



# Budget

## 2016-17

Budget Measures  
Budget Paper No. 2  
2016-17

Circulated by

The Honourable Scott Morrison MP  
Treasurer of the Commonwealth of Australia

and

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

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on the occasion of the Budget 2016-17

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## FOREWORD

Budget Paper No. 2, *Budget Measures 2016-17* ensures that the Budget Papers provide comprehensive information on all Government decisions that involve changes to its revenue, expense and investing activities since the *Mid-Year Economic and Fiscal Outlook 2015-16*.

Budget Paper No. 2 comprises three parts:

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

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

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

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

### Notes

- (a) The following definitions are used in this Budget Paper:
- ‘real’ means adjusted for the effect of inflation;
  - real growth in expenses is calculated using the Consumer Price Index (CPI) as the deflator;
  - the Budget year refers to 2016-17, while the forward years refer to 2017-18, 2018-19 and 2019-20; and
  - one billion is equal to one thousand million.
- (b) Figures in tables and generally in the text have been rounded. Discrepancies in tables between totals and sums of components are due to rounding.
- estimates under \$100,000 are rounded to the nearest thousand;
  - estimates \$100,000 and over are generally rounded to the nearest tenth of a million; and
  - estimates midway between rounding points are rounded up.

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

(d) The following notations are used:

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

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

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

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

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

Budget Paper No. 2, *Budget Measures 2016-17* 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.



# CONTENTS

|   |            |
|---|------------|
| <b>Part 1: Revenue Measures</b> .....         | <b>1</b>   |
| Agriculture and Water Resources .....         | 7          |
| Communications and the Arts .....             | 8          |
| Employment .....                              | 9          |
| Environment .....                             | 10         |
| Finance.....                                  | 11         |
| Foreign Affairs and Trade .....               | 12         |
| Health .....                                  | 13         |
| Immigration and Border Protection .....       | 14         |
| Infrastructure and Regional Development ..... | 18         |
| Treasury .....                                | 19         |
| <b>Part 2: Expense Measures</b> .....         | <b>45</b>  |
| Agriculture and Water Resources .....         | 62         |
| Attorney-General's .....                      | 66         |
| Communications and the Arts .....             | 70         |
| Cross Portfolio.....                          | 71         |
| Defence .....                                 | 72         |
| Education and Training .....                  | 75         |
| Employment .....                              | 82         |
| Environment .....                             | 87         |
| Finance.....                                  | 93         |
| Foreign Affairs and Trade .....               | 97         |
| Health .....                                  | 101        |
| Immigration and Border Protection .....       | 121        |
| Industry, Innovation and Science .....        | 126        |
| Infrastructure and Regional Development ..... | 131        |
| Parliament .....                              | 133        |
| Prime Minister and Cabinet.....               | 134        |
| Social Services.....                          | 139        |
| Treasury .....                                | 147        |
| Veterans' Affairs .....                       | 154        |
| <b>Part 3: Capital Measures</b> .....         | <b>159</b> |
| Agriculture and Water Resources .....         | 165        |
| Attorney-General's .....                      | 166        |
| Communications and the Arts .....             | 168        |
| Defence .....                                 | 169        |
| Immigration and Border Protection .....       | 170        |
| Infrastructure and Regional Development ..... | 171        |
| Treasury .....                                | 172        |

## Table of measures by portfolio

|   |           |
|---|-----------|
| <b>Agriculture and Water Resources .....</b>  | <b>7</b>  |
| Changes to Agricultural Production Levies .....   | 7         |
| <b>Communications and the Arts .....</b>  | <b>8</b>  |
| Broadcast Licence Fees — reduction .....  | 8         |
| <b>Employment .....</b>   | <b>9</b>  |
| Seacare Scheme — cost recovery arrangements .....   | 9         |
| <b>Environment .....</b>  | <b>10</b> |
| Environment Protection and Biodiversity Conservation — revised charging<br>arrangements .....             | 10        |
| Fuel Quality Standards — revised charging arrangements .....  | 10        |
| <b>Finance .....</b>  | <b>11</b> |
| Property Services Coordinated Procurement .....   | 11        |
| Commonwealth Non-Defence Property Divestment Program — extension .....                                    | 11        |
| <b>Foreign Affairs and Trade .....</b>  | <b>12</b> |
| Notarial Fees — increase .....  | 12        |
| Passport Fees — supporting consular services .....  | 12        |
| <b>Health .....</b>   | <b>13</b> |
| Aged Care — extending funding for unannounced compliance site visits to aged care<br>providers .....      | 13        |
| Medicare Benefits Schedule and Pharmaceutical Benefits Scheme Data —<br>efficiencies .....                | 13        |
| <b>Immigration and Border Protection .....</b>  | <b>14</b> |
| Enhanced Project By-law Scheme — closure .....  | 14        |
| Enhancing Tourism — further reforms to tourist visas .....  | 14        |
| Premium Border Clearance Services — establishment .....   | 15        |
| Removal of the Special Duty on Imported Used Vehicles .....   | 15        |
| Tobacco Excise — measures to improve health outcomes and combat illicit tobacco .....                     | 16        |
| Trans-Pacific Partnership Agreement .....   | 17        |
| World Trade Organization — Information Technology Agreement .....   | 17        |
| <b>Infrastructure and Regional Development .....</b>  | <b>18</b> |
| National System for Domestic Commercial Vessel Safety — staged implementation of<br>cost recovery .....   | 18        |
| <b>Treasury .....</b>   | <b>19</b> |
| Applying GST to Low Value Goods Imported by Consumers .....   | 19        |
| Income Tax Relief for Australian Defence Force Personnel Deployed Overseas .....                          | 20        |
| Indirect Tax Concession Scheme — diplomatic, consular and international organisation<br>concessions ..... | 20        |

|  |    |
|--|----|
| National Innovation and Science Agenda — expanding tax incentives for early-stage investors .....                          | 21 |
| National Innovation and Science Agenda — expanding the new arrangements for venture capital limited partnerships .....     | 22 |
| Personal Income Tax — increasing the Medicare levy low-income thresholds.....  | 23 |
| Philanthropy — updates to the list of specifically listed deductible gift recipients .....                                 | 23 |
| Superannuation Reform Package — allow catch-up concessional superannuation contributions.....                              | 24 |
| Superannuation Reform Package — harmonising contribution rules for those aged 65 to 74 .....                               | 24 |
| Superannuation Reform Package — improve superannuation balances of low income spouses .....                                | 25 |
| Superannuation Reform Package — introduce a \$1.6 million superannuation transfer balance cap .....                        | 25 |
| Superannuation Reform Package — introduce a lifetime cap for non-concessional superannuation contributions.....            | 27 |
| Superannuation Reform Package — introducing a Low Income Superannuation Tax Offset (LISTO).....                            | 28 |
| Superannuation Reform Package — reforming the taxation of concessional superannuation contributions.....                   | 28 |
| Superannuation Reform Package — remove the anti-detriment provision in respect of death benefits from superannuation ..... | 29 |
| Superannuation Reform Package — strengthen integrity of income streams.....  | 30 |
| Superannuation Reform Package — tax deductions for personal superannuation contributions.....                              | 30 |
| Tax Integrity Package — a new diverted profits tax.....  | 31 |
| Tax Integrity Package — better protecting tax whistleblowers .....   | 32 |
| Tax Integrity Package — broadening the securitised asset measure.....  | 32 |
| Tax Integrity Package — deferred tax liabilities .....   | 33 |
| Tax Integrity Package — establishing the Tax Avoidance Taskforce.....  | 33 |
| Tax Integrity Package — implementing the OECD hybrid mismatch arrangement rules.....                                       | 34 |
| Tax Integrity Package — increasing administrative penalties for significant global entities .....                          | 34 |
| Tax Integrity Package — strengthening transfer pricing rules .....   | 35 |
| Ten Year Enterprise Tax Plan — better targeting the deductible liabilities measure ...                                     | 36 |
| Ten Year Enterprise Tax Plan — business simplification — taxation of financial arrangements — regulation reform .....      | 37 |
| Ten Year Enterprise Tax Plan — enhancing access to asset backed financing .....  | 38 |
| Ten Year Enterprise Tax Plan — excise refund scheme for distillers.....  | 38 |
| Ten Year Enterprise Tax Plan — implementing a new suite of collective investment vehicles .....                            | 39 |
| Ten Year Enterprise Tax Plan — increase the small business entity turnover threshold .....                                 | 40 |
| Ten Year Enterprise Tax Plan — increase the unincorporated small business tax discount.....                                | 40 |

|   |           |
|---|-----------|
| Ten Year Enterprise Tax Plan — reducing the company tax rate to 25 per cent .....                                   | 41        |
| Ten Year Enterprise Tax Plan — targeted amendments to Division 7A.....  | 42        |
| Ten Year Enterprise Tax Plan — targeted personal income tax relief.....   | 42        |
| Ten Year Enterprise Tax Plan — wine equalisation tax rebate integrity and wine<br>tourism funding.....              | 43        |
| <b>Agriculture and Water Resources .....</b>  | <b>62</b> |
| Better Management of Biosecurity Risks — advanced analytical capability .....                                       | 62        |
| Farm Co-operatives and Collaboration Pilot.....   | 62        |
| Farm Household Allowance — transitional debt waiver.....  | 63        |
| Managing Farm Risk Programme — efficiencies.....  | 63        |
| National Water Infrastructure Development Fund — additional funding.....  | 64        |
| National Water Infrastructure Loan Facility.....  | 64        |
| Rural Financial Counselling Service — additional counsellors.....   | 65        |
| Streamlining Agricultural and Veterinary Chemicals Regulation .....   | 65        |
| <b>Attorney-General's .....</b>   | <b>66</b> |
| Confiscated Assets Account — additional crime prevention activities.....  | 66        |
| Confiscated Assets Account — Fraud and Anti-Corruption Centre — enhanced<br>investigative capabilities.....         | 66        |
| Countering Violent Extremism — community support and advice services.....   | 67        |
| CrimTrac National Order Reference System .....  | 67        |
| Enhanced Protective Security Arrangements — law enforcement agencies.....   | 68        |
| National Aerial Firefighting Centre .....   | 68        |
| Office of the Australian Information Commissioner — continuation .....  | 69        |
| Royal Commission into Trade Union Governance and Corruption — continuation of the<br>joint police taskforce.....    | 69        |
| <b>Communications and the Arts .....</b>  | <b>70</b> |
| Australian Broadcasting Corporation — operational funding.....  | 70        |
| Special Broadcasting Service Corporation — operational funding .....  | 70        |
| <b>Cross Portfolio .....</b>  | <b>71</b> |
| Public Sector Transformation and the Efficiency Dividend .....  | 71        |
| Trans-Pacific Partnership — implementation.....   | 71        |
| <b>Defence .....</b>  | <b>72</b> |
| Closure of Hunter River and Port Stephens Fisheries — assistance to individuals and<br>businesses — extension ..... | 72        |
| Operation Accordion — extension .....   | 72        |
| Operation Highroad — extension.....   | 73        |
| Operation Manitou — extension.....  | 73        |
| Operation Okra — extension.....   | 74        |
| Operation Resolute — extension .....  | 74        |

|  |           |
|--|-----------|
| <b>Education and Training .....</b>  | <b>75</b> |
| Adult Migrant English Program — focus on jobs and social cohesion outcomes .....   | 75        |
| Australian Institute of Aboriginal and Torres Strait Islander Studies — increased support .....                          | 75        |
| Australian International Education — enabling growth and innovation.....   | 76        |
| Early Learning Languages Australia — expansion .....   | 76        |
| Higher Education Participation Program — efficiencies .....  | 76        |
| Higher Education Reform — further consultation .....   | 77        |
| Industry Skills Fund — efficiencies .....  | 77        |
| Investing in Child Care — ICT System.....  | 78        |
| Jobs for Families Package — deferred implementation .....  | 78        |
| Promotion of Excellence in Learning and Teaching in Higher Education — efficiencies .....                                | 79        |
| Quality Indicators for Learning and Teaching — improvements.....   | 79        |
| School Funding — additional funding for students with a disability .....   | 80        |
| School Funding — additional funding from 2018 .....  | 80        |
| Tertiary Education Quality and Standards Agency — building capacity.....   | 80        |
| Vocational Education and Training — information campaign .....   | 81        |
| <b>Employment.....</b>   | <b>82</b> |
| Asbestos Safety and Eradication Agency — additional funding .....  | 82        |
| Asbestos Safety Assurance Model — extension and cost recovery.....   | 82        |
| Community Engagement Grants Program — establishment.....   | 82        |
| Job Commitment Bonus — cessation .....   | 83        |
| Road Safety Remuneration Tribunal — abolition.....   | 83        |
| Youth Employment Package — encouraging entrepreneurship and self-employment  | 84        |
| Youth Employment Package — Youth Jobs PaTH (Prepare — Trial — Hire) .....  | 85        |
| Youth Employment Package — Work for the Dole — reform .....  | 86        |
| <b>Environment .....</b>   | <b>87</b> |
| 20 Million Trees Program — extension .....   | 87        |
| Antarctic Traverse and Year-Round Aviation Access .....  | 87        |
| Antarctica — maintaining Australia’s presence.....   | 88        |
| Bureau of Meteorology — improved data and services supporting supercomputer capability .....                             | 88        |
| Clean and Renewable Energy Innovation — Clean Energy Finance Corporation and the Australian Renewable Energy Agency..... | 89        |
| Commonwealth Environmental Water Office .....  | 90        |
| Commonwealth Marine Reserves — implementation.....   | 90        |
| National Landcare Program — emerging priorities .....  | 91        |
| Reef 2050 Plan and Reef Trust — additional contribution.....   | 91        |
| Regulatory Workflow Systems — improvements .....   | 92        |
| <b>Finance.....</b>  | <b>93</b> |
| Australian Hearing Services — a strong and viable future .....   | 93        |
| Australian Securities and Investments Commission Registry Further Market Testing .                                       | 93        |

|  |            |
|--|------------|
| Enhancements to EasyCount and Ballot Papers .....  | 94         |
| Financing Strategies for NBN Co Limited .....  | 94         |
| Non-Government Personal Staffing — additional funding .....  | 94         |
| Offering Choice in Public Sector Superannuation Accumulation Plan.....   | 95         |
| Scoping Study — integrated solution for the management of parliamentary entitlements .....                               | 95         |
| Smaller Government — Scoping Study Review of Investment Funds — consolidation of managers .....                          | 95         |
| <b>Foreign Affairs and Trade .....</b>   | <b>97</b>  |
| Expanding Australia’s Diplomatic Representation .....  | 97         |
| Foreign Affairs and Trade Portfolio — efficiencies.....  | 97         |
| Free Trade Agreement Portal — enhancements .....   | 98         |
| International Engagement to Prevent and Disrupt Maritime People Smuggling — continuation .....                           | 99         |
| Landing Pads in Innovation Hot Spots .....   | 99         |
| Passport Funding Arrangements — additional funding .....   | 100        |
| Re-opening Australia’s Australian Trade and Investment Commission Office in Tehran, Iran .....                           | 100        |
| <b>Health .....</b>  | <b>101</b> |
| 2018 Gold Coast Commonwealth Games — pre-event anti-doping program .....   | 101        |
| Aged Care Provider Funding — further revision of the Aged Care Funding Instrument .....                                  | 101        |
| Aged Care Provider Funding — improving the targeting of the viability supplement for regional aged care facilities ..... | 102        |
| Child and Adult Public Dental Scheme .....   | 102        |
| Extend the Alternative Arrangement Transfer to the Pharmaceutical Benefits Scheme .....                                  | 103        |
| Health Flexible Funds — pausing indexation and achieving efficiencies .....  | 103        |
| Health Star Rating System — continuation.....  | 103        |
| Healthier Medicare — enhanced Medicare compliance program .....  | 104        |
| Healthier Medicare — removing obsolete services from the Medicare Benefits Schedule .....                                | 104        |
| Healthier Medicare — trial of health care homes.....   | 105        |
| Hepatitis C Settlement Fund — continuation .....   | 105        |
| Home and Community Care Services in Western Australia — continuation .....   | 106        |
| Improving the Regulation of Therapeutic Goods in Australia .....   | 106        |
| Life Saving Drugs Program — new and amended listings .....   | 107        |
| Medicare Benefits Schedule — listing of photography with non-mydriatric retinal cameras .....                            | 107        |
| Medicare Benefits Schedule — Magnetic Resonance Imaging of the breast.....   | 107        |
| Medicare Benefits Schedule — new and amended listings .....  | 108        |
| Medicare Benefits Schedule — pause indexation .....  | 108        |
| Medicare Benefits Schedule — support for rural and remote registrars.....  | 109        |

