.8	16.4	16.9	-0.5	34.5	36.8	-2.6
2015-16(e)	24.0	24.8	-1.0	16.3	16.6	-0.3	34.6	36.0	-1.5
2016-17(p)	24.4	24.7	-0.6	16.0	16.1	-0.1	34.6	35.4	-0.9

(a) Commonwealth data have been revised in the 2014-15 Budget to improve accuracy and comparability through time. See Budget Paper No. 1, Statement 10.

(b) The consolidated level comprises the Australian, State, Territory and Local governments.

(c) The cash balance is equal to the ABS GFS cash surplus/deficit less net Future Fund earnings. Net Future Fund earnings are not shown in the table.

(e) Estimates.

(p) Projections.

Table C.2: Public non-financial corporations sector cash balance by level of government as a percentage of GDP

	Commonwealth(a)			State/local			Consolidated(b)		
	Receipts	Payments	Cash balance	Receipts	Payments	Cash balance	Receipts	Payments	Cash balance
2001-02	na	na	0.2	5.1	5.3	-0.1	na	na	0.0
2002-03	3.4	3.3	0.2	4.9	5.2	-0.3	8.4	8.5	-0.1
2003-04	3.2	3.0	0.2	4.9	5.0	-0.2	8.2	8.1	0.0
2004-05	3.2	3.0	0.2	4.7	5.1	-0.4	8.0	8.2	-0.2
2005-06	3.1	3.2	-0.1	4.8	5.4	-0.6	8.0	8.7	-0.7
2006-07	1.6	1.7	-0.2	4.8	5.5	-0.7	6.4	7.3	-0.9
2007-08	0.7	0.7	0.0	4.7	5.7	-1.0	5.5	6.5	-1.0
2008-09	0.6	0.7	-0.1	4.7	6.1	-1.4	5.5	6.9	-1.5
2009-10	0.6	0.7	-0.1	5.4	6.4	-0.9	6.2	7.2	-1.0
2010-11	0.6	0.7	-0.1	5.0	6.0	-1.0	5.7	6.8	-1.1
2011-12	0.6	0.7	-0.1	4.8	5.4	-0.6	5.5	6.3	-0.8
2012-13	0.6	0.9	-0.3	4.9	5.8	-0.9	5.5	6.7	-1.2
2013-14(e)	0.7	0.9	-0.2	4.7	5.5	-0.7	5.4	6.3	-1.0
2014-15(e)	0.7	1.0	-0.3	4.7	5.1	-0.4	5.3	6.0	-0.7
2015-16(e)	na	na	na	5.0	4.9	0.1	na	na	na
2016-17(p)	na	na	na	4.5	4.8	-0.3	na	na	na

(a) Commonwealth data have been revised in the 2014-15 Budget to improve accuracy and comparability through time. See Budget Paper No.1, Statement 10.

(b) The consolidated level comprises the Australian, State, Territory and Local governments.

(e) Estimates.

(p) Projections.

na Comparable data are not available.

Table C.3: Non-financial public sector cash balance by level of government as a percentage of GDP

	Commonwealth(a)			State/local			Consolidated(b)		
	Receipts	Payments	Cash balance(c)	Receipts	Payments	Cash balance	Receipts	Payments	Cash balance(c)
2001-02	na	na	0.0	20.0	19.5	0.5	na	na	0.5
2002-03	na	na	1.1	20.0	19.6	0.4	na	na	1.3
2003-04	27.6	26.5	1.1	20.2	19.4	0.8	41.8	39.9	1.9
2004-05	28.0	26.3	1.6	20.0	19.5	0.5	41.9	39.8	2.1
2005-06	27.9	26.4	1.5	20.2	19.8	0.4	42.0	40.2	1.8
2006-07	26.2	24.6	1.4	19.7	20.7	-1.0	40.2	39.7	0.3
2007-08	25.5	23.6	1.6	19.3	20.6	-1.3	39.1	38.4	0.4
2008-09	23.6	25.6	-2.2	19.3	21.3	-2.0	37.0	41.0	-4.3
2009-10	22.4	26.5	-4.3	21.0	22.9	-1.9	36.4	42.7	-6.5
2010-11	21.9	25.1	-3.5	19.9	21.8	-1.9	35.6	40.7	-5.3
2011-12	22.6	25.5	-3.1	19.7	21.4	-1.7	36.1	41.1	-5.2
2012-13	23.5	24.9	-1.5	19.1	21.4	-2.4	37.1	41.0	-4.1
2013-14(e)	23.5	26.7	-3.4	19.2	21.1	-1.9	37.1	42.4	-5.5
2014-15(e)	24.2	26.2	-2.1	19.5	20.4	-1.0	38.1	41.2	-3.3
2015-16(e)	na	na	na	19.7	20.0	-0.3	na	na	na
2016-17(p)	na	na	na	19.0	19.5	-0.4	na	na	na

(a) Commonwealth data have been revised in the 2014-15 Budget to improve accuracy and comparability through time. See Budget Paper No. 1, Statement 10.

(b) The consolidated level comprises the Australian, State, Territory and Local governments.

(c) The cash balance is equal to the ABS GFS cash surplus/deficit less net Future Fund earnings. Net Future Fund earnings are not shown in this table.

(e) Estimates.

(p) Projections.

na Comparable data are not available.

Table C.4: General government sector fiscal balance by level of government as a percentage of GDP

	Commonwealth(a)			State/local			Consolidated(b)		
	Revenue	Expenses	Fiscal balance(c)	Revenue	Expenses	Fiscal balance(c)	Revenue	Expenses	Fiscal balance(c)
2001-02	25.3	25.6	-0.4	16.2	15.7	-0.1	34.9	34.8	-0.5
2002-03	25.8	25.1	0.7	16.2	15.5	0.2	35.7	34.4	0.8
2003-04	25.8	25.0	0.7	16.3	15.4	0.5	36.1	34.4	1.1
2004-05	26.3	24.8	1.3	16.2	15.3	0.4	36.4	34.2	1.5
2005-06	26.2	24.3	1.6	16.3	15.2	0.4	36.5	33.5	1.9
2006-07	25.6	23.8	1.5	16.2	15.1	0.2	36.0	33.2	1.6
2007-08	25.8	23.8	1.8	15.7	15.0	-0.3	35.6	32.9	1.4
2008-09	23.8	25.8	-2.4	15.9	15.4	-0.8	33.4	35.2	-3.4
2009-10	22.6	26.2	-4.2	17.0	16.4	-1.2	32.5	35.6	-5.6
2010-11	22.0	25.3	-3.7	16.2	15.7	-1.1	31.9	34.6	-4.7
2011-12	22.8	25.4	-3.0	16.1	15.6	-0.8	32.6	35.1	-4.2
2012-13	23.6	25.1	-1.5	15.4	15.6	-1.3	33.6	35.3	-3.0
2013-14(e)	23.6	26.2	-2.8	15.8	15.9	-1.2	33.9	36.7	-4.3
2014-15(e)	24.0	25.4	-1.6	16.2	15.8	-0.5	34.5	35.7	-2.4
2015-16(e)	24.5	25.2	-0.7	16.1	15.4	-0.4	34.9	35.0	-1.3
2016-17(p)	25.1	25.3	-0.4	15.9	15.2	-0.2	35.1	34.8	-0.8

(a) Commonwealth data have been revised in the 2014-15 Budget to improve accuracy and comparability through time. See Budget Paper No. 1, Statement 10.

(b) The consolidated level comprises the Australian, State, Territory and Local governments.

(c) The fiscal balance is equal to revenue less expenditure less net capital investment; net capital investment is not shown in this table.

(e) Estimates.

(p) Projections.

Table C.5: Public non-financial corporations sector fiscal balance by level of government as a percentage of GDP

	Commonwealth(a)			State/local			Consolidated(b)		
	Revenue	Expenses	Fiscal balance(c)	Revenue	Expenses	Fiscal balance(c)	Revenue	Expenses	Fiscal balance(c)
2001-02	3.5	3.4	0.1	4.7	4.5	-0.2	8.2	7.9	-0.1
2002-03	3.0	2.9	0.2	4.5	4.4	-0.3	7.6	7.3	-0.1
2003-04	3.0	2.7	0.2	4.4	4.3	-0.3	7.5	7.1	0.0
2004-05	2.9	2.7	0.2	4.3	4.1	-0.4	7.3	6.9	-0.3
2005-06	2.8	3.0	-0.2	4.3	4.2	-0.7	7.2	7.3	-1.0
2006-07	1.4	1.5	-0.2	4.5	4.1	-0.6	6.0	5.7	-0.8
2007-08	0.6	0.6	0.0	4.2	4.0	-1.1	4.8	4.7	-1.1
2008-09	0.6	0.6	-0.1	4.3	4.2	-1.5	4.9	4.9	-1.6
2009-10	0.6	0.6	-0.1	4.9	4.7	-1.1	5.6	5.3	-1.2
2010-11	0.5	0.6	-0.1	4.7	4.7	-0.9	5.4	5.5	-1.1
2011-12	0.5	0.6	-0.1	4.5	4.5	-0.7	5.1	5.1	-0.9
2012-13	0.6	0.6	-0.3	4.5	4.2	-0.7	5.2	4.9	-0.9
2013-14(e)	0.6	0.7	-0.2	4.6	4.4	-0.5	5.2	5.1	-0.7
2014-15(e)	0.6	0.7	-0.3	4.5	4.3	-0.3	5.2	5.1	-0.6
2015-16(e)	na	na	na	4.4	4.2	0.2	na	na	na
2016-17(p)	na	na	na	4.3	4.1	-0.1	na	na	na

(a) Commonwealth data have been revised in the 2014-15 Budget to improve accuracy and comparability through time. See Budget Paper No. 1, Statement 10.