|   |            |
|---|------------|
| Mosquito Control and Cross Border Liaison in the Torres Strait Protected Zone — continuation .....                                | 109        |
| My Aged Care — consumer access.....   | 109        |
| National Cancer Screening Register.....   | 110        |
| National Coronial Information System — continuation .....   | 110        |
| National Immunisation Program — new and amended listings .....  | 110        |
| National Partnership Agreement — Management of Torres Strait-Papua New Guinea Cross-Border Health Issues — extension.....         | 111        |
| National Partnership Agreement on Rheumatic Fever Strategy — extension.....   | 111        |
| National Partnership Agreement on Specified Projects — addressing blood borne viruses and sexually transmissible infections ..... | 112        |
| Operational Costs for Cardiac and Breast Device Registries .....  | 112        |
| Organ and Tissue Donation Review — implementation of recommendations .....  | 112        |
| OzFoodNet Program — continuation .....  | 113        |
| Pausing Indexation of the Medicare Levy Surcharge and Private Health Insurance Rebate Thresholds — extension.....                 | 113        |
| Perinatal Depression Online Support.....  | 114        |
| Pharmaceutical Benefits Scheme — continued funding for legal action .....   | 114        |
| Pharmaceutical Benefits Scheme — new and amended listings.....  | 114        |
| Pharmaceutical Benefits Scheme — price amendments.....  | 115        |
| Pharmaceutical Benefits Scheme — supply of medicines following damage to pharmacy premises.....                                   | 116        |
| Private Health Insurance and Protheses Committees .....   | 116        |
| Protecting Australians from Antimicrobial Resistance .....  | 116        |
| Public Hospitals — new funding arrangements .....   | 117        |
| Quality Improvement in General Practice — simplification of the Practice Incentives Program .....                                 | 118        |
| Regulation of Medicinal Cannabis — charging arrangements.....   | 118        |
| Rural General Practice Grants Program .....   | 118        |
| Stoma Appliance Scheme — new and amended listings .....   | 119        |
| Taking More Action to Prevent Fetal Alcohol Spectrum Disorders .....  | 119        |
| Tobacco Plain Packaging Litigation .....  | 119        |
| Vaccine Preventable Diseases Surveillance Program.....  | 120        |
| <b>Immigration and Border Protection.....</b>   | <b>121</b> |
| A Streamlined Pathway to Permanent Residence for New Zealand Citizens .....   | 121        |
| Asylum Seeker Support — additional funding .....  | 121        |
| Australian Trusted Trader Programme.....  | 122        |
| Combating People Smuggling — international engagement.....  | 122        |
| Coordination and Outreach Migration Management Support — continuation.....  | 123        |
| Onshore Immigration Detention Network — consolidation .....   | 123        |
| Reforming the Visa and Migration Framework.....   | 124        |
| Regional Cooperation Arrangements — continuation.....   | 124        |
| Regional Support Office — continuation .....  | 124        |
| Supporting Regional Processing Arrangements — additional funding .....  | 125        |

|   |            |
|---|------------|
| Unaccompanied Humanitarian Minors — additional funding.....   | 125        |
| <b>Industry, Innovation and Science.....</b>  | <b>126</b> |
| Australian Astronomical Observatory — extension.....  | 126        |
| Australian Nuclear Science and Technology Organisation — spent fuel management plan.....                          | 126        |
| Country of Origin Labelling — information and compliance.....   | 127        |
| Establishment of the Northern Australia Infrastructure Facility.....  | 127        |
| Industry Programs — efficiencies .....  | 128        |
| International Energy Agency’s Oil Stockholding Requirements.....  | 128        |
| National Carp Control Plan .....  | 129        |
| National Radioactive Waste Management Project — community benefits package ..                                     | 129        |
| National Resources Development Strategy — exploring for the future .....  | 129        |
| Resources and Energy Programs — efficiencies .....  | 130        |
| Rum Jungle Rehabilitation Project — extension.....  | 130        |
| <b>Infrastructure and Regional Development .....</b>  | <b>131</b> |
| Infrastructure Investment Programme — efficiencies .....  | 131        |
| Infrastructure Investment Programme — new investments.....  | 131        |
| Keys2drive — additional funding.....  | 132        |
| Western Sydney Airport — further preparatory works .....  | 132        |
| <b>Parliament .....</b>   | <b>133</b> |
| Parliamentary Departments — additional funding .....  | 133        |
| <b>Prime Minister and Cabinet.....</b>  | <b>134</b> |
| Cyber Security — implementation of Australia’s Cyber Security Strategy.....                                       | 134        |
| Implementing the National Cities Agenda .....   | 135        |
| Indigenous Business Australia — continuity of business support arrangements .....                                 | 136        |
| Indigenous Land Corporation — concessional loan for Ayers Rock Resort.....  | 136        |
| Indigenous Student Success in Higher Education .....  | 136        |
| myGov operations .....  | 137        |
| Towards Constitutional Recognition of Aboriginal and Torres Strait Islander Peoples .....                         | 137        |
| Trusted Digital Identity Framework .....  | 138        |
| <b>Social Services .....</b>  | <b>139</b> |
| Australian Disability Enterprises — wage supplementation.....   | 139        |
| Building Social Cohesion for Recently Arrived Migrants.....   | 139        |
| Cashless Debit Card — third trial site .....  | 139        |
| Compulsory Rent Deduction Scheme — establishment.....   | 140        |
| Department of Human Services — administrative efficiencies .....  | 140        |
| Disability Support Pension — amending portability rules for para-athletes preparing for the Paralympic Games..... | 141        |
| Domestic and Family Violence — new initiatives to break the cycle of violence.....                                | 141        |
| Investment Approach to Welfare — Try, Test and Learn Fund .....   | 142        |
| Mobility Allowance — transition to the National Disability Insurance Scheme .....                                 | 142        |

|   |            |
|---|------------|
| National Disability Insurance Scheme Savings Fund .....   | 143        |
| National Framework for Protecting Australia’s Children — Third Action Plan<br>2015-18 .....                       | 144        |
| Revised Social Security Agreement with New Zealand .....  | 144        |
| Simplifying Student Payments .....  | 145        |
| Strengthening Communities Grants — redesign .....   | 145        |
| Supporting the Financially Vulnerable — financial counselling for problem gamblers                                | 146        |
| <b>Treasury .....</b>   | <b>147</b> |
| Asia Region Funds Passport.....   | 147        |
| Asset Recycling Initiative — return of unallocated funds .....  | 147        |
| Australian Energy Regulator — additional funding .....  | 148        |
| Australian Securities and Investments Commission — improving outcomes in financial<br>services .....              | 148        |
| Australian Small Business and Family Enterprise Ombudsman — expanded advocacy<br>functions .....                  | 149        |
| Australian Taxation Office — Functional and Efficiency Review .....   | 149        |
| Commonwealth Assistance for Western Australia .....   | 150        |
| eInvoicing .....  | 150        |
| Financial Assistance to the New South Wales (NSW) Government for NSW Police                                       | 150        |
| Financial Technology Innovation.....  | 151        |
| National Register of Foreign Ownership of Water Entitlements .....  | 152        |
| Regulatory Reform Agenda — implementation .....   | 152        |
| Review of Australia’s Dispute Resolution and Complaints Schemes .....   | 152        |
| Superannuation Complaints Tribunal — sustaining and modernising functions .....                                   | 153        |
| <b>Veterans’ Affairs .....</b>  | <b>154</b> |
| Department of Veterans’ Affairs — business case for veteran-centric reform.....                                   | 154        |
| Department of Veterans’ Affairs — improving processing systems.....   | 154        |
| Establishing a Single Appeal Path under the <i>Military Rehabilitation and Compensation<br/>Act 2004</i> .....    | 154        |
| Incapacity Payments — improved support for veterans .....   | 155        |
| Mental Health Treatment for Current and Former Members of the Australian Defence<br>Force — improved access ..... | 155        |
| New Veteran Public Hospital Pricing Agreements .....  | 156        |
| Refurbishment of War Graves and Memorials.....  | 156        |
| Repatriation Pharmaceutical Benefits Scheme — new listings and price amendments<br>.....                          | 156        |
| Reversal of Decision to Remove Backdating of Veterans’ Disability Pension Claims                                  | 157        |
| Spirit of ANZAC Centenary Experience Travelling Exhibition — additional funding...                                | 157        |
| Support Services for Children of Veterans.....  | 158        |
| Veteran Suicide Awareness and Prevention Programs — continuation of<br>Operation Life.....                        | 158        |
| Veterans’ Review Board — case management system and alternative dispute<br>resolution.....                        | 158        |

|  |            |
|--|------------|
| <b>Agriculture and Water Resources .....</b>   | <b>165</b> |
| Biosecurity — technology improvements.....   | 165        |
| <b>Attorney-General’s .....</b>  | <b>166</b> |
| Australian Federal Police Data Centre Transition Project — Phase Two.....                  | 166        |
| Australian Federal Police Unified Operational Communications — Phase One .....             | 166        |
| Biometrics Identification Services .....   | 167        |
| Enhanced Network Connectivity .....  | 167        |
| <b>Communications and the Arts .....</b>   | <b>168</b> |
| Australian Communications and Media Authority — efficiencies.....                          | 168        |
| <b>Defence .....</b>   | <b>169</b> |
| 2016 Defence White Paper — additional funding .....  | 169        |
| <b>Immigration and Border Protection.....</b>  | <b>170</b> |
| Onshore Immigration Detention Network — enhancement .....                                  | 170        |
| <b>Infrastructure and Regional Development .....</b>                                       | <b>171</b> |
| Delivery of Inland Rail .....  | 171        |
| <b>Treasury .....</b>  | <b>172</b> |
| Australian Prudential Regulation Authority — modernising data capabilities .....           | 172        |
| Australian Securities and Investments Commission — industry charging<br>arrangements ..... | 172        |

## Part 1: Revenue Measures

**Table 1: Revenue measures since the 2015-16 MYEFO<sup>(a)</sup>**

| Page |  | 2015-16     | 2016-17      | 2017-18      | 2018-19      | 2019-20      |
|------|--|-------------|--------------|--------------|--------------|--------------|
|      |  | \$m         | \$m          | \$m          | \$m          | \$m          |
|      | <b>AGRICULTURE AND WATER RESOURCES</b>                           |             |              |              |              |              |
|      | <i>Australian Pesticides and Veterinary Medicines Authority</i>  |             |              |              |              |              |
| 65   | Streamlining Agricultural and Veterinary Chemicals Regulation(b) | -           | -            | -            | -            | -            |
|      | <i>Department of Agriculture and Water Resources</i>             |             |              |              |              |              |
| 7    | Changes to Agricultural Production Levies                        | -           | 2.0          | 2.0          | 2.0          | 2.0          |
| 64   | National Water Infrastructure Loan Facility()                    | -           | 1.1          | 2.5          | 7.2          | 19.5         |
| 15   | Premium Border Clearance Services — establishment                | -           | nfp          | nfp          | nfp          | nfp          |
|      | <b>Portfolio total</b>   | <b>-</b>    | <b>3.1</b>   | <b>4.5</b>   | <b>9.2</b>   | <b>21.5</b>  |
|      | <b>COMMUNICATIONS AND THE ARTS</b>                               |             |              |              |              |              |
|      | <i>Australian Communications and Media Authority</i>             |             |              |              |              |              |
| 8    | Broadcast Licence Fees — reduction                               | -           | -48.4        | -48.4        | -48.4        | -48.4        |
|      | <b>Portfolio total</b>   | <b>-</b>    | <b>-48.4</b> | <b>-48.4</b> | <b>-48.4</b> | <b>-48.4</b> |
|      | <b>CROSS PORTFOLIO</b>   |             |              |              |              |              |
|      | <i>Various Agencies</i>  |             |              |              |              |              |
| 11   | Property Services Coordinated Procurement                        | -           | -            | nfp          | nfp          | nfp          |
|      | <b>Portfolio total</b>   | <b>-</b>    | <b>-</b>     | <b>-</b>     | <b>-</b>     | <b>-</b>     |
|      | <b>DEFENCE</b>   |             |              |              |              |              |
|      | <i>Department of Defence</i>                                     |             |              |              |              |              |
| 72   | Operation Accordion — extension()                                | -           | 4.9          | -            | -            | -            |
| 73   | Operation Highroad — extension()                                 | -           | 0.4          | -            | -            | -            |
| 74   | Operation Okra — extension()                                     | -           | 9.8          | -            | -            | -            |
|      | <b>Portfolio total</b>   | <b>-</b>    | <b>15.1</b>  | <b>-</b>     | <b>-</b>     | <b>-</b>     |
|      | <b>EDUCATION AND TRAINING</b>                                    |             |              |              |              |              |
|      | <i>Department of Education and Training</i>                      |             |              |              |              |              |
| 77   | Higher Education Reform — further consultation()                 | -0.3        | 382.9        | 367.2        | -33.4        | -78.8        |
|      | <b>Portfolio total</b>   | <b>-0.3</b> | <b>382.9</b> | <b>367.2</b> | <b>-33.4</b> | <b>-78.8</b> |
|      | <b>EMPLOYMENT</b>  |             |              |              |              |              |
|      | <i>Comcare</i>   |             |              |              |              |              |
| 82   | Asbestos Safety Assurance Model — extension and cost recovery()  | nfp         | nfp          | nfp          | nfp          | nfp          |
|      | <i>Department of Employment</i>                                  |             |              |              |              |              |
| 9    | Seacare Scheme — cost recovery arrangements                      | -           | nfp          | nfp          | nfp          | nfp          |
|      | <b>Portfolio total</b>   | <b>-</b>    | <b>-</b>     | <b>-</b>     | <b>-</b>     | <b>-</b>     |