(b) The consolidated level comprises the Australian, State, Territory and Local governments.

(c) The fiscal balance is equal to revenue less expenses less net capital investment; net capital investment is not shown in this table.

(e) Estimates.

(p) Projections.

na Comparable data are not available.

Table C.6: Non-financial public sector fiscal balance by level of government as a percentage of GDP

	Commonwealth(a)			State/local			Consolidated(b)		
	Revenue	Expenses	Fiscal balance(c)	Revenue	Expenses	Fiscal balance(c)	Revenue	Expenses	Fiscal balance(c)
2001-02	28.2	28.4	-0.3	19.1	18.5	-0.3	40.8	40.3	-0.6
2002-03	28.2	27.3	0.9	19.1	18.3	-0.1	41.0	39.5	0.7
2003-04	28.1	27.0	1.0	19.1	18.0	0.3	41.1	39.0	1.1
2004-05	28.6	26.9	1.5	19.0	17.9	-0.1	41.4	38.8	1.3
2005-06	28.3	26.6	1.4	18.9	17.8	-0.4	41.3	38.3	1.0
2006-07	26.7	25.0	1.4	19.0	17.6	-0.5	39.9	36.9	0.8
2007-08	26.2	24.2	1.7	18.3	17.5	-1.4	38.7	35.8	0.3
2008-09	24.1	26.2	-2.5	18.5	18.0	-2.3	36.5	38.2	-5.0
2009-10	23.0	26.7	-4.2	20.1	19.2	-2.3	36.0	38.9	-6.7
2010-11	22.4	25.8	-3.8	19.3	18.9	-2.1	35.4	38.2	-5.8
2011-12	23.2	25.9	-3.2	19.0	18.5	-1.6	36.0	38.4	-5.1
2012-13	24.1	25.6	-1.8	18.2	18.3	-2.2	36.9	38.6	-4.2
2013-14(e)	24.1	26.8	-3.1	18.6	18.8	-1.9	37.2	40.2	-5.2
2014-15(e)	24.5	26.1	-1.9	18.9	18.5	-1.1	37.9	39.2	-3.3
2015-16(e)	na	na	na	18.8	18.2	-0.4	na	na	na
2016-17(p)	na	na	na	18.6	18.0	-0.5	na	na	na

(a) Commonwealth data have been revised in the 2014-15 Budget to improve accuracy and comparability through time. See Budget Paper No. 1, Statement 10.

(b) The consolidated level comprises the Australian, State, Territory and Local governments.

(c) The fiscal balance is equal to revenue less expenses less net capital investment; net capital investment is not shown in this table.

(e) Estimates.

(p) Projections.

na Comparable data are not available.

Table C.7: Gross fixed capital formation by sector

	General Government				PNFCs				NFPS			
	Commonwealth		State(a)		Commonwealth		State(a)		Commonwealth		State(a)	
	\$m	Per cent of GDP	\$m	Per cent of GDP	\$m	Per cent of GDP	\$m	Per cent of GDP	\$m	Per cent of GDP	\$m	Per cent of GDP
2001-02	3,832	0.5	8,671	1.2	3,015	0.4	6,808	0.9	6,846	0.9	15,479	2.1
2002-03	5,224	0.7	8,073	1.0	2,530	0.3	7,936	1.0	7,755	1.0	16,018	2.0
2003-04	4,144	0.5	8,152	0.9	2,941	0.3	8,764	1.0	7,086	0.8	16,507	1.9
2004-05	5,085	0.6	9,078	1.0	3,658	0.4	10,009	1.1	8,743	0.9	19,042	2.1
2005-06	6,440	0.6	10,691	1.1	4,411	0.4	12,894	1.3	10,851	1.1	23,357	2.3
2006-07	6,879	0.6	13,173	1.2	2,774	0.3	16,056	1.5	9,654	0.9	29,175	2.7
2007-08	7,040	0.6	15,069	1.3	1,011	0.1	19,775	1.7	8,051	0.7	34,607	2.9
2008-09	8,956	0.7	18,421	1.5	1,298	0.1	25,076	2.0	10,254	0.8	43,448	3.5
2009-10	10,080	0.8	25,659	2.0	1,460	0.1	24,797	1.9	11,539	0.9	50,393	3.9
2010-11	9,154	0.7	25,930	1.8	1,563	0.1	20,618	1.5	10,716	0.8	46,938	3.3
2011-12	9,402	0.6	23,424	1.6	2,403	0.2	19,539	1.3	11,804	0.8	43,657	2.9
2012-13	6,317	0.4	21,413	1.4	3,678	0.2	17,327	1.1	9,994	0.7	38,560	2.5
2013-14(e)	9,966	0.6	25,219	1.6	2,708	0.2	16,687	1.1	12,674	0.8	41,777	2.6
2014-15(e)	8,309	0.5	24,789	1.5	3,781	0.2	15,312	0.9	12,090	0.7	40,102	2.5
2015-16(e)	7,448	0.4	24,067	1.4	na	na	8,280	0.5	na	na	32,167	1.9
2016-17(p)	9,411	0.5	21,961	1.2	na	na	13,350	0.7	na	na	35,430	2.0