**Table 1: Revenue measures since the 2015-16 MYEFO<sup>(a)</sup> (continued)**

| Page |   | 2015-16      | 2016-17     | 2017-18     | 2018-19       | 2019-20       |
|------|---|--------------|-------------|-------------|---------------|---------------|
|      |   | \$m          | \$m         | \$m         | \$m           | \$m           |
|      | <b>ENVIRONMENT</b>  |              |             |             |               |               |
|      | <i>Clean Energy Finance Corporation</i>   |              |             |             |               |               |
| 89   | Clean and Renewable Energy Innovation — Clean Energy Finance Corporation and the Australian Renewable Energy Agency() | 3.0          | 10.1        | 26.3        | 63.0          | 106.1         |
|      | <i>Department of the Environment</i>  |              |             |             |               |               |
| 10   | Environment Protection and Biodiversity Conservation — revised charging arrangements                                  | -            | -2.2        | -1.6        | -1.2          | -1.0          |
| 10   | Fuel Quality Standards — revised charging arrangements  | -            | 0.1         | ..          | ..            | 0.1           |
|      | <b>Portfolio total</b>  | <b>3.0</b>   | <b>8.0</b>  | <b>24.8</b> | <b>61.8</b>   | <b>105.2</b>  |
|      | <b>FINANCE</b>  |              |             |             |               |               |
|      | <i>Department of Finance</i>  |              |             |             |               |               |
| 11   | Commonwealth Non-Defence Property Divestment Program — extension(c)   | -            | nfp         | nfp         | nfp           | nfp           |
| 143  | National Disability Insurance Scheme Savings Fund()   | ..           | 1.1         | 2.4         | -20.2         | -             |
| 11   | Property Services Coordinated Procurement   | -            | -           | -           | -             | -             |
|      | <b>Portfolio total</b>  | <b>..</b>    | <b>1.1</b>  | <b>2.4</b>  | <b>-20.2</b>  | <b>-</b>      |
|      | <b>FOREIGN AFFAIRS AND TRADE</b>  |              |             |             |               |               |
|      | <i>Department of Foreign Affairs and Trade</i>  |              |             |             |               |               |
| 12   | Notarial Fees — increase  | -            | 5.9         | 12.9        | 14.2          | 15.5          |
| 12   | Passport Fees — supporting consular services  | -            | 24.2        | 47.5        | 48.7          | 52.5          |
|      | <b>Portfolio total</b>  | <b>-</b>     | <b>30.1</b> | <b>60.5</b> | <b>62.8</b>   | <b>68.1</b>   |
|      | <b>HEALTH</b>   |              |             |             |               |               |
|      | <i>Australian Aged Care Quality Agency</i>  |              |             |             |               |               |
| 13   | Aged Care — extending funding for unannounced compliance site visits to aged care providers                           | -            | -10.1       | -           | -             | -             |
|      | <i>Department of Health</i>   |              |             |             |               |               |
| 104  | Healthier Medicare — enhanced Medicare compliance program()   | -            | 13.0        | 15.6        | 18.2          | 20.8          |
| 106  | Improving the Regulation of Therapeutic Goods in Australia()  | -            | -0.1        | 1.7         | 3.7           | 3.7           |
| 13   | Medicare Benefits Schedule and Pharmaceutical Benefits Scheme Data — efficiencies                                     | -            | 0.1         | 0.1         | 0.1           | 0.1           |
| 143  | National Disability Insurance Scheme Savings Fund()   | 416.2        | 0.6         | 5.4         | -216.2        | -435.1        |
| 112  | Operational Costs for Cardiac and Breast Device Registries()  | -            | ..          | ..          | ..            | ..            |
| 114  | Pharmaceutical Benefits Scheme — new and amended listings()   | nfp          | nfp         | nfp         | nfp           | nfp           |
|      | <b>Portfolio total</b>  | <b>416.2</b> | <b>3.4</b>  | <b>22.7</b> | <b>-194.3</b> | <b>-410.6</b> |

**Table 1: Revenue measures since the 2015-16 MYEFO<sup>(a)</sup> (continued)**

| Page   |  | 2015-16<br>\$m | 2016-17<br>\$m | 2017-18<br>\$m | 2018-19<br>\$m | 2019-20<br>\$m  |
|--|--|----------------|----------------|----------------|----------------|-----------------|
| <b>IMMIGRATION AND BORDER PROTECTION</b>               |  |                |                |                |                |                 |
| <i>Department of Immigration and Border Protection</i> |  |                |                |                |                |                 |
| 121  | A Streamlined Pathway to Permanent Residence for New Zealand Citizens()                        | ..             | ..             | ..             | ..             | ..              |
| 122  | Australian Trusted Trader Programme()  | -              | -              | -              | -              | -               |
| 14   | Enhanced Project By-law Scheme — closure   | -              | 60.0           | 60.0           | 50.0           | 50.0            |
| 14   | Enhancing Tourism — further reforms to tourist visas   | -              | 0.2            | 0.4            | 0.4            | 0.4             |
| 123  | Onshore Immigration Detention Network — consolidation()  | -              | -              | -              | nfp            | -               |
| 15   | Premium Border Clearance Services — establishment  | -              | nfp            | nfp            | nfp            | nfp             |
| 15   | Removal of the Special Duty on Imported Used Vehicles  | -              | -              | -              | ..             | ..              |
| 16   | Tobacco Excise — measures to improve health outcomes and combat illicit tobacco                | -              | -              | 685.0          | 1,540.0        | 2,460.0         |
| 17   | Trans-Pacific Partnership Agreement  | -              | -25.0          | -50.0          | -60.0          | -60.0           |
| 17   | World Trade Organization — Information Technology Agreement                                    | -              | ..             | ..             | -20.0          | -60.0           |
| <b>Portfolio total</b>                                 |  | <b>-</b>       | <b>35.2</b>    | <b>695.4</b>   | <b>1,510.4</b> | <b>2,390.4</b>  |
| <b>INDUSTRY, INNOVATION AND SCIENCE</b>                |  |                |                |                |                |                 |
| <i>Northern Australia Infrastructure Facility</i>      |  |                |                |                |                |                 |
| 127  | Establishment of the Northern Australia Infrastructure Facility()                              | -              | 10.1           | 10.1           | 10.1           | 10.1            |
| <b>Portfolio total</b>                                 |  | <b>-</b>       | <b>10.1</b>    | <b>10.1</b>    | <b>10.1</b>    | <b>10.1</b>     |
| <b>INFRASTRUCTURE AND REGIONAL DEVELOPMENT</b>         |  |                |                |                |                |                 |
| <i>Australian Maritime Safety Authority</i>            |  |                |                |                |                |                 |
| 18   | National System for Domestic Commercial Vessel Safety — staged implementation of cost recovery | -              | 0.2            | 0.2            | 0.2            | 0.2             |
| <b>Portfolio total</b>                                 |  | <b>-</b>       | <b>0.2</b>     | <b>0.2</b>     | <b>0.2</b>     | <b>0.2</b>      |
| <b>SOCIAL SERVICES</b>                                 |  |                |                |                |                |                 |
| <i>Department of Human Services</i>                    |  |                |                |                |                |                 |
| 93   | Australian Hearing Services — a strong and viable future()                                     | -              | 2.2            | -              | -              | -               |
| 140  | Compulsory Rent Deduction Scheme — establishment()   | nfp            | nfp            | nfp            | nfp            | nfp             |
| 13   | Medicare Benefits Schedule and Pharmaceutical Benefits Scheme Data — efficiencies              | -              | -              | -              | -              | -               |
| <i>National Disability Insurance Agency</i>            |  |                |                |                |                |                 |
| 142  | Mobility Allowance — transition to the National Disability Insurance Scheme()                  | -              | ..             | -1.0           | -2.1           | -2.9            |
| 143  | National Disability Insurance Scheme Savings Fund()  | -              | -96.2          | -163.3         | -761.3         | -1,552.6        |
| <b>Portfolio total</b>                                 |  | <b>-</b>       | <b>-94.0</b>   | <b>-164.3</b>  | <b>-763.4</b>  | <b>-1,555.6</b> |

**Table 1: Revenue measures since the 2015-16 MYEFO<sup>(a)</sup> (continued)**

| Page |  | 2015-16<br>\$m | 2016-17<br>\$m | 2017-18<br>\$m | 2018-19<br>\$m | 2019-20<br>\$m |
|------|--|----------------|----------------|----------------|----------------|----------------|
|      | <b>TREASURY</b>  |                |                |                |                |                |
|      | <i>Australian Prudential Regulation Authority</i>  |                |                |                |                |                |
| 173  | Australian Prudential Regulation Authority — modernising data capabilities()                     | -              | 2.4            | 3.1            | 2.3            | 3.3            |
| 148  | Australian Securities and Investments Commission — improving outcomes in financial services()    | -              | 37.0           | 46.3           | 25.2           | 12.9           |
| 153  | Superannuation Complaints Tribunal — sustaining and modernising functions()                      | -              | 5.2            | -              | -              | -              |
|      | <i>Australian Securities and Investments Commission</i>  |                |                |                |                |                |
| 147  | Asia Region Funds Passport()   | -              | 0.4            | 0.9            | 0.9            | 0.9            |
| 39   | Ten Year Enterprise Tax Plan — implementing a new suite of collective investment vehicles        | -              | -              | 0.2            | 0.2            | 0.2            |
|      | <i>Australian Taxation Office</i>  |                |                |                |                |                |
| 19   | Applying GST to Low Value Goods Imported by Consumers  | -              | -              | 70.0           | 100.0          | 130.0          |
| 8    | Broadcast Licence Fees — reduction   | -              | -              | 10.0           | 10.0           | 10.0           |
| 20   | Income Tax Relief for Australian Defence Force Personnel Deployed Overseas                       | ..             | -0.1           | ..             | -              | -              |
| 20   | Indirect Tax Concession Scheme — diplomatic, consular and international organisation concessions | ..             | ..             | ..             | ..             | ..             |
| 21   | National Innovation and Science Agenda — expanding tax incentives for early-stage investors      | -              | -              | -15.0          | -15.0          | -15.0          |
| 22   | — expanding the new arrangements for venture capital limited partnerships                        | -              | -              | *              | *              | *              |
| 72   | Operation Accordion — extension()  | -              | -8.2           | -4.4           | -              | -              |
| 73   | Operation Highroad — extension()   | -              | -2.6           | -1.4           | -              | -              |
| 73   | Operation Manitou — extension()  | -              | -4.7           | -2.5           | -              | -              |
| 74   | Operation Okra — extension()   | -              | -16.1          | -8.5           | -              | -              |
| 23   | Personal income tax — increasing the Medicare levy low-income thresholds                         | -              | -100.0         | -60.0          | -60.0          | -60.0          |
| 23   | Philanthropy — updates to the list of specifically listed deductible gift recipients             | -              | ..             | -0.1           | -0.1           | -0.1           |
|      | <i>Superannuation Reform Package</i>   |                |                |                |                |                |
| 24   | — allow catch-up concessional superannuation contributions                                       | -              | -              | -              | -100.0         | -250.0         |
| 24   | — harmonising contribution rules for those aged 65 to 74   | -              | -              | -40.0          | -40.0          | -50.0          |
| 25   | — improve superannuation balances of low income spouses  | -              | -              | -              | -5.0           | -5.0           |
| 25   | — introduce a \$1.6 million superannuation transfer balance cap                                  | -              | -              | 550.0          | 700.0          | 750.0          |
| 27   | — introduce a lifetime cap for non-concessional superannuation contributions                     | ..             | 50.0           | 100.0          | 150.0          | 250.0          |

**Table 1: Revenue measures since the 2015-16 MYEFO<sup>(a)</sup> (continued)**

| Page |  | 2015-16<br>\$m | 2016-17<br>\$m | 2017-18<br>\$m | 2018-19<br>\$m | 2019-20<br>\$m |
|------|--|----------------|----------------|----------------|----------------|----------------|
|      | <b>TREASURY (continued)</b>  |                |                |                |                |                |
|      | Superannuation Reform Package  |                |                |                |                |                |
| 28   | – introducing a Low Income Superannuation Tax Offset (LISTO)                           | -              | -              | -              | -600.0         | -700.0         |
| 28   | – reforming the taxation of concessional superannuation contributions                  | -              | -              | 500.0          | 800.0          | 1,150.0        |
| 29   | – remove the anti-detriment provision in respect of death benefits from superannuation | -              | -              | -              | 105.0          | 245.0          |
| 30   | – strengthen integrity of income streams   | -              | ..             | 190.0          | 220.0          | 230.0          |
| 30   | – tax deductions for personal superannuation contributions                             | -              | -              | 350.0          | -600.0         | -750.0         |
|      | Tax Integrity Package  |                |                |                |                |                |
| 31   | – a new diverted profits tax   | -              | -              | -              | 100.0          | 100.0          |
| 32   | – better protecting tax whistleblowers   | -              | -              | -              | *              | *              |
| 32   | – broadening the securitised asset measure   | -              | *              | *              | *              | *              |
| 33   | – deferred tax liabilities   | -              | *              | *              | *              | *              |
| 33   | – establishing the Tax Avoidance Taskforce   | -              | 77.4           | 767.7          | 1,283.8        | 1,610.0        |
| 34   | – implementing the OECD hybrid mismatch arrangement rules                              | -              | -              | -              | *              | *              |
| 34   | – increasing administrative penalties for significant global entities                  | -              | -              | *              | *              | *              |
| 35   | – strengthening transfer pricing rules   | -              | *              | *              | *              | *              |
|      | Ten Year Enterprise Tax Plan   |                |                |                |                |                |
| 36   | – better targeting the deductible liabilities measure                                  | -              | -150.0         | -45.0          | -40.0          | -35.0          |
| 37   | – business simplification — taxation of financial arrangements — regulation reform     | -              | -              | *              | *              | *              |
| 38   | – enhancing access to asset backed financing   | -              | -              | -              | *              | *              |
| 38   | – excise refund scheme for distillers  | -              | -              | -3.0           | -3.0           | -3.0           |
| 39   | – implementing a new suite of collective investment vehicles                           | -              | -              | *              | *              | *              |
| 40   | – increase the small business entity turnover threshold                                | -              | -295.0         | -700.0         | -550.0         | -650.0         |
| 40   | – increase the unincorporated small business tax discount                              | -              | -              | -150.0         | -150.0         | -150.0         |
| 41   | – reducing the company tax rate to 25 per cent   | -              | -400.0         | -500.0         | -800.0         | -950.0         |
| 42   | – targeted amendments to Division 7A   | -              | -              | -              | -              | *              |
| 42   | – targeted personal income tax relief  | -              | -800.0         | -950.0         | -1,050.0       | -1,150.0       |

**Table 1: Revenue measures since the 2015-16 MYEFO<sup>(a)</sup> (continued)**

| Page |   | 2015-16      | 2016-17         | 2017-18        | 2018-19       | 2019-20       |
|------|---|--------------|-----------------|----------------|---------------|---------------|
|      |   | \$m          | \$m             | \$m            | \$m           | \$m           |
|      | <b>TREASURY (continued)</b>   |              |                 |                |               |               |
|      | Ten Year Enterprise Tax Plan  |              |                 |                |               |               |
| 43   | – wine equalisation tax rebate integrity and wine tourism funding               | -            | -               | 50.0           | 70.0          | 180.0         |
| 16   | Tobacco Excise — measures to improve health outcomes and combat illicit tobacco | -            | -               | 75.0           | 155.0         | 245.0         |
|      | <b>Portfolio total</b>  | -            | <b>-1,604.3</b> | <b>233.4</b>   | <b>-290.7</b> | <b>149.3</b>  |
|      | <b>Decisions taken but not yet announced</b>                                    | <b>0.3</b>   | <b>6.9</b>      | <b>-170.5</b>  | <b>-143.9</b> | <b>-118.0</b> |
|      | <b>Total impact of revenue measures(d)</b>                                      | <b>419.2</b> | <b>-1,250.7</b> | <b>1,037.9</b> | <b>160.1</b>  | <b>533.4</b>  |

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

.. Not zero, but rounded to zero.

- Nil.

nfp not for publication.

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

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

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

(d) Measures may not add due to rounding.

## AGRICULTURE AND WATER RESOURCES

### Changes to Agricultural Production Levies

| Revenue (\$m)  | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|--|---------|---------|---------|---------|---------|
| Department of Agriculture and Water Resources        | -       | 2.0     | 2.0     | 2.0     | 2.0     |
| <i>Related expense (\$m)</i>                         |         |         |         |         |         |
| <i>Department of Agriculture and Water Resources</i> | -       | 2.0     | 2.0     | 2.0     | 2.0     |

The Government will make changes to the following agricultural levies and export charges to meet changes in the funding needs of the agricultural industry and the industry organisations they support:

- Export fodder: from 1 July 2016, the Government will introduce a mandatory levy of \$0.50 per tonne on all hay and straw prepared for export. The Government will provide a matching contribution of \$400,000 per annum, consistent with its commitment in the *Agricultural Competitiveness White Paper*. This new mandatory levy replaces a voluntary levy and was proposed by the export fodder industry. It is designed to address gaps in fodder industry research, development and extension funding.
- Deer levy: from 1 July 2016, the Government will cease the excise levy on domestic production and sale of deer velvet, the customs charge on exports of deer velvet, and the customs charge on exports of live deer, as proposed by the Deer Industry Association of Australia.
- Forestry: from 1 July 2016, the Government will increase the Emergency Plant Pest Response levy for growers of private plantation logs by \$0.05 per cubic metre of logs, from \$0.055 per cubic metre to \$0.105 per cubic metre. The funds raised will be used to repay the Australian Government for costs incurred as part of the emergency response to giant pine scale that commenced in 2015.
- Citrus: from 1 July 2016, the Government will increase the citrus levy by \$1.50 per tonne. These increases are being made at the request of industry to address gaps in citrus industry research and development funding. This consists of:
  - an increase to the statutory levy and export charge for research and development from \$1.97 per tonne to \$3.20 per tonne; and
  - an increase to the Plant Health Australia levy rate from \$0.03 per tonne to \$0.30 per tonne.

## COMMUNICATIONS AND THE ARTS

### Broadcast Licence Fees — reduction

| Revenue (\$m)                                 | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|---|---------|---------|---------|---------|---------|
| Australian Communications and Media Authority | -       | -48.4   | -48.4   | -48.4   | -48.4   |
| Australian Taxation Office                    | -       | -       | 10.0    | 10.0    | 10.0    |
| Total — Revenue                               | -       | -48.4   | -38.4   | -38.4   | -38.4   |

The Government will reduce licence fees for commercial television and radio broadcasters by approximately 25 per cent applicable from the 2015-16 licence period. This measure is estimated to have a cost to revenue of \$163.6 million over the forward estimates period. This incorporates the effect of lower tax deductions resulting from the lower fees paid by broadcasters.

This licence fee relief is a result of the Government's review of broadcast licence fee arrangements, which found that the rapidly changing media market was placing significant financial pressure on commercial broadcasters. The Government will continue to consider appropriate levels of licence fees as part of its broader reforms to broadcasting and spectrum policy.

**EMPLOYMENT****Seacare Scheme — cost recovery arrangements**

| Revenue (\$m)                               | 2015-16 | 2016-17    | 2017-18    | 2018-19    | 2019-20    |
|---|---------|------------|------------|------------|------------|
| <i>Related expense (\$m)</i>                |         |            |            |            |            |
| <i>Comcare</i>                              | -       | <i>nfp</i> | <i>nfp</i> | <i>nfp</i> | <i>nfp</i> |
| <i>Australian Maritime Safety Authority</i> | -       | <i>nfp</i> | <i>nfp</i> | <i>nfp</i> | <i>nfp</i> |
| <i>Total — Expense</i>                      | -       | -          | -          | -          | -          |

The Government will move to full cost recovery of services provided under the Seacare Scheme by 2019-20. The Seacare Scheme sets national workers compensation and work, health and safety arrangements for some businesses in the maritime industry.

The move to full cost recovery will be implemented through a phased approach, with the levy and fees expected to be progressively introduced from 1 July 2016 and full cost recovery achieved from 1 July 2019. The levy and fees will recover the cost of performing regulatory functions by the Safety Rehabilitation and Compensation Commission, Comcare and the Australian Maritime Safety Authority.

The financial implications of this measure are not for publication (nfp) due to ongoing consultation with industry.

## ENVIRONMENT

### Environment Protection and Biodiversity Conservation — revised charging arrangements

| Revenue (\$m)                        | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|--------------------------------------|---------|---------|---------|---------|---------|
| Department of the Environment        | -       | -2.2    | -1.6    | -1.2    | -1.0    |
| <i>Related expense (\$m)</i>         |         |         |         |         |         |
| <i>Department of the Environment</i> | -       | -2.2    | -1.6    | -1.2    | -1.0    |

The Government will revise cost recovery arrangements for services provided by the Department of the Environment in administering the *Environment Protection and Biodiversity Conservation Act 1999*.

This measure will better align the fees and charges for environmental assessments with the costs of delivering the service and improve the efficiency of charging arrangements, consistent with the Australian Government Charging Framework.

### Fuel Quality Standards — revised charging arrangements

| Revenue (\$m)                        | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|--------------------------------------|---------|---------|---------|---------|---------|
| Department of the Environment        | -       | 0.1     | ..      | ..      | 0.1     |
| <i>Related expense (\$m)</i>         |         |         |         |         |         |
| <i>Department of the Environment</i> | -       | 0.1     | ..      | ..      | 0.1     |

The Government will revise cost recovery arrangements for services provided by the Department of the Environment in administering the *Fuel Quality Standards Act 2000*.

This measure will better align the fees and charges for applications to vary a fuel standard and improve the efficiency of charging arrangements, consistent with the Australian Government Charging Framework.

## FINANCE

### Property Services Coordinated Procurement

| Revenue (\$m)                | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|------------------------------|---------|---------|---------|---------|---------|
| Department of Finance        | -       | -       | -       | -       | -       |
| Various Agencies             | -       | -       | nfp     | nfp     | nfp     |
| Total — Revenue              | -       | -       | -       | -       | -       |
| <i>Related expense (\$m)</i> |         |         |         |         |         |
| Department of Finance        | -       | 3.0     | -       | -       | -       |

The Government will provide \$3.0 million in 2016-17 for the establishment of mandatory whole-of-government coordinated property procurement arrangements for Non-Corporate Commonwealth Entities.

The coordinated procurement arrangements will cover the leasing of office space, purchasing of property and facilities management, some capital works and utility services. This will support value for money by consolidating Commonwealth purchasing power.

The cost of this measure will be met from the savings generated through the new arrangements.

The savings for this measure are not for publication (nfp) for commercial confidentiality reasons.

### Commonwealth Non-Defence Property Divestment Program — extension

| Revenue (\$m)                | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|------------------------------|---------|---------|---------|---------|---------|
| Department of Finance        | -       | nfp     | nfp     | nfp     | nfp     |
| <i>Related revenue (\$m)</i> |         |         |         |         |         |
| Department of Finance        | -       | nfp     | nfp     | nfp     | nfp     |
| <i>Related expense (\$m)</i> |         |         |         |         |         |
| Department of Finance        | -       | 1.0     | 1.1     | 0.4     | -       |

The Government will provide \$2.6 million over three years from 2016-17 to implement the extension of the Commonwealth's non-Defence property divestment program. This proposal is consistent with the Government's objective to rationalise the Commonwealth's non-Defence property holdings to reflect current and future needs.

The overall positive financial impact of this measure is not for publication (nfp) due to commercial-in-confidence considerations.

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

## FOREIGN AFFAIRS AND TRADE

### Notarial Fees — increase

| Revenue (\$m)                           | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|---|---------|---------|---------|---------|---------|
| Department of Foreign Affairs and Trade | -       | 5.9     | 12.9    | 14.2    | 15.5    |

The Government will raise \$48.5 million over four years from 2016-17 through increasing fees for notarial services delivered by the Department of Foreign Affairs and Trade and the Australian Trade and Investment Commission. This new fee schedule will account for inflation and better align fees to commercial providers.

### Passport Fees — supporting consular services

| Revenue (\$m)                           | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|---|---------|---------|---------|---------|---------|
| Department of Foreign Affairs and Trade | -       | 24.2    | 47.5    | 48.7    | 52.5    |

The Government will raise \$172.9 million over four years from 2016-17 by increasing passport fees. From 1 January 2017, the cost of each new passport will increase by \$20 for adults and \$10 for children and seniors, and the fee for priority processing of passport applications will increase by \$54.

Revenue raised from this measure will be used by the Government to help offset the increased cost of providing consular services and fund policy priorities.

## HEALTH

### Aged Care — extending funding for unannounced compliance site visits to aged care providers

| Revenue (\$m)                       | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|-------------------------------------|---------|---------|---------|---------|---------|
| Australian Aged Care Quality Agency | -       | -10.1   | -       | -       | -       |
| <i>Related expense (\$m)</i>        |         |         |         |         |         |
| Australian Aged Care Quality Agency | -       | -       | -       | -       | -       |

The Government will provide \$10.1 million in 2016-17 to continue unannounced compliance site visits by the Australian Aged Care Quality Agency to aged care providers until 30 June 2017.

### Medicare Benefits Schedule and Pharmaceutical Benefits Scheme Data — efficiencies

| Revenue (\$m)                | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|------------------------------|---------|---------|---------|---------|---------|
| Department of Health         | -       | 0.1     | 0.1     | 0.1     | 0.1     |
| Department of Human Services | -       | -       | -       | -       | -       |
| Total — Revenue              | -       | 0.1     | 0.1     | 0.1     | 0.1     |
| <i>Related expense (\$m)</i> |         |         |         |         |         |
| Department of Human Services | -       | -       | -       | -       | -       |

The Government will achieve efficiencies of \$0.2 million over four years from 1 July 2016 by introducing cost recovery arrangements for customised Medical Benefits Schedule (MBS) and Pharmaceutical Benefits Scheme (PBS) data extracts that are prepared for external clients by the Department of Health.

This will bring arrangements for MBS and PBS data extracts from the Department of Health into line with arrangements in the Department of Human Services.

The Government will also investigate publishing a full suite of confidentialised MBS and PBS data for public access in line with the Australian Government Public Data Policy.

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

## IMMIGRATION AND BORDER PROTECTION

### Enhanced Project By-law Scheme — closure

| Revenue (\$m)                                   | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|---|---------|---------|---------|---------|---------|
| Department of Immigration and Border Protection | -       | 60.0    | 60.0    | 50.0    | 50.0    |

The Enhanced Project By-law Scheme (EPBS) will close from 7:30pm (AEST) on 3 May 2016, with transitional provisions for concessions already granted under the EPBS. This measure is estimated to have a gain to revenue of \$220.0 million over the forward estimates period.

### Enhancing Tourism — further reforms to tourist visas

| Revenue (\$m)                                   | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|---|---------|---------|---------|---------|---------|
| Department of Immigration and Border Protection | -       | 0.2     | 0.4     | 0.4     | 0.4     |

The Government will raise revenue of \$1.5 million over four years from 2016-17 by introducing trial visa arrangements in key markets. This includes a user-pays visa fast-track service for nationals from India and the United Arab Emirates, and a three year multiple entry visa for low immigration risk nationals from India, Thailand, Vietnam and Chile.

This measure builds on the 2015-16 MYEFO measure titled *Our North, Our Future – business, trade and investment gateway*, which included a trial of a user-pays visa fast-track service for Chinese nationals.

**Premium Border Clearance Services — establishment**

| Revenue (\$m)                                   | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|---|---------|---------|---------|---------|---------|
| Department of Immigration and Border Protection | nfp     | nfp     | nfp     | nfp     | nfp     |
| Department of Agriculture and Water Resources   | nfp     | nfp     | nfp     | nfp     | nfp     |
| <b>Total — Revenue</b>                          | -       | nfp     | nfp     | nfp     | nfp     |
| <i>Related expense (\$m)</i>                    |         |         |         |         |         |
| Department of Agriculture and Water Resources   | nfp     | nfp     | nfp     | nfp     | nfp     |
| Department of Immigration and Border Protection | nfp     | nfp     | nfp     | nfp     | nfp     |
| <b>Total — Expense</b>                          | -       | -       | -       | -       | -       |

The Government will raise revenue by charging a commercial fee to airport operators to provide premium border clearance services for international air passengers, initially at Sydney, Perth and Melbourne airports.

The expenditure for this measure is not for publication (nfp) due to commercial confidentiality.

**Removal of the Special Duty on Imported Used Vehicles**

| Revenue (\$m)                                   | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|---|---------|---------|---------|---------|---------|
| Department of Immigration and Border Protection | -       | -       | -       | ..      | ..      |

The Government will remove the \$12,000 special tariff on imported used vehicles from 1 January 2018. This measure is estimated to have negligible cost to revenue over the forward estimates period.

The special tariff is rarely applied in practice as importers can claim an exemption if they have a Vehicle Import Approval issued by the vehicle safety standards regulator.

Further information can be found in the press release of 10 February 2016 issued by the Minister for Major Projects, Territories and Local Government.

**Tobacco Excise — measures to improve health outcomes and combat illicit tobacco**

| Revenue (\$m)                                   | 2015-16 | 2016-17    | 2017-18      | 2018-19        | 2019-20        |
|---|---------|------------|--------------|----------------|----------------|
| Department of Immigration and Border Protection | -       | -          | 685.0        | 1,540.0        | 2,460.0        |
| Australian Taxation Office                      | -       | -          | 75.0         | 155.0          | 245.0          |
| <b>Total — Revenue</b>                          | -       | -          | <b>760.0</b> | <b>1,695.0</b> | <b>2,705.0</b> |
| <i>Related expense (\$m)</i>                    |         |            |              |                |                |
| Department of Immigration and Border Protection | -       | 2.9        | 4.9          | -              | -              |
| Department of the Treasury                      | -       | -          | 65.0         | 145.0          | 235.0          |
| <b>Total — Expense</b>                          | -       | <b>2.9</b> | <b>69.9</b>  | <b>145.0</b>   | <b>235.0</b>   |

The Government will increase tobacco excise and excise equivalent customs duties through four annual increases of 12.5 per cent per year from 2017 until 2020. The increases will take place on 1 September each year and will be in addition to existing indexation to average weekly ordinary time earnings.

In addition, the Government will also limit, from 1 July 2017, the duty free tobacco allowance to 25 cigarettes or equivalent from the current allowance of 50 cigarettes.

This measure is estimated to have a gain to the Budget of \$4.7 billion over the forward estimates period.

In conjunction with the changes to excise and the duty free limit, the Government will also strengthen its regulatory and enforcement response to illicit tobacco by providing \$7.7 million over two years to expand the Department of Immigration and Border Protection's Tobacco Strike Team.

The Government will also reform the *Customs Act 1901* and *Excise Act 1901* to provide enforcement officers with access to tiered offences and appropriate penalties, increasing the range of enforcement options available for illicit tobacco offences.

These changes will improve the health of Australians by reducing their exposure to tobacco products and will ensure that tobacco products consumed domestically are fully taxed and comply with Australian regulations. These four annual increases will take Australia's excise on a cigarette to almost 69 per cent of the average price of a cigarette (assuming no other changes to cigarette prices over this period), close to the World Health Organisation recommendation of 70 per cent of the price of a cigarette.