(a) This table excludes Local government gross fixed capital formation.

(e) Estimates.

(p) Projections.

na Comparable data are not available.

Table C.8: Net debt by sector (as at end of financial year)

	General Government				PNFCs		NFPS			
	Commonwealth(a)		State/local		Consolidated(b)		Consolidated(b)			
	\$m	Per cent of GDP	\$m	Per cent of GDP	\$m	Per cent of GDP	\$m	Per cent of GDP		
2001-02	38,180	5.1	-4,990	-0.7	29,100	3.9	43,195	5.7	72,294	9.6
2002-03	29,047	3.6	-10,295	-1.3	14,051	1.8	44,099	5.5	58,150	7.3
2003-04	22,639	2.6	-17,444	-2.0	-1,658	-0.2	44,244	5.1	42,587	4.9
2004-05	10,741	1.2	-24,905	-2.7	-20,364	-2.2	47,308	5.1	26,945	2.9
2005-06	-4,531	-0.5	-35,867	-3.6	-52,896	-5.3	49,952	5.0	-2,944	-0.3
2006-07	-29,150	-2.7	-31,968	-2.9	-78,163	-7.2	45,517	4.2	-32,646	-3.0
2007-08	-44,820	-3.8	-26,507	-2.2	-86,221	-7.3	52,110	4.4	-34,110	-2.9
2008-09	-16,148	-1.3	-18,188	-1.4	-44,484	-3.5	72,051	5.7	27,567	2.2
2009-10	42,283	3.3	-5,246	-0.4	29,522	2.3	82,755	6.4	112,276	8.7
2010-11	84,551	6.0	827	0.1	77,250	5.5	86,427	6.1	163,677	11.6
2011-12	147,334	9.9	16,197	1.1	157,642	10.6	93,645	6.3	251,287	16.9
2012-13	152,982	10.0	35,897	2.4	182,700	12.0	104,335	6.9	287,031	18.8
2013-14(e)	197,851	12.5	52,916	3.3	245,438	15.5	113,997	7.2	359,433	22.7
2014-15(e)	226,388	13.9	62,220	3.8	284,154	17.4	120,308	7.4	404,458	24.8
2015-16(e)	246,362	14.4	63,384	3.7	306,208	17.9	na	na	na	na
2016-17(p)	261,280	14.6	65,332	3.6	324,036	18.1	na	na	na	na

(a) Commonwealth data have been revised in the 2014-15 Budget to improve accuracy and comparability through time. See Budget Paper No.1, Statement 10.

(b) The consolidated level comprises the Australian, State, Territory and Local governments.

(e) Estimates.

(p) Projections.

na Comparable data are not available.

Table C.9: General government sector net financial worth by level of government (as at end of financial year)

	Commonwealth(a)		State/local		Consolidated(b)	
	\$b	Per cent	\$b	Per cent	\$b	Per cent
		of GDP		of GDP		of GDP
2001-02	-78.0	-10.4	61.1	8.1	-16.0	-2.1
2002-03	-82.9	-10.4	78.2	9.8	-3.7	-0.5
2003-04	-72.4	-8.4	96.8	11.2	25.9	3.0
2004-05	-58.9	-6.4	111.0	12.0	53.8	5.8
2005-06	-59.8	-6.0	110.1	11.0	51.9	5.2
2006-07	-35.7	-3.3	130.1	12.0	96.8	8.9
2007-08	-14.7	-1.2	132.7	11.3	120.8	10.2
2008-09	-71.5	-5.7	124.6	9.9	54.4	4.3
2009-10	-144.5	-11.1	115.3	8.9	-25.3	-2.0
2010-11	-198.8	-14.1	128.2	9.1	-66.4	-4.7
2011-12	-355.8	-23.9	57.3	3.9	-295.2	-19.9
2012-13	-312.7	-20.5	74.5	4.9	-234.8	-15.4
2013-14(e)	-299.6	-18.9	79.5	5.0	-216.7	-13.7
2014-15(e)	-329.2	-20.2	91.0	5.6	-234.6	-14.4
2015-16(e)	-342.4	-20.0	103.5	6.1	-235.1	-13.8
2016-17(p)	-351.0	-19.6	114.6	6.4	-232.4	-13.0

(a) Commonwealth data have been revised in the 2014-15 Budget to improve accuracy and comparability through time. See Budget Paper No.1, Statement 10.