**Trans-Pacific Partnership Agreement**

| Revenue (\$m)                                   | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|---|---------|---------|---------|---------|---------|
| Department of Immigration and Border Protection | -       | -25.0   | -50.0   | -60.0   | -60.0   |

On 4 February 2016, the governments of Australia, Brunei Darussalam, Canada, Chile, Japan, Malaysia, Mexico, New Zealand, Peru, Singapore, the United States of America and Vietnam signed the Trans-Pacific Partnership Agreement (TPP). The TPP is a trade agreement that will further integrate the twelve economies in the Asia-Pacific region. This measure is estimated to have a cost to revenue from tariff reductions of \$195.0 million over the forward estimates period. This measure adds to the Government’s free trade agreements with Japan, Korea and China.

The cost to revenue of this measure has already been accounted for by the Government.

Further information can be found in the press release of 4 February 2016 issued by the former Minister for Trade and Investment.

**World Trade Organization — Information Technology Agreement**

| Revenue (\$m)                                   | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|---|---------|---------|---------|---------|---------|
| Department of Immigration and Border Protection | -       | ..      | ..      | -20.0   | -60.0   |

The Government will phase out tariffs on a range of information technology products starting from 1 January 2017 as part of the World Trade Organization Information Technology Agreement.

Reciprocal reductions in tariffs and other trade barriers by other parties to the Agreement will provide Australian businesses and consumers with a greater variety of goods and services at lower prices.

This measure is estimated to have a cost to revenue of \$80.0 million over the forward estimates period.

Further information can be found in the press release of 17 December 2015 issued by the former Minister for Trade and Investment.

## INFRASTRUCTURE AND REGIONAL DEVELOPMENT

### National System for Domestic Commercial Vessel Safety — staged implementation of cost recovery

| Revenue (\$m)                        | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|--------------------------------------|---------|---------|---------|---------|---------|
| Australian Maritime Safety Authority | -       | 0.2     | 0.2     | 0.2     | 0.2     |

The Government will introduce new cost recovery arrangements to fund the National System for Domestic Commercial Vessel Safety with the first phase applying from 1 July 2016 and the second phase from 1 July 2017. The arrangements implement a national regulatory framework for the safe operation of domestic commercial vessels as agreed by the Council of Australian Governments' Transport and Infrastructure Council.

## TREASURY

### Applying GST to Low Value Goods Imported by Consumers

| Revenue (\$m)                     | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|-----------------------------------|---------|---------|---------|---------|---------|
| Australian Taxation Office        | -       | -       | 70.0    | 100.0   | 130.0   |
| <i>Related expense (\$m)</i>      |         |         |         |         |         |
| <i>Australian Taxation Office</i> | -       | 4.2     | 3.6     | 3.3     | 2.6     |
| <i>Department of the Treasury</i> | -       | -       | 60.0    | 90.0    | 120.0   |
| <i>Total — Expense</i>            | -       | 4.2     | 63.6    | 93.3    | 122.6   |
| <i>Related capital (\$m)</i>      |         |         |         |         |         |
| <i>Australian Taxation Office</i> | -       | 0.1     | -       | -       | -       |

The GST will be extended to low value goods imported by consumers from 1 July 2017. The measure is estimated to have a gain to GST revenue of \$300.0 million over the forward estimates period. This will increase GST payments to the States and Territories by \$270.0 million over the forward estimates period. The difference is due to timing of GST collections.

The intent of this measure is that low value goods imported by consumers will face the same tax regime as goods that are sourced domestically.

Overseas suppliers that have an Australian turnover of \$75,000 or more will be required to register for, collect and remit GST for low value goods supplied to consumers in Australia, using a vendor registration model.

These arrangements will be reviewed after two years to ensure they are operating as intended and take account of any international developments.

Funding of \$13.8 million over four years from 2016-17 will be provided to the Australian Taxation Office to implement the measure. This change will require the unanimous agreement of the States and Territories prior to the enactment of legislation.

This follows the in-principle agreement made on 21 August 2015 by the Council on Federal Financial Relations Tax Reform Workshop.

**Income Tax Relief for Australian Defence Force Personnel Deployed Overseas**

| Revenue (\$m)              | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|----------------------------|---------|---------|---------|---------|---------|
| Australian Taxation Office | ..      | -0.1    | ..      | -       | -       |

The Government will provide a full income tax exemption for Australian Defence Force personnel deployed on Operation PALATE II in Afghanistan. This income tax exemption has effect from 1 January 2016, and will remain in effect until 31 December 2016.

The Government will also update the coordinates for Operation MANITOU in international waters, with effect from 14 May 2015, and Operation OKRA in the Middle East, with effect from 9 September 2015, to reflect the actual areas covered by the operations. This measure is estimated to have a cost to revenue of \$0.1 million over the forward estimates period.

**Indirect Tax Concession Scheme — diplomatic, consular and international organisation concessions**

| Revenue (\$m)                     | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|-----------------------------------|---------|---------|---------|---------|---------|
| Australian Taxation Office        | ..      | ..      | ..      | ..      | ..      |
| <i>Related expense (\$m)</i>      |         |         |         |         |         |
| <i>Department of the Treasury</i> | ..      | ..      | ..      | ..      | ..      |

The Government has granted or extended access to refunds of indirect tax (including for GST, fuel and alcohol taxes) under the Indirect Tax Concession Scheme. The expanded refunds will apply to the diplomatic and consular representation of Cyprus, Estonia and Finland; and to the Organisation for the Prohibition of Chemical Weapons and its officers and representatives in Australia. Consistent with international practice, these concessions are reciprocal and reviewed periodically.

Each of these changes will have effect from a time specified by the Minister for Foreign Affairs. The refunds are estimated to have a negligible cost to the Budget over the forward estimates period.

**National Innovation and Science Agenda — expanding tax incentives for early-stage investors**

| Revenue (\$m)              | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|----------------------------|---------|---------|---------|---------|---------|
| Australian Taxation Office | -       | -       | -15.0   | -15.0   | -15.0   |

This measure forms part of the Government's commitment to ensuring early-stage innovative companies have access to investment capital.

The Government has amended the *Mid-Year Economic and Fiscal Outlook 2015-16* measure *National Innovation and Science Agenda – tax incentives for angel investors* to:

- reduce the holding period from three years to 12 months for investors to access the 10 year capital gains tax exemption;
- include in the definition of eligible startups, a time limit on incorporation and criteria for determining if the startup is an innovation company;
- require that the investor and innovation company are non-affiliates; and
- limit the investment amount for non-sophisticated investors to \$50,000 or less per income year in order to receive a tax offset.

These amendments have been determined in close consultation with stakeholders and will better target the incentives to ensure they promote investment in early-stage innovation companies. These companies face difficulty attracting the capital and business expertise needed to succeed.

The measure is estimated to have a cost to revenue of \$45.0 million over the forward estimates period.

**National Innovation and Science Agenda — expanding the new arrangements for venture capital limited partnerships**

| Revenue (\$m)              | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|----------------------------|---------|---------|---------|---------|---------|
| Australian Taxation Office | -       | -       | *       | *       | *       |

This measure expands the funding arrangements to attract more venture capital investment.

The Government has amended the *Mid-Year Economic and Fiscal Outlook 2015-16* measure *National Innovation and Science Agenda – new arrangement for venture capital investment* to:

- add a transitional arrangement that allows conditionally registered funds that become unconditionally registered after 7 December 2015 to access the tax offset if the criteria are met;
- relax the requirement for very small entities to provide an auditors' statement of assets;
- extend the increase in fund size from \$100.0 million to \$200.0 million for new early-stage venture capital limited partnerships (ESVCLPs) to also apply to existing ESVCLPs; and
- ensure that the venture capital tax concessions are available for FinTech, banking and insurance related activities.

These amendments have been determined in close consultation with stakeholders and will better improve access to capital and make the regimes more user-friendly.

The measure is expected to have an unquantifiable cost to revenue over the forward estimates period.

Further information can be found in the press releases of 15 March 2016 and 21 March 2016 issued by the Treasurer.

**Personal Income Tax — increasing the Medicare levy low-income thresholds**

| Revenue (\$m)              | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|----------------------------|---------|---------|---------|---------|---------|
| Australian Taxation Office | -       | -100.0  | -60.0   | -60.0   | -60.0   |

The Government will increase the Medicare levy low-income thresholds for singles, families and seniors and pensioners from the 2015-16 income year. The increases take account of movements in the Consumer Price Index so that low income taxpayers generally continue to be exempted from paying the Medicare levy.

The threshold for singles will be increased to \$21,335. For couples with no children, the threshold will be increased to \$36,001 and the additional amount of threshold for each dependent child or student will be increased to \$3,306. For single seniors and pensioners, the threshold will be increased to \$33,738. For senior and pensioner couples with no children, the threshold will be increased to \$46,966 and the additional amount of threshold for each dependent child or student will be increased to \$3,306.

This measure is estimated to have a cost to revenue of \$280.0 million over the forward estimates period.

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

| Revenue (\$m)              | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|----------------------------|---------|---------|---------|---------|---------|
| Australian Taxation Office | -       | ..      | -0.1    | -0.1    | -0.1    |

Since the *Mid-Year Economic and Fiscal Outlook 2015-16*, the following organisations have been approved as specifically-listed deductible gift recipients (DGRs) from the following dates:

- Australian Science Innovations Incorporated from 1 January 2016;
- The Ethics Centre Incorporated from 24 February 2016; and
- Cambridge Australia Scholarships Limited from 1 July 2016 to 30 June 2021.

In addition, from Royal Assent the following organisations have been approved as specifically-listed DGRs provided the gifts are made for education or research in medical knowledge or science:

- The Australasian College of Dermatologists;
- College of Intensive Care Medicine of Australia and New Zealand; and
- The Royal Australian and New Zealand College of Ophthalmologists.

*Budget Measures 2016-17 – Part 1: Revenue Measures*

Taxpayers may claim an income tax deduction for gifts to these organisations of \$2 or more.

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

**Superannuation Reform Package — allow catch-up concessional superannuation contributions**

| Revenue (\$m)              | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|----------------------------|---------|---------|---------|---------|---------|
| Australian Taxation Office | -       | -       | -       | -100.0  | -250.0  |

From 1 July 2017, the Government will allow individuals to make additional concessional contributions where they have not reached their concessional contributions cap in previous years. Access to these unused cap amounts will be limited to those individuals with a superannuation balance less than \$500,000. Amounts are carried forward on a rolling basis for a period of five consecutive years, and only unused amounts accrued from 1 July 2017 can be carried forward.

Annual concessional caps can limit the ability of people with interrupted work patterns – for example women or carers – to accumulate superannuation balances commensurate with those who do not take breaks from the workforce. Allowing people to carry forward their unused concessional cap provides them with the opportunity to ‘catch-up’ if they have the capacity and choose to do so.

The measure will also apply to members of defined benefit schemes and consultation will be undertaken to minimise additional compliance impacts for these schemes.

This measure is estimated to have a cost to revenue of \$350.0 million over the forward estimates period.

This measure forms part of the Government’s Superannuation Reform Package, which will improve the sustainability, flexibility and integrity of the superannuation system.

**Superannuation Reform Package — harmonising contribution rules for those aged 65 to 74**

| Revenue (\$m)              | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|----------------------------|---------|---------|---------|---------|---------|
| Australian Taxation Office | -       | -       | -40.0   | -40.0   | -50.0   |

From 1 July 2017, the Government will improve the flexibility of the superannuation system by removing the current restrictions on people aged 65 to 74 from making superannuation contributions for their retirement. People under the age of 75 will no longer have to satisfy a work test and will be able to receive contributions from their spouse.

This will simplify the superannuation system for older Australians and allow them to increase their retirement savings, especially from sources that may not have been available to them before retirement, including from downsizing their home.

This measure is estimated to have a cost to revenue of \$130.0 million over the forward estimates period.

This measure forms part of the Government's Superannuation Reform Package, which will improve the sustainability, flexibility and integrity of the superannuation system.

### **Superannuation Reform Package — improve superannuation balances of low income spouses**

| Revenue (\$m)              | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|----------------------------|---------|---------|---------|---------|---------|
| Australian Taxation Office | -       | -       | -       | -5.0    | -5.0    |

From 1 July 2017, the Government will increase access to the low income spouse superannuation tax offset by raising the income threshold for the low income spouse to \$37,000 from \$10,800. The low income spouse tax offset provides up to \$540 per annum for the contributing spouse and builds on the Government's co-contribution and superannuation splitting policies to boost retirement savings, particularly of women.

This measure is estimated to have a cost to revenue of \$10.0 million over the forward estimates period.

This measure forms part of the Government's Superannuation Reform Package, which will improve the sustainability, flexibility and integrity of the superannuation system.

### **Superannuation Reform Package — introduce a \$1.6 million superannuation transfer balance cap**

| Revenue (\$m)                | 2015-16    | 2016-17    | 2017-18    | 2018-19    | 2019-20    |
|------------------------------|------------|------------|------------|------------|------------|
| Australian Taxation Office   | -          | -          | 550.0      | 700.0      | 750.0      |
| <i>Related expense (\$m)</i> |            |            |            |            |            |
| Australian Taxation Office   | -          | 4.4        | -          | -          | -          |
| Department of Finance        | <i>nfp</i> | <i>nfp</i> | <i>nfp</i> | <i>nfp</i> | <i>nfp</i> |
| <i>Total — Expense</i>       | -          | 4.4        | -          | -          | -          |
| <i>Related capital (\$m)</i> |            |            |            |            |            |
| Department of Finance        | -          | -          | -          | -          | -          |

From 1 July 2017, the Government will introduce a \$1.6 million transfer balance cap on the total amount of accumulated superannuation an individual can transfer into the retirement phase. Subsequent earnings on these balances will not be restricted. This will limit the extent to which the tax-free benefits of retirement phase accounts can be used by high wealth individuals.

Introducing a transfer balance cap will improve sustainability and fairness in the superannuation system. Where an individual accumulates amounts in excess of \$1.6 million, they will be able to maintain this excess amount in an accumulation phase account (where earnings will be taxed at the concessional rate of 15 per cent). Members already in the retirement phase with balances above \$1.6 million will be required to reduce their retirement balance to \$1.6 million by 1 July 2017. Excess balances for these members may be converted to superannuation accumulation phase accounts.

A tax on amounts that are transferred in excess of the \$1.6 million cap (including earnings on these excess transferred amounts) will be applied, similar to the tax treatment that applies to excess non-concessional contributions.

The amount of cap space remaining for a member seeking to make more than one transfer into a retirement phase account will be determined by apportionment.

Commensurate treatment for members of defined benefit schemes will be achieved through changes to the tax arrangements for pension amounts over \$100,000 from 1 July 2017.

Consultation will be undertaken on the implementation of this measure for members of both accumulation and defined benefits schemes.

The Government will provide funding for required systems changes to its defined benefits superannuation schemes. The expenditure for this is not for publication for commercial confidentiality reasons.

This measure is estimated to have a gain to revenue of \$2.0 billion over the forward estimates period.

This measure forms part of the Government's Superannuation Reform Package, which will improve the sustainability, flexibility and integrity of the superannuation system.