(b) The consolidated level comprises the Australian, State, Territory and Local governments.

(e) Estimates.

(p) Projections.

Table C.10: General government sector net worth by level of government (as at end of financial year)

	Commonwealth(a)		State/local		Consolidated(b)	
	\$b	Per cent	\$b	Per cent	\$b	Per cent
		of GDP		of GDP		of GDP
2001-02	-11.7	-1.5	428.2	56.8	437.7	58.1
2002-03	-15.3	-1.9	470.2	58.7	476.9	59.5
2003-04	-1.2	-0.1	515.3	59.8	537.6	62.4
2004-05	14.6	1.6	572.9	62.1	612.6	66.4
2005-06	18.0	1.8	609.1	61.0	653.4	65.4
2006-07	46.4	4.3	678.5	62.4	754.1	69.3
2007-08	70.9	6.0	785.7	66.6	888.5	75.4
2008-09	19.4	1.5	878.3	69.8	930.4	73.9
2009-10	-45.9	-3.5	938.5	72.4	928.5	71.6
2010-11	-95.4	-6.8	966.9	68.7	909.8	64.7
2011-12	-247.2	-16.6	935.3	62.9	727.4	48.9
2012-13	-202.7	-13.3	987.3	64.8	824.9	54.2
2013-14(e)	-186.4	-11.8	1,025.4	64.8	880.8	55.6
2014-15(e)	-212.0	-13.0	1,066.9	65.4	898.1	55.0
2015-16(e)	-222.5	-13.0	1,113.7	65.2	936.5	54.8
2016-17(p)	-229.0	-12.8	1,158.6	64.6	977.0	54.5

(a) Commonwealth data have been revised in the 2014-15 Budget to improve accuracy and comparability through time. See Budget Paper No.1, Statement 10.

(b) The consolidated level comprises the Australian, State, Territory and Local governments.

(e) Estimates.

(p) Projections.

Table C.11: General government sector net interest payments by level of government

	Commonwealth(a)		State/local		Consolidated(b)	
	\$m	Per cent of GDP	\$m	Per cent of GDP	\$m	Per cent of GDP
2001-02	5,352	0.7	1,369	0.2	6,508	0.9
2002-03	3,758	0.5	582	0.1	4,184	0.5
2003-04	3,040	0.4	-2,364	-0.3	521	0.1
2004-05	2,502	0.3	-3,069	-0.3	-773	-0.1
2005-06	2,303	0.2	-3,822	-0.4	-1,730	-0.2
2006-07	228	0.0	-4,198	-0.4	-4,209	-0.4
2007-08	-1,015	-0.1	1,047	0.1	-174	0.0
2008-09	-1,196	-0.1	-719	-0.1	-2,134	-0.2
2009-10	2,386	0.2	-479	0.0	1,732	0.1
2010-11	4,608	0.3	-363	0.0	4,026	0.3
2011-12	6,609	0.4	393	0.0	6,775	0.5
2012-13	8,285	0.5	na	na	na	na
2013-14(e)	10,725	0.7	na	na	na	na
2014-15(e)	10,517	0.6	na	na	na	na
2015-16(e)	11,549	0.7	na	na	na	na
2016-17(p)	12,210	0.7	na	na	na	na

(a) Commonwealth data have been revised in the 2014-15 Budget to improve accuracy and comparability through time. See Budget Paper No.1, Statement 10.

(b) The consolidated level comprises the Australian, State, Territory and Local governments.

(e) Estimates.

(p) Projections.

na Comparable data are not available.

APPENDIX D: DEBT TRANSACTIONS

The Commonwealth holds a stock of around \$2.8 billion in loans advanced to the States. The States make interest payments and repayments to the Commonwealth in respect of these loans.

The Commonwealth advances the States loans under a range of agreements. These advances have often been over very long repayment periods (some in excess of 50 years), although the terms of each agreement vary considerably.

Most of the interest payments and repayments relate to housing and infrastructure. Payments are also made against loans under agreements for natural disasters and other purposes administered by various Commonwealth agencies.

Total advances, interest and repayments from the States to the Commonwealth are shown in Table D.1.