**Superannuation Reform Package — introduce a lifetime cap for non-concessional superannuation contributions**

| Revenue (\$m)              | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|----------------------------|---------|---------|---------|---------|---------|
| Australian Taxation Office | ..      | 50.0    | 100.0   | 150.0   | 250.0   |

The Government will introduce a \$500,000 lifetime non-concessional contributions cap to improve the sustainability of the superannuation system. To ensure maximum effectiveness the lifetime cap will take into account all non-concessional contributions made on or after 1 July 2007, from which time the Australian Taxation Office has reliable contributions records, and will commence at 7.30 pm (AEST) on 3 May 2016. Contributions made before commencement cannot result in an excess. However, excess contributions made after commencement will need to be removed or subject to penalty tax. The cap will be indexed to average weekly ordinary time earnings and is estimated to have a gain to revenue of \$550.0 million over the forward estimates period.

The lifetime non-concessional cap will replace the existing annual caps which allow annual non-concessional contributions of up to \$180,000 per year (or \$540,000 every three years for individuals aged under 65).

This change will improve the sustainability of the superannuation system, whilst continuing to provide support for the majority of Australians who make non-concessional contributions well below \$500,000. This measure will also provide Australians with flexibility around when they choose to contribute to their superannuation and will be available to all Australians up to age 74.

After-tax contributions made into defined benefit accounts and constitutionally protected funds will be included in an individual's lifetime non-concessional cap. If a member of a defined benefit fund exceeds their lifetime cap, ongoing contributions to the defined benefit account can continue but the member will be required to remove, on an annual basis, an equivalent amount (including proxy earnings) from any accumulation account they hold. The amount that could be removed from any accumulation accounts will be limited to the amount of non-concessional contributions made into those accounts since 1 July 2007. Contributions made to a defined benefit account will not be required to be removed. The Government will consult to ensure broadly commensurate and equitable treatment of individuals for whom no amount of post 1 July 2007 non-concessional contributions are available to be removed.

This measure forms part of the Government's Superannuation Reform Package, which will improve the sustainability, flexibility and integrity of the superannuation system.

**Superannuation Reform Package — introducing a Low Income Superannuation Tax Offset (LISTO)**

| Revenue (\$m)                | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|------------------------------|---------|---------|---------|---------|---------|
| Australian Taxation Office   | -       | -       | -       | -600.0  | -700.0  |
| <i>Related expense (\$m)</i> |         |         |         |         |         |
| Australian Taxation Office   | -       | -       | 101.0   | 101.1   | 101.1   |
| <i>Related capital (\$m)</i> |         |         |         |         |         |
| Australian Taxation Office   | -       | -       | 1.8     | -       | -       |

From 1 July 2017, the Government will introduce a Low Income Superannuation Tax Offset (LISTO) to reduce tax on superannuation contributions for low income earners. The LISTO will provide a non-refundable tax offset to superannuation funds, based on the tax paid on concessional contributions made on behalf of low income earners, up to a cap of \$500. Provision will be made to ensure the measure can be implemented to achieve the outcomes as intended. The LISTO will apply to members with adjusted taxable income up to \$37,000 that have had a concessional contribution made on their behalf.

This will effectively avoid the situation in which low income earners would pay more tax on savings placed into superannuation than on income earned outside of superannuation.

The measure is estimated to have a cost to the Budget of \$1.6 billion over the forward estimates period.

This measure forms part of the Government’s Superannuation Reform Package, which will improve the sustainability, flexibility and integrity of the superannuation system.

**Superannuation Reform Package — reforming the taxation of concessional superannuation contributions**

| Revenue (\$m)                | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|------------------------------|---------|---------|---------|---------|---------|
| Australian Taxation Office   | -       | -       | 500.0   | 800.0   | 1,150.0 |
| <i>Related expense (\$m)</i> |         |         |         |         |         |
| Australian Taxation Office   | -       | -       | 0.9     | 2.2     | 1.1     |
| <i>Related capital (\$m)</i> |         |         |         |         |         |
| Australian Taxation Office   | -       | 2.8     | -       | -       | -       |

From 1 July 2017, the Government will lower the Division 293 threshold (the point at which high income earners pay addition contributions tax) from \$300,000 to \$250,000. The Government will also reduce the annual cap on concessional superannuation contributions to \$25,000 (currently \$30,000 under age 50; \$35,000 for ages 50 and over).

Reducing the Division 293 tax income threshold will improve sustainability and fairness in the superannuation system by limiting the effective tax concessions provided to high income individuals. Capping concessional contributions at \$25,000 per year will still allow individuals to accumulate significant amounts of tax advantaged concessional superannuation.

The lower Division 293 income threshold will also apply to members of defined benefit schemes and constitutionally protected funds currently covered by the tax. Existing exemptions (such as State higher level office holders and Commonwealth judges) for Division 293 tax will be maintained.

From 1 July 2017, the Government will include notional (estimated) and actual employer contributions in the concessional contributions cap for members of unfunded defined benefit schemes and constitutionally protected funds. Members of these funds will have opportunities to salary sacrifice commensurate with members of accumulation funds. For individuals who were members of a funded defined benefit scheme as at 12 May 2009, the existing grandfathering arrangements will continue.

This measure is estimated to have a gain to revenue of \$2.5 billion over the forward estimates period.

This measure forms part of the Government's Superannuation Reform Package, which will improve the sustainability, flexibility and integrity of the superannuation system.

**Superannuation Reform Package — remove the anti-detriment provision in respect of death benefits from superannuation**

| Revenue (\$m)              | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|----------------------------|---------|---------|---------|---------|---------|
| Australian Taxation Office | -       | -       | -       | 105.0   | 245.0   |

From 1 July 2017, the Government will improve the integrity and fairness of the system by removing the outdated anti-detriment provision.

The anti-detriment provision can effectively result in a refund of a member's lifetime superannuation contributions tax payments into an estate, where the beneficiary is the dependant of the member (spouse, former spouse or child). Currently, this provision is inconsistently applied by superannuation funds.

Removing the anti-detriment provision will better align the treatment of lump sum death benefits across all superannuation funds and the treatment of bequests outside of superannuation. Lump sum death benefits to dependants remain tax free.

This measure is estimated to have a gain to revenue of \$350.0 million over the forward estimates period.

This measure forms part of the Government's Superannuation Reform Package, which will improve the sustainability, flexibility and integrity of the superannuation system.

**Superannuation Reform Package — strengthen integrity of income streams**

| Revenue (\$m)              | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|----------------------------|---------|---------|---------|---------|---------|
| Australian Taxation Office | -       | ..      | 190.0   | 220.0   | 230.0   |

The Government will improve integrity in the superannuation system by removing the tax exemption on earnings of assets supporting Transition to Retirement Income Streams from 1 July 2017 (income streams of individuals over preservation age but not retired). It will also remove a rule that allows individuals to treat certain superannuation income stream payments as lump sums for tax purposes.

This measure is estimated to have a gain to revenue of \$640.0 million over the forward estimates period.

This measure forms part of the Government's Superannuation Reform Package, which will improve the sustainability, flexibility and integrity of the superannuation system.

**Superannuation Reform Package — tax deductions for personal superannuation contributions**

| Revenue (\$m)              | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|----------------------------|---------|---------|---------|---------|---------|
| Australian Taxation Office | -       | -       | 350.0   | -600.0  | -750.0  |

From 1 July 2017, the Government will improve flexibility and choice in superannuation by allowing all individuals up to age 75 to claim an income tax deduction for personal superannuation contributions. This effectively allows all individuals, regardless of their employment circumstances, to make concessional superannuation contributions up to the concessional cap. Individuals who are partially self-employed and partially wage and salary earners, and individuals whose employers do not offer salary sacrifice arrangements will benefit from these changed arrangements.

Individuals that are members of certain prescribed funds would not be entitled to deduct contributions to those schemes. Prescribed funds will include all untaxed funds, all Commonwealth defined benefit schemes, and any State, Territory or corporate defined benefit schemes that choose to be prescribed.

This measure is estimated to have a cost to revenue of \$1.0 billion over the forward estimates period.

This measure forms part of the Government's Superannuation Reform Package, which will improve the sustainability, flexibility and integrity of the superannuation system.

**Tax Integrity Package — a new diverted profits tax**

| Revenue (\$m)              | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|----------------------------|---------|---------|---------|---------|---------|
| Australian Taxation Office | -       | -       | -       | 100.0   | 100.0   |

The Government will introduce a new tax aimed at multinational corporations that artificially divert profits from Australia. The tax will apply to income years commencing on or after 1 July 2017. This measure is estimated to have a gain to revenue of \$200.0 million over the forward estimates period.

The new tax will target companies that shift profits offshore through arrangements involving related parties:

- that result in less than 80 per cent tax being paid overseas than would otherwise have been paid in Australia;
- where it is reasonable to conclude that the arrangement is designed to secure a tax reduction; and
- that do not have sufficient economic substance.

Where such arrangements are entered into, this measure will apply a 40 per cent tax on diverted profits to ensure that large multinationals are paying sufficient tax in Australia.

This measure will apply to large companies with global revenue of \$1 billion or more. Companies with Australian revenue of less than \$25 million will be exempt, unless they are artificially booking their revenue offshore.

This measure forms part of the Government's Tax Integrity Package, which will strengthen the integrity of Australia's tax system.

**Tax Integrity Package — better protecting tax whistleblowers**

| Revenue (\$m)              | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|----------------------------|---------|---------|---------|---------|---------|
| Australian Taxation Office | -       | -       | -       | *       | *       |

The Government will introduce new arrangements to better protect individuals who disclose information to the Australian Taxation Office (ATO) on tax avoidance behaviour and other tax issues. This measure will take effect from 1 July 2018 and is estimated to have an unquantifiable gain to revenue over the forward estimates period.

Under the new arrangements, individuals, including employees, former employees and advisers, disclosing information to the ATO will be better protected under the law.

This measure forms part of the Government’s Tax Integrity Package, which will strengthen the integrity of Australia’s tax system.

**Tax Integrity Package — broadening the securitised asset measure**

| Revenue (\$m)              | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|----------------------------|---------|---------|---------|---------|---------|
| Australian Taxation Office | -       | *       | *       | *       | *       |

The Government will extend the application of the 2014-15 Budget measure *Closing loopholes in the consolidation regime – securitised assets* to non-financial institutions with securitisation arrangements. This will ensure that the same treatment applies to liabilities arising from securitisation arrangements within both financial and non-financial institutions. These liabilities will be disregarded if the relevant securitised asset is not recognised for tax purposes. This change will apply to arrangements that commence on or after 7:30 pm (AEST) on 3 May 2016. Transitional rules will apply to arrangements that commence before this time. The revenue gain from this measure is unquantifiable.

The 2014-15 Budget measure was originally targeted at securitisation arrangements within financial institutions because the distortions in the consolidation tax cost setting rules had been first identified in relation to those institutions. The measure is being broadened as similar distortions also arise for all other entities with securitisation arrangements. This will improve the integrity of the consolidation regime.

This measure forms part of the Government’s Tax Integrity Package, which will strengthen the integrity of Australia’s tax system.

**Tax Integrity Package — deferred tax liabilities**

| Revenue (\$m)              | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|----------------------------|---------|---------|---------|---------|---------|
| Australian Taxation Office | -       | *       | *       | *       | *       |

The Government will amend the consolidation regime's treatment of deferred tax liabilities by removing adjustments relating to deferred tax liabilities from the consolidation entry and exit tax cost-setting rules. This change will apply to joining and leaving events under transactions that commence after the date amending legislation is introduced in Parliament. This measure is estimated to result in an unquantifiable gain to revenue.

Currently there is a commercial/tax mismatch under the consolidation entry and exit tax cost-setting processes for deferred tax liabilities. This gives rise to integrity risks and uncertainty. This measure will more closely align the commercial and tax outcomes, reduce complexity and improve the integrity of the consolidation regime.

This measure forms part of the Government's Tax Integrity Package, which will strengthen the integrity of Australia's tax system.

**Tax Integrity Package — establishing the Tax Avoidance Taskforce**

| Revenue (\$m)                     | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|-----------------------------------|---------|---------|---------|---------|---------|
| Australian Taxation Office        | -       | 77.4    | 767.7   | 1,283.8 | 1,610.0 |
| <i>Related expense (\$m)</i>      |         |         |         |         |         |
| <i>Australian Taxation Office</i> | -       | 48.8    | 203.3   | 212.6   | 214.2   |

The Government will provide \$678.9 million to the Australian Taxation Office (ATO) over the forward estimates period to establish a new Tax Avoidance Taskforce. This will enable the ATO to undertake enhanced compliance activities targeting multinationals, large public and private groups and high wealth individuals.

The Tax Avoidance Taskforce will conduct operations to improve tax compliance in high tax risk sectors. This measure provides the ATO with a 55 per cent increase in funding for compliance programs targeting multinationals and high wealth individuals, with a 43 per cent increase in resources devoted to tackling multinationals (including ramping up to an additional 390 average staffing level per year). These changes will result in better targeted audits and higher collections.

The Government will also ensure the ATO has access to the information it needs by enhancing information sharing between the ATO and the Australian Securities and Investments Commission. This supports the operation of the Taskforce through improved risk analysis and detection.

*Budget Measures 2016-17 – Part 1: Revenue Measures*

This measure is estimated to have a gain to revenue of \$3.7 billion over the forward estimates period. The underlying cash receipts impact of this measure is \$2.2 billion over the forward estimates period.

This measure forms part of the Government's Tax Integrity Package, which will strengthen the integrity of Australia's tax system.

**Tax Integrity Package — implementing the OECD hybrid mismatch arrangement rules**

| Revenue (\$m)              | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|----------------------------|---------|---------|---------|---------|---------|
| Australian Taxation Office | -       | -       | -       | *       | *       |

The Government will implement the Organisation for Economic Co-operation and Development's (OECD) rules to eliminate hybrid mismatch arrangements, taking into account the recommendations made by the Board of Taxation in its report on the *Australian implementation of the OECD hybrid mismatch rules*. The Government has asked the Board of Taxation to undertake further work on how best to implement these rules in relation to regulatory capital as part of this measure.

This measure is aimed at multinational corporations that exploit differences in the tax treatment of an entity or instrument under the laws of two or more tax jurisdictions. This measure targets instances where tax is either deferred or not paid at all. It will apply broadly to related parties, members of a control group and structured arrangements.

This measure will apply from the later of 1 January 2018 or six months following the date of Royal Assent of the enabling legislation and is estimated to have an unquantifiable gain to revenue over the forward estimates period.

This measure forms part of the Government's Tax Integrity Package, which will strengthen the integrity of Australia's tax system.

**Tax Integrity Package — increasing administrative penalties for significant global entities**

| Revenue (\$m)              | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|----------------------------|---------|---------|---------|---------|---------|
| Australian Taxation Office | -       | -       | *       | *       | *       |

The Government will increase administrative penalties imposed on companies with global revenue of \$1 billion or more who fail to adhere to tax disclosure obligations. This measure will apply from 1 July 2017 and is estimated to have an unquantifiable gain to revenue over the forward estimates period.

Penalties relating to the lodgement of tax documents to the Australian Taxation Office (ATO) will be increased by a factor of 100. This will raise the maximum penalty from \$4,500 to \$450,000, which will help to ensure that multinational companies do not opt out of their reporting obligations.

Penalties relating to making statements to the ATO will be doubled, to increase the penalties imposed on multinational companies that are being reckless or careless in their tax affairs.

This measure forms part of the Government's Tax Integrity Package, which will strengthen the integrity of Australia's tax system.

### **Tax Integrity Package — strengthening transfer pricing rules**

| Revenue (\$m)              | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|----------------------------|---------|---------|---------|---------|---------|
| Australian Taxation Office | -       | *       | *       | *       | *       |

This measure tackles transfer mispricing by multinationals.

The Government is amending Australia's transfer pricing law to give effect to the 2015 Organisation for Economic Co-operation and Development (OECD) transfer pricing recommendations. The amendment will apply from 1 July 2016.

Australia's transfer pricing legislation currently specifies that it is to be interpreted so as to best achieve consistency with the OECD's Transfer Pricing Guidelines for Multinational Enterprises and Tax Administrations as last updated in 2010. On 5 October 2015, the OECD released the report *Aligning Transfer Pricing Outcomes with Value Creation* to update the Guidelines.

The changes to the 2010 OECD Guidelines enhance guidance on intellectual property and hard-to-value-intangibles, and ensure that transfer pricing analysis reflects the economic substance of the transaction. Applying these changes to Australia's transfer pricing rules will keep them in line with international best practice so that profits made in Australia are properly taxed in Australia.

This measure is estimated to have an unquantifiable gain to revenue over the forward estimates period.

This measure forms part of the Government's Tax Integrity Package, which will strengthen the integrity of Australia's tax system.

**Ten Year Enterprise Tax Plan — better targeting the deductible liabilities measure**

| Revenue (\$m)              | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|----------------------------|---------|---------|---------|---------|---------|
| Australian Taxation Office | -       | -150.0  | -45.0   | -40.0   | -35.0   |

The Government will modify how the 2013-14 Budget measure *Closing loopholes in the consolidation regime – deductible liabilities of a joining entity* addresses the double counting of deductible liabilities under the consolidation regime. The modifications mean that a consolidated group that acquires a subsidiary with deductible liabilities will no longer include those liabilities in the consolidation entry tax cost setting process, thus removing a double tax benefit. This measure also defers the start date from 14 May 2013 to 1 July 2016.

The elimination of the double tax benefit will result in increased revenue. However, modifying the 2013-14 Budget measure results in a cost to revenue of \$270.0 million over the forward estimates period, reflecting both the deferred start date and a timing difference for when the double tax benefit is removed under the modified approach. Whereas the 2013-14 Budget measure required the consolidated group to recognise an additional income amount over the first four years after acquiring an entity with deductible liabilities, the modified approach of denying an increase in the consolidated entry cost setting process will result in lower depreciation allowances over a longer period of time and hence a delay to the revenue gain from eliminating the double tax benefit. Over time (and after accounting for the deferred start date), the revenue gain from the two approaches will be broadly the same and hence the cost over the forward estimates period from the modification largely reflects a timing difference only.

This measure removes inequitable consequences for taxpayers identified during consultation on the 2013-14 Budget measure. If introduced as originally announced, the measure would have applied even where no double tax benefit arose in practice. It will also provide a less complex approach than the original 2013-14 Budget measure.

The deferred start date will address difficulties caused by the implementation delay for taxpayers who have undertaken commercial transactions based on the current law.

This measure forms part of the Government's Ten Year Enterprise Tax Plan, which will encourage Australians to work, save and invest.

### Ten Year Enterprise Tax Plan — business simplification — taxation of financial arrangements — regulation reform

| Revenue (\$m)              | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|----------------------------|---------|---------|---------|---------|---------|
| Australian Taxation Office | -       | -       | *       | *       | *       |

The Government will reform the taxation of financial arrangements (TOFA) rules to reduce the scope, decrease compliance costs and increase certainty through the redesign of the TOFA framework. The new simplified rules will apply to income years on or after 1 January 2018, and are estimated to have an unquantifiable impact on revenue over the forward estimates period.

The current TOFA rules calculate the amount and timing of gains and losses on financial arrangements, and were designed for the largest taxpayers. However, in practice, these rules apply to a significant group of smaller taxpayers and TOFA has not delivered the envisaged compliance cost savings and simplification benefits to these taxpayers.

The measure contains four key components:

- A 'closer link to accounting' which will strengthen and simplify the existing link between tax and accounting in the TOFA rules.
- Simplified accruals and realisation rules, which will significantly reduce the number of taxpayers in the TOFA rules, will reduce the arrangements where spreading of gains and losses is required under TOFA and simplify the required calculations.
- A new tax hedging regime which is easier to access, encompasses more types of risk management arrangements (including risk management of a portfolio of assets) and removes the direct link to financial accounting.
- Simplified rules for the taxation of gains and losses on foreign currency to preserve the current tax outcomes but streamline the legislation.

The new framework will remove the majority of taxpayers from the TOFA rules, result in lower compliance costs, provide simpler rules and more certainty and maintains the objectives of reducing costs and minimising distortions in decision making.

As part of this reform, the Government will incorporate the policy reflected in a number of measures which have previously been announced but are not yet legislated:

- *Taxation of financial arrangements – amendments to tax hedging rules*; first announced in the 2011-12 Budget.

*Budget Measures 2016-17 – Part 1: Revenue Measures*

- *Functional currency rules – extending the range of entities that can use a functional currency; first announced in the 2011-12 Budget.*
- *Taxation of financial arrangements – foreign currency regulations – technical and compliance cost savings amendments; first announced in the Mid-Year Economic and Fiscal Outlook 2004-05.*

This measure forms part of the Government's Ten Year Enterprise Tax Plan, which will encourage Australians to work, save and invest.

**Ten Year Enterprise Tax Plan — enhancing access to asset backed financing**

| Revenue (\$m)              | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|----------------------------|---------|---------|---------|---------|---------|
| Australian Taxation Office | -       | -       | -       | *       | *       |

The Government will remove key barriers to the use of asset backed financing arrangements, which are supported by assets, such as deferred payment arrangements and hire purchase arrangements. The Government will clarify the tax treatment of asset backed financing arrangements and ensure that they are treated in the same way as financing arrangements based on interest bearing loans or investments. This measure will improve access to more diverse sources of capital in Australia. Asset backed financing arrangements can be used to support infrastructure investment as they are well suited to large and longer-term projects.

This measure will apply from 1 July 2018 and is estimated to have an unquantifiable cost to revenue over the forward estimates period.

This measure forms part of the Government's Ten Year Enterprise Tax Plan, which will encourage Australians to work, save and invest.

**Ten Year Enterprise Tax Plan — excise refund scheme for distillers**

| Revenue (\$m)              | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|----------------------------|---------|---------|---------|---------|---------|
| Australian Taxation Office | -       | -       | -3.0    | -3.0    | -3.0    |

The Government will extend the current brewery refund scheme to domestic distilleries and producers of low strength fermented beverages such as non-traditional cider from 1 July 2017. The scheme will not be extended to most alcopops producers (that is, those that merely purchase the spirits and add the soda and other flavours), nor wine which benefits from the wine equalisation tax rebate.

This measure is estimated to have a cost to revenue of \$9.0 million over the forward estimates period.

This measure forms part of the Government's Ten Year Enterprise Tax Plan, which will encourage Australians to work, save and invest.

### Ten Year Enterprise Tax Plan — implementing a new suite of collective investment vehicles

| Revenue (\$m)                                    | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|--|---------|---------|---------|---------|---------|
| Australian Securities and Investments Commission | -       | -       | 0.2     | 0.2     | 0.2     |
| Australian Taxation Office                       | -       | -       | *       | *       | *       |
| <b>Total — Revenue</b>                           | -       | -       | 0.2     | 0.2     | 0.2     |
| <i>Related expense (\$m)</i>                     |         |         |         |         |         |
| Australian Securities and Investments Commission | -       | 1.6     | 1.4     | 1.0     | 0.4     |
| <i>Related capital (\$m)</i>                     |         |         |         |         |         |
| Australian Taxation Office                       | -       | 2.0     | -       | -       | -       |
| Australian Securities and Investments Commission | -       | 1.9     | 1.6     | ..      | -       |
| <b>Total — Capital</b>                           | -       | 3.9     | 1.6     | ..      | -       |

The Government will introduce a new tax and regulatory framework for two new types of collective investment vehicles (CIVs). CIVs allow investors to pool their funds and have them managed by a professional funds manager. A corporate CIV will be introduced for income years starting on or after 1 July 2017. This will be followed by a limited partnership CIV for income years starting on or after 1 July 2018.

This measure is estimated to have an unquantifiable cost to tax revenue over the forward estimates period. To implement this measure, the Government will provide \$2.0 million to the Australian Taxation Office and \$7.8 million to the Australian Securities and Investments Commission, which will be partially offset by \$0.7 million in registration fees.

These reforms will enhance the international competitiveness of the Australian managed funds industry by allowing fund managers to offer investment products using vehicles that are commonly in use overseas. This will also maximise the effectiveness of related Government initiatives aimed at increasing access to overseas markets, including the Asia Region Funds Passport.

The new CIVs will be required to meet similar eligibility criteria as managed investment trusts, such as being widely held and engaging in primarily passive investment. Investors in these new CIVs will generally be taxed as if they had invested directly.

This measure forms part of the Government's Ten Year Enterprise Tax Plan, which will encourage Australians to work, save and invest.

**Ten Year Enterprise Tax Plan — increase the small business entity turnover threshold**

| Revenue (\$m)                     | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|-----------------------------------|---------|---------|---------|---------|---------|
| Australian Taxation Office        | -       | -295.0  | -700.0  | -550.0  | -650.0  |
| <i>Related expense (\$m)</i>      |         |         |         |         |         |
| <i>Department of the Treasury</i> | -       | -15.0   | ..      | ..      | ..      |

The Government will increase the small business entity turnover threshold from \$2.0 million to \$10.0 million from 1 July 2016. The current \$2.0 million turnover threshold will be retained for access to the small business capital gains tax concessions, and access to the unincorporated small business tax discount will be limited to entities with turnover less than \$5.0 million. An additional 90,000 to 100,000 business entities will gain access to the small business concessions, such as the lower small business corporate tax rate, accelerated depreciation and depreciation pooling provisions.

This measure is estimated to have a cost of \$2.2 billion over the forward estimates period.

See the related measures *Ten Year Enterprise Tax Plan – increase the unincorporated small business tax discount* and *Ten Year Enterprise Tax Plan – reducing the company tax rate to 25 per cent*.

This measure forms part of the Government’s Ten Year Enterprise Tax Plan, which will encourage Australians to work, save and invest.

**Ten Year Enterprise Tax Plan — increase the unincorporated small business tax discount**

| Revenue (\$m)              | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|----------------------------|---------|---------|---------|---------|---------|
| Australian Taxation Office | -       | -       | -150.0  | -150.0  | -150.0  |

The Government will increase the tax discount for unincorporated small businesses incrementally over 10 years from 5 per cent to 16 per cent. The tax discount will increase to 8 per cent on 1 July 2016, remain constant at 8 per cent for eight years, then increase to 10 per cent in 2024-25, 13 per cent in 2025-26 and reach a new permanent discount of 16 per cent in 2026-27. This will coincide with staggered cuts in the corporate tax rate to 25 per cent (see the related measure *Ten Year Enterprise Tax Plan – reducing the company tax rate to 25 per cent*). The current cap of \$1,000 per individual for each income year will be retained.

The tax discount applies to the income tax payable on the business income received from an unincorporated small business entity. Access to the discount will be extended to individual taxpayers with business income from an unincorporated business that has an aggregated annual turnover of less than \$5.0 million.

This measure is estimated to have a cost to revenue of \$450.0 million over the forward estimates period.

This measure forms part of the Government's Ten Year Enterprise Tax Plan, which will encourage Australians to work, save and invest.

### **Ten Year Enterprise Tax Plan — reducing the company tax rate to 25 per cent**

| Revenue (\$m)              | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|----------------------------|---------|---------|---------|---------|---------|
| Australian Taxation Office | -       | -400.0  | -500.0  | -800.0  | -950.0  |

The Government will reduce the company tax rate to 25 per cent over 10 years.

The tax rate for businesses with an annual aggregated turnover of less than \$10.0 million will be 27.5 per cent from the 2016-17 income year. The threshold will then be progressively increased to ultimately have all companies at 27.5 per cent in the 2023-24 income year. The annual aggregated turnover thresholds for companies facing a tax rate of 27.5 per cent will be:

- \$25.0 million in the 2017-18 income year;
- \$50.0 million in the 2018-19 income year;
- \$100.0 million in the 2019-20 income year;
- \$250.0 million in the 2020-21 income year;
- \$500.0 million in the 2021-22 income year; and
- \$1 billion in the 2022-23 income year.

In the 2024-25 income year the company tax rate will be reduced to 27 per cent and then be reduced progressively by 1 percentage point per year until it reaches 25 per cent in the 2026-27 income year. Franking credits will be able to be distributed in line with the rate of tax paid by the company making the distribution.

A more competitive company tax rate will encourage investment, raise productivity, increase GDP and over time raise real wages and living standards.

This measure is expected to have a cost to revenue of \$2.7 billion over the forward estimates period.

This measure forms part of the Government's Ten Year Enterprise Tax Plan, which will encourage Australians to work, save and invest.

**Ten Year Enterprise Tax Plan — targeted amendments to Division 7A**

| Revenue (\$m)              | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|----------------------------|---------|---------|---------|---------|---------|
| Australian Taxation Office | -       | -       | -       | -       | *       |

The Government will make targeted amendments to improve the operation and administration of Division 7A of the *Income Tax Assessment Act 1936* (an integrity rule for closely held groups).

These changes will provide clearer rules for taxpayers and assist in easing their compliance burden while maintaining the overall integrity and policy intent of Division 7A. It includes a self-correction mechanism for inadvertent breaches of Division 7A, appropriate safe-harbour rules to provide certainty, simplified Division 7A loan arrangements and a number of technical adjustments to improve the operation of Division 7A and provide increased certainty for taxpayers.

These changes draw on a number of recommendations from the Board of Taxation’s Post-implementation Review into Division 7A and will apply from 1 July 2018.

This measure is estimated to have an unquantifiable cost to revenue over the forward estimates period.

This measure forms part of the Government’s Ten Year Enterprise Tax Plan, which will encourage Australians to work, save and invest.

**Ten Year Enterprise Tax Plan — targeted personal income tax relief**

| Revenue (\$m)              | 2015-16 | 2016-17 | 2017-18 | 2018-19  | 2019-20  |
|----------------------------|---------|---------|---------|----------|----------|
| Australian Taxation Office | -       | -800.0  | -950.0  | -1,050.0 | -1,150.0 |

The Government will increase the 32.5 per cent personal income tax threshold from \$80,000 to \$87,000 from 1 July 2016.

This measure will reduce the marginal rate of tax on incomes between \$80,000 and \$87,000 from 37 per cent to 32.5 per cent, preventing around 500,000 taxpayers facing the 37 per cent marginal tax rate. This will ensure that the average full-time wage earner will not move into the second highest tax bracket in the next three years. In the absence of this action, they would move into the second highest tax bracket in 2016-17.

This measure has a cost to revenue of \$4.0 billion over the forward estimates period.

This measure forms part of the Government’s Ten Year Enterprise Tax Plan, which will encourage Australians to work, save and invest.

**Ten Year Enterprise Tax Plan — wine equalisation tax rebate integrity and wine tourism funding**

| Revenue (\$m)                       | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|-------------------------------------|---------|---------|---------|---------|---------|
| Australian Taxation Office          | -       | -       | 50.0    | 70.0    | 180.0   |
| <i>Related expense (\$m)</i>        |         |         |         |         |         |
| Australian Grape and Wine Authority | -       | 2.0     | 16.0    | 15.9    | 16.1    |

The Government will address integrity concerns with the wine equalisation tax (WET) rebate by reducing the WET rebate cap and tightening eligibility criteria.