Table D.1: Summary of advances, interest and repayments, by year and State

\$'000	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
Outstanding loans as at 30 June 2013									
Contingent Liabilities									
Loan to NSW to assist beneficiaries of the Asbestos Injuries Compensation Fund	14,850	-	-	-	-	-	-	-	14,850
Natural disaster relief Environment	118	-	30,203	-	-	-	-	-	30,321
Northern Territory – water and sewerage assistance	-	-	-	-	-	-	-	9,427	9,427
Housing									
Commonwealth-State Housing									
Agreement loans	670,442	-	192,073	180,415	48,324	93,839	-	27,217	1,212,310
Housing for service personnel	44,801	-	25,139	4,723	2,001	-	-	-	76,664
Other housing	-	-	-	-	-	-	162,493	55,886	218,379
Infrastructure									
Railway projects	-	-	-	1,601	-	-	-	-	1,601
Sewerage	14,857	-	3,982	-	3,418	-	-	-	22,257
Other purposes									
Australian Capital Territory debt repayments	-	-	-	-	-	-	5,543	-	5,543
Loan Council – housing nominations	411,128	-	147,677	252,271	178,475	109,002	-	143,764	1,242,317

Table D.1: Summary of advances, interest and repayments, by year and State (continued)

\$'000	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14									
Advances									
Contingent Liabilities									
Loan to NSW to assist beneficiaries of the									
Asbestos Injuries Compensation Fund	37,800	-	-	-	-	-	-	-	37,800
Natural disaster relief	33,118	-	72,427	-	-	-	-	-	105,545
Repayments									
Contingent liabilities									
Natural disaster relief	-145	-	-8,234	-	-	-	-	-	-8,379
Environment									
Northern Territory – water and sewerage assistance	-	-	-	-	-	-	-	-136	-136
Housing									
Commonwealth-State Housing									
Agreement loans	-36,710	-	-9,790	-9,294	-2,338	-4,945	-	-758	-63,835
Housing for service personnel	-1,413	-	-874	-238	-47	-	-	-	-2,572
Other housing	-	-	-	-	-	-	-7,619	-2,572	-10,191
Infrastructure									
Railway projects	-	-	-	-350	-	-	-	-	-350
Sewerage	-7,004	-	-1,746	-	-1,165	-	-	-	-9,915
Other purposes									
Australian Capital Territory debt repayments	-	-	-	-	-	-	-554	-	-554
Loan Council – housing nominations	-8,211	-	-3,021	-5,237	-3,435	-2,202	-	-2,733	-24,839

Table D.1: Summary of advances, interest and repayments, by year and State (continued)

\$'000	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2013-14									
Interest									
Contingent liabilities									
Loan to NSW to assist beneficiaries of the Asbestos Injuries Compensation Fund	-1,777	-	-	-	-	-	-	-	-1,777
Natural disaster relief	-42	-	-866	-	-	-	-	-	-908
Environment									
Northern Territory – water and sewerage assistance	-	-	-	-	-	-	-	-440	-440
Housing									
Commonwealth-State Housing									
Agreement loans	-35,608	-	-10,118	-9,540	-2,715	-4,961	-	-1,414	-64,356
Housing for service personnel	-2,010	-	-1,125	-211	-90	-	-	-	-3,436
Other housing	-	-	-	-	-	-	-7,312	-3,170	-10,482
Infrastructure									
Railway projects	-	-	-	-96	-	-	-	-	-96
Sewerage	-1,404	-	-416	-	-326	-	-	-	-2,146
Other purposes									
Australian Capital Territory debt repayments	-	-	-	-	-	-	-697	-	-697
Loan Council – housing nominations	-21,054	-	-7,532	-12,879	-9,071	-5,555	-	-7,301	-63,392
Net Financial Flow	-44,460	-	28,705	-37,845	-19,187	-17,663	-16,182	-18,524	-125,156

Table D.1: Summary of advances, interest and repayments, by year and State (continued)

\$'000	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2014-15									
Advances									
Contingent Liabilities									
Loan to NSW to assist beneficiaries of the Asbestos Injuries Compensation Fund	50,000	-	-	-	-	-	-	-	50,000
Natural disaster relief	1,722	-	23,832	-	-	-	-	-	25,554
Repayments									
Contingent liabilities									
Natural disaster relief	-402	-	-10,567	-	-	-	-	-	-10,969
Environment									
Northern Territory – water and sewerage assistance	-	-	-	-	-	-	-	-136	-136
Housing									
Commonwealth-State Housing									
Agreement loans	-37,096	-	-9,920	-9,424	-2,463	-5,028	-	-792	-64,723
Housing for service personnel	-1,503	-	-915	-248	-52	-	-	-	-2,718
Other housing	-	-	-	-	-	-	-7,755	-2,703	-10,458
Infrastructure									
Railway projects	-	-	-	-324	-	-	-	-	-324
Sewerage	-7,703	-	-1,919	-	-1,037	-	-	-	-10,659
Other purposes									
Australian Capital Territory debt repayments	-	-	-	-	-	-	-555	-	-555
Loan Council – housing nominations	-8,581	-	-3,157	-5,473	-3,590	-2,301	-	-2,856	-25,958

Table D.1: Summary of advances, interest and repayments, by year and State (continued)

\$'000	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2014-15									
Interest									
Contingent liabilities									
Loan to NSW to assist beneficiaries of the Asbestos Injuries Compensation Fund	-4,433	-	-	-	-	-	-	-	-4,433
Natural disaster relief	-593	-	-1,896	-	-	-	-	-	-2,489
Environment									
Northern Territory – water and sewerage assistance	-	-	-	-	-	-	-	-555	-555
Housing									
Commonwealth-State Housing									
Agreement loans	-33,794	-	-9,643	-9,084	-2,588	-4,720	-	-1,381	-61,210
Housing for service personnel	-1,947	-	-1,087	-200	-88	-	-	-	-3,322
Other housing	-	-	-	-	-	-	-6,969	-2,918	-9,887
Infrastructure									
Railway projects	-	-	-	-76	-	-	-	-	-76
Sewerage	-705	-	-242	-	-189	-	-	-	-1,136
Other purposes									
Australian Capital Territory debt repayments	-	-	-	-	-	-	-627	-	-627
Loan Council – housing nominations	-20,720	-	-7,407	-12,661	-8,931	-5,464	-	-7,189	-62,372
Net Financial Flow	-65,755	-	-22,921	-37,490	-18,938	-17,513	-15,906	-18,530	-197,053

Table D.1: Summary of advances, interest and repayments, by year and State (continued)

\$'000	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2015-16									
Advances									
Contingent Liabilities									
Loan to NSW to assist beneficiaries of the Asbestos Injuries Compensation Fund	25,000	-	-	-	-	-	-	-	25,000
Natural disaster relief	-	-	-	-	-	-	-	-	-
Repayments									
Contingent liabilities									
Natural disaster relief	-4,461	-	-10,567	-	-	-	-	-	-15,028
Environment									
Northern Territory – water and sewerage assistance	-	-	-	-	-	-	-	-136	-136
Housing									
Commonwealth-State Housing									
Agreement loans	-37,130	-	-9,955	-9,543	-2,596	-5,052	-	-828	-65,104
Housing for service personnel	-1,595	-	-976	-263	-57	-	-	-	-2,891
Other housing	-	-	-	-	-	-	-7,854	-2,839	-10,693
Infrastructure									
Railway projects	-	-	-	-287	-	-	-	-	-287
Sewerage	-1,342	-	-964	-	-648	-	-	-	-2,954
Other purposes									
Australian Capital Territory debt repayments	-	-	-	-	-	-	-555	-	-555
Loan Council – housing nominations	-8,967	-	-3,299	-5,719	-3,751	-2,404	-	-2,985	-27,125

Table D.1: Summary of advances, interest and repayments, by year and State (continued)

\$'000	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2015-16									
Interest									
Contingent liabilities									
Loan to NSW to assist beneficiaries of the Asbestos Injuries Compensation Fund	-6,738	-	-	-	-	-	-	-	-6,738
Natural disaster relief	-617	-	-2,118	-	-	-	-	-	-2,735
Environment									
Northern Territory – water and sewerage assistance	-	-	-	-	-	-	-	-548	-548
Housing									
Commonwealth-State Housing									
Agreement loans	-31,943	-	-9,156	-8,618	-2,452	-4,472	-	-1,345	-57,986
Housing for service personnel	-1,881	-	-1,047	-189	-86	-	-	-	-3,203
Other housing	-	-	-	-	-	-	-6,620	-2,781	-9,401
Infrastructure									
Railway projects	-	-	-	-58	-	-	-	-	-58
Sewerage	-104	-	-71	-	-91	-	-	-	-266
Other purposes									
Australian Capital Territory debt repayments	-	-	-	-	-	-	-558	-	-558
Loan Council – housing nominations	-20,366	-	-7,273	-12,429	-8,781	-5,366	-	-7,072	-61,287
Net Financial Flow	-90,144	-	-45,426	-37,106	-18,462	-17,294	-15,587	-18,534	-242,553

Table D.1: Summary of advances, interest and repayments, by year and State (continued)

\$'000	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2016-17									
Advances									
Contingent Liabilities									
Loan to NSW to assist beneficiaries of the Asbestos Injuries Compensation Fund	-	-	-	-	-	-	-	-	-
Natural disaster relief	-	-	-	-	-	-	-	-	-
Repayments									
Contingent liabilities									
Natural disaster relief	-4,655	-	-13,731	-	-	-	-	-	-18,386
Environment									
Northern Territory – water and sewerage assistance	-	-	-	-	-	-	-	-136	-136
Housing									
Commonwealth-State Housing									
Agreement loans	-37,268	-	-10,033	-9,596	-2,736	-5,105	-	-865	-65,603
Housing for service personnel	-1,697	-	-1,037	-277	-63	-	-	-	-3,074
Other housing	-	-	-	-	-	-	-7,972	-2,983	-10,955
Infrastructure									
Railway projects	-	-	-	-224	-	-	-	-	-224
Sewerage	-	-	-52	-	-340	-	-	-	-392
Other purposes									
Australian Capital Territory debt repayments	-	-	-	-	-	-	-555	-	-555
Loan Council – housing nominations	-9,370	-	-3,447	-5,976	-3,920	-2,512	-	-3,119	-28,344

Table D.1: Summary of advances, interest and repayments, by year and State (continued)

\$'000	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2016-17									
Interest									
Contingent liabilities									
Loan to NSW to assist beneficiaries of the Asbestos Injuries Compensation Fund	-7,242	-	-	-	-	-	-	-	-7,242
Natural disaster relief	-543	-	-1,790	-	-	-	-	-	-2,333
Environment									
Northern Territory – water and sewerage assistance	-	-	-	-	-	-	-	-542	-542
Housing									
Commonwealth-State Housing									
Agreement loans	-30,078	-	-8,665	-8,142	-2,309	-4,222	-	-1,307	-54,723
Housing for service personnel	-1,810	-	-1,004	-178	-83	-	-	-	-3,075
Other housing	-	-	-	-	-	-	-6,267	-2,637	-8,904
Infrastructure									
Railway projects	-	-	-	-42	-	-	-	-	-42
Sewerage	-	-	-	-	-38	-	-	-	-38
Other purposes									
Australian Capital Territory debt repayments	-	-	-	-	-	-	-488	-	-488
Loan Council – housing nominations	-19,992	-	-7,133	-12,184	-8,623	-5,264	-	-6,946	-60,142
Net Financial Flow	-112,655	-	-46,892	-36,619	-18,112	-17,103	-15,282	-18,535	-265,198

Table D.1: Summary of advances, interest and repayments, by year and State (continued)

\$'000	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2017-18									
Advances									
Contingent Liabilities									
Loan to NSW to assist beneficiaries of the Asbestos Injuries Compensation Fund	-	-	-	-	-	-	-	-	-
Natural disaster relief	-	-	-	-	-	-	-	-	-
Repayments									
Contingent liabilities									
Natural disaster relief	-4,655	-	-16,710	-	-	-	-	-	-21,365
Environment									
Northern Territory – water and sewerage assistance	-	-	-	-	-	-	-	-136	-136
Housing									
Commonwealth-State Housing Agreement loans	-37,531	-	-10,109	-9,737	-2,883	-5,151	-	-904	-66,315
Housing for service personnel	-1,813	-	-1,089	-287	-69	-	-	-	-3,258
Other housing	-	-	-	-	-	-	-8,131	-3,135	-11,266
Infrastructure									
Railway projects	-	-	-	-161	-	-	-	-	-161
Sewerage	-	-	-	-	-168	-	-	-	-168
Other purposes									
Australian Capital Territory debt repayments	-	-	-	-	-	-	-555	-	-555
Loan Council – housing nominations	-9,792	-	-3,602	-6,246	-4,096	-2,626	-	-3,260	-29,622

Table D.1: Summary of advances, interest and repayments, by year and State (continued)

\$'000	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2017-18									
Interest									
Contingent liabilities									
Loan to NSW to assist beneficiaries of the									
Asbestos Injuries Compensation Fund	-7,612	-	-	-	-	-	-	-	-7,612
Natural disaster relief	-465	-	-1,511	-	-	-	-	-	-1,976
Environment									
Northern Territory – water and sewerage								-535	-535
assistance	-	-	-	-	-	-	-	-	-
Housing									
Commonwealth-State Housing									
Agreement loans	-28,189	-	-8,166	-7,660	-2,158	-3,966	-	-1,268	-51,407
Housing for service personnel	-1,735	-	-958	-166	-80	-	-	-	-2,939
Other housing	-	-	-	-	-	-	-5,908	-2,486	-8,394
Infrastructure									
Railway projects	-	-	-	-29	-	-	-	-	-29
Sewerage	-	-	-	-	-14	-	-	-	-14
Other purposes									
Australian Capital Territory debt									
repayments	-	-	-	-	-	-	-418	-	-418
Loan Council – housing nominations	-19,595	-	-6,984	-11,925	-8,456	-5,156	-	-6,813	-58,929
Net Financial Flow	-111,387	-	-49,129	-36,211	-17,924	-16,899	-15,012	-18,537	-265,099