The Government will reduce the WET rebate cap from \$500,000 to \$350,000 on 1 July 2017 and to \$290,000 on 1 July 2018 and introduce tightened eligibility criteria which will apply from 1 July 2019. This measure will better target assistance and reduce distortions in the wine industry.

The Government will also provide \$50.0 million over four years to the Australian Grape and Wine Authority to promote wine tourism within Australia and Australian wine overseas to benefit regional wine producing communities.

This measure is estimated to have a gain to the Budget of \$250.0 million over the forward estimates period.

This measure forms part of the Government's Ten Year Enterprise Tax Plan, which will encourage Australians to work, save and invest.



## Part 2: Expense Measures

**Table 2: Expense measures since the 2015-16 MYEFO<sup>(a)</sup>**

| Page  |   | 2015-16<br>\$m | 2016-17<br>\$m | 2017-18<br>\$m | 2018-19<br>\$m | 2019-20<br>\$m |
|---|---|----------------|----------------|----------------|----------------|----------------|
| <b>AGRICULTURE AND WATER RESOURCES</b>                          |   |                |                |                |                |                |
| <i>Australian Grape and Wine Authority</i>                      |   |                |                |                |                |                |
| 43  | Ten Year Enterprise Tax Plan — wine equalisation tax rebate integrity and wine tourism funding(b) | -              | 2.0            | 16.0           | 15.9           | 16.1           |
| <i>Australian Pesticides and Veterinary Medicines Authority</i> |   |                |                |                |                |                |
| 65  | Streamlining Agricultural and Veterinary Chemicals Regulation                                     | -              | -              | -              | -              | -              |
| <i>Department of Agriculture and Water Resources</i>            |   |                |                |                |                |                |
| 62  | Better Management of Biosecurity Risks — advanced analytical capability                           | -              | -              | -              | -              | -              |
| 165   | Biosecurity — technology improvements(c)  | -              | -              | nfp            | nfp            | nfp            |
| 7   | Changes to agricultural production levies()   | -              | 2.0            | 2.0            | 2.0            | 2.0            |
| 62  | Farm Co-operatives and Collaboration Pilot  | -              | -              | -              | -              | -              |
| 63  | Farm Household Allowance — transitional debt waiver   | 2.7            | -              | -              | -              | -              |
| 63  | Managing Farm Risk Programme — efficiencies   | -3.6           | -1.9           | -1.9           | -1.8           | -              |
| 129   | National Carp Control Plan  | -              | 4.3            | 3.9            | 2.0            | -              |
| 143   | National Disability Insurance Scheme Savings Fund   | -              | -0.1           | -0.4           | -0.7           | -0.9           |
| 64  | National Water Infrastructure Development Fund — additional funding                               | -              | -9.5           | -              | -              | -              |
| 64  | National Water Infrastructure Loan Facility   | -              | 0.9            | 0.9            | 1.9            | 3.8            |
| 15  | Premium Border Clearance Services — establishment()   | -              | nfp            | nfp            | nfp            | nfp            |
| 65  | Rural Financial Counselling Service — additional counsellors                                      | -              | 1.7            | 1.8            | 1.8            | 1.8            |
| 65  | Streamlining Agricultural and Veterinary Chemicals Regulation                                     | -              | -              | -              | -              | -              |
| <b>Portfolio total</b>  |   | <b>-0.9</b>    | <b>-0.6</b>    | <b>22.3</b>    | <b>21.1</b>    | <b>22.8</b>    |
| <b>ATTORNEY-GENERAL'S</b>                                       |   |                |                |                |                |                |
| <i>Administrative Appeals Tribunal</i>                          |   |                |                |                |                |                |
| 139   | Cashless Debit Card — third trial site  | -              | nfp            | -              | -              | -              |
| 143   | National Disability Insurance Scheme Savings Fund   | -              | 0.6            | 0.8            | 0.9            | 0.3            |
| <i>Attorney-General's Department</i>                            |   |                |                |                |                |                |
| 66  | Confiscated Assets Account — additional crime prevention activities                               | 2.0            | 2.0            | -              | -              | -              |
| 67  | Countering Violent Extremism — community support and advice services                              | -              | 4.0            | -              | -              | -              |

**Table 2: Expense measures since the 2015-16 MYEFO<sup>(a)</sup> (continued)**

| Page |  | 2015-16<br>\$m | 2016-17<br>\$m | 2017-18<br>\$m | 2018-19<br>\$m | 2019-20<br>\$m |
|------|--|----------------|----------------|----------------|----------------|----------------|
|      | <b>ATTORNEY-GENERAL'S (continued)</b>  |                |                |                |                |                |
| 134  | Cyber Security — implementation of Australia's Cyber Security Strategy                                   | -              | 12.8           | 17.4           | 17.3           | 18.3           |
| 68   | National Aerial Firefighting Centre  | -              | -              | -              | -              | -              |
| 69   | Office of the Australian Information Commissioner — continuation   | -              | -0.6           | -0.6           | -0.6           | -0.6           |
| 69   | Royal Commission into Trade Union Governance and Corruption — continuation of the joint police taskforce | -2.5           | -              | -              | -              | -              |
|      | <i>Australian Crime Commission</i>   |                |                |                |                |                |
| 134  | Cyber Security — implementation of Australia's Cyber Security Strategy                                   | -              | 1.7            | 4.8            | 4.4            | 4.4            |
| 68   | Enhanced Protective Security Arrangements — law enforcement agencies                                     | 0.4            | 0.9            | 0.9            | 0.9            | 0.9            |
|      | <i>Australian Federal Police</i>   |                |                |                |                |                |
| 166  | Australian Federal Police Data Centre Transition Project — Phase Two()                                   | -              | -              | -              | -              | -              |
| 166  | Australian Federal Police Unified Operational Communications — Phase One()                               | -              | -              | -              | -              | -              |
|      | Confiscated Assets Account   |                |                |                |                |                |
| 66   | — additional crime prevention activities   | 1.2            | 1.9            | -              | -              | -              |
| 66   | — Fraud and Anti-Corruption Centre — enhanced investigative capabilities                                 | -              | 4.4            | 4.8            | 4.8            | -              |
| 134  | Cyber Security — implementation of Australia's Cyber Security Strategy                                   | -              | 3.1            | 5.3            | 5.4            | 5.4            |
| 68   | Enhanced Protective Security Arrangements — law enforcement agencies                                     | -              | 19.6           | 16.6           | 15.8           | 15.7           |
| 69   | Royal Commission into Trade Union Governance and Corruption — continuation of the joint police taskforce | 3.0            | 3.0            | -              | -              | -              |
|      | <i>Australian Human Rights Commission</i>  |                |                |                |                |                |
| 69   | Office of the Australian Information Commissioner — continuation   | -              | -6.7           | -6.7           | -6.7           | -6.7           |
|      | <i>CrimTrac Agency</i>   |                |                |                |                |                |
| 167  | Biometrics Identification Services()   | -              | 4.9            | 3.8            | -              | -              |
| 67   | CrimTrac National Order Reference System   | -              | -              | -              | -              | -              |
|      | <i>Federal Court of Australia</i>  |                |                |                |                |                |
| 71   | Trans-Pacific Partnership — implementation   | -              | 0.7            | 0.7            | 0.7            | 0.7            |
|      | <i>Office of the Australian Information Commissioner</i>   |                |                |                |                |                |
| 69   | Office of the Australian Information Commissioner — continuation   | -              | 9.3            | 9.3            | 9.3            | 9.4            |
|      | <b>Portfolio total</b>   | <b>4.1</b>     | <b>61.7</b>    | <b>57.1</b>    | <b>52.2</b>    | <b>47.7</b>    |

**Table 2: Expense measures since the 2015-16 MYEFO<sup>(a)</sup> (continued)**

| Page |  | 2015-16 | 2016-17      | 2017-18       | 2018-19       | 2019-20       |
|------|--|---------|--------------|---------------|---------------|---------------|
|      |  | \$m     | \$m          | \$m           | \$m           | \$m           |
|      | <b>COMMUNICATIONS AND THE ARTS</b>   |         |              |               |               |               |
|      | <i>Australian Broadcasting Corporation</i>   |         |              |               |               |               |
| 70   | Australian Broadcasting Corporation — operational funding  | -       | 13.5         | 13.8          | 14.1          | -             |
|      | <i>Department of Communications and the Arts</i>   |         |              |               |               |               |
| 67   | Countering Violent Extremism — community support and advice services                                       | -       | 1.0          | -             | -             | -             |
| 134  | Cyber Security — implementation of Australia's Cyber Security Strategy                                     | -       | -            | -             | -             | -             |
|      | <i>Special Broadcasting Service Corporation</i>  |         |              |               |               |               |
| 70   | Special Broadcasting Service Corporation — operational funding   | -       | 9.7          | 2.8           | 2.8           | -             |
|      | <b>Portfolio total</b>   | -       | <b>24.2</b>  | <b>16.6</b>   | <b>16.8</b>   | -             |
|      | <b>CROSS PORTFOLIO</b>   |         |              |               |               |               |
|      | <i>Various Agencies</i>  |         |              |               |               |               |
| 71   | Public Sector Transformation and the Efficiency Dividend   | -       | -            | -275.9        | -467.6        | -564.5        |
|      | <b>Portfolio total</b>   | -       | -            | <b>-275.9</b> | <b>-467.6</b> | <b>-564.5</b> |
|      | <b>DEFENCE</b>   |         |              |               |               |               |
|      | <i>Department of Defence</i>   |         |              |               |               |               |
| 88   | Antarctica — maintaining Australia's presence  | -       | -            | -             | -             | -             |
| 72   | Closure of Hunter River and Port Stephens Fisheries — assistance to individuals and businesses — extension | -       | -            | -             | -             | -             |
| 72   | Operation Accordion — extension  | -       | 182.9        | 2.7           | 3.2           | -             |
| 73   | Operation Highroad — extension   | -       | 48.0         | -0.1          | 11.2          | -             |
| 73   | Operation Manitou — extension  | -       | 38.0         | 11.0          | 11.9          | -             |
| 74   | Operation Okra — extension   | -       | 345.2        | 13.6          | 13.9          | -             |
| 74   | Operation Resolute — extension   | -       | 16.8         | 2.8           | -             | -             |
| 157  | Spirit of ANZAC Centenary Experience Travelling Exhibition — additional funding                            | -       | -            | -             | -             | -             |
|      | <b>Portfolio total</b>   | -       | <b>630.8</b> | <b>30.0</b>   | <b>40.2</b>   | -             |
|      | <b>EDUCATION AND TRAINING</b>  |         |              |               |               |               |
|      | <i>Australian Institute of Aboriginal and Torres Strait Islander Studies</i>                               |         |              |               |               |               |
| 75   | Australian Institute of Aboriginal and Torres Strait Islander Studies — increased support                  | -       | 10.0         | 10.0          | 10.0          | 10.1          |
|      | <i>Australian Research Council</i>   |         |              |               |               |               |
| 77   | Higher Education Reform — further consultation   | -       | -0.7         | -1.5          | -1.5          | -1.6          |
|      | <i>Department of Education and Training</i>  |         |              |               |               |               |
| 75   | Adult Migrant English Program — focus on jobs and social cohesion outcomes                                 | -       | -            | -0.9          | 0.2           | 0.6           |
| 76   | Australian International Education — enabling growth and innovation  | -       | 3.0          | 3.0           | 3.0           | 3.0           |

**Table 2: Expense measures since the 2015-16 MYEFO<sup>(a)</sup> (continued)**

| Page |   | 2015-16<br>\$m | 2016-17<br>\$m | 2017-18<br>\$m  | 2018-19<br>\$m | 2019-20<br>\$m |
|------|---|----------------|----------------|-----------------|----------------|----------------|
|      | <b>EDUCATION AND TRAINING (continued)</b>   |                |                |                 |                |                |
| 134  | Cyber Security — implementation of Australia's Cyber Security Strategy              | -              | 0.9            | 0.8             | 0.8            | 0.9            |
| 76   | Early Learning Languages Australia — expansion                                      | -              | 4.3            | 1.6             | -              | -              |
| 76   | Higher Education Participation Program — efficiencies                               | -              | -13.0          | -18.1           | -33.1          | -88.1          |
| 77   | Higher Education Reform — further consultation                                      | -28.0          | 250.3          | -120.2          | -601.1         | -867.7         |
| 136  | Indigenous Student Success in Higher Education                                      | -              | 1.3            | 2.7             | 2.8            | 2.8            |
| 77   | Industry Skills Fund — efficiencies   | -24.6          | -55.8          | -55.6           | -55.6          | -55.6          |
| 78   | Investing in Child Care — ICT System  | -              | -              | -               | -              | -              |
| 78   | Jobs for Families Package — deferred implementation                                 | -56.0          | -11.1          | -1,141.3        | 1.4            | 78.0           |
| 79   | Promotion of Excellence in Learning and Teaching in Higher Education — efficiencies | -              | -7.3           | -3.7            | -4.8           | -5.0           |
| 79   | Quality Indicators for Learning and Teaching — improvements                         | -              | 0.5            | 2.0             | 2.0            | 2.0            |
|      | School Funding  |                |                |                 |                |                |
| 80   | — additional funding for students with a disability                                 | -              | 86.7           | 31.6            | -              | -              |
| 80   | — additional funding from 2018  | -              | -              | 102.2           | 306.1          | 519.3          |
| 80   | Tertiary Education Quality and Standards Agency — building capacity                 | -              | 0.2            | -               | -              | -              |
| 81   | Vocational Education and Training — information campaign                            | -              | -              | -               | -              | -              |
|      | <i>Tertiary Education Quality and Standards Agency</i>                              |                |                |                 |                |                |
| 80   | Tertiary Education Quality and Standards Agency — building capacity                 | -              | 2.5            | 2.5             | 2.5            | 2.5            |
|      | <b>Portfolio total</b>  | <b>-108.6</b>  | <b>271.9</b>   | <b>-1,184.8</b> | <b>-367.3</b>  | <b>-398.9</b>  |
|      | <b>EMPLOYMENT</b>   |                |                |                 |                |                |
|      | <i>Asbestos Safety and Eradication Agency</i>                                       |                |                |                 |                |                |
| 82   | Asbestos Safety and Eradication Agency — additional funding                         | -              | 2.0            | 1.4             | -              | -              |
|      | <i>Comcare</i>  |                |                |                 |                |                |
| 82   | Asbestos Safety Assurance Model — extension and cost recovery                       | -              | nfp            | nfp             | nfp            | nfp            |
| 9    | Seacare Scheme — cost recovery arrangements()                                       | -              | nfp            | nfp             | nfp            | nfp            |
|      | <i>Department of Employment</i>   |                |                |                 |                |                |
| 121  | A Streamlined Pathway to Permanent Residence for New Zealand Citizens               | -              | -              | -               | -              | 0.2            |
| 83   | Job Commitment Bonus — cessation  | -              | -47.7          | -63.8           | -63.0          | -62.4          |
| 143  | National Disability Insurance Scheme Savings Fund                                   | -              | 0.1            | 0.4             | 0.7            | 0.6            |

**Table 2: Expense measures since the 2015-16 MYEFO<sup>(a)</sup> (continued)**

| Page |   | 2015-16<br>\$m | 2016-17<br>\$m | 2017-18<br>\$m | 2018-19<br>\$m | 2019-20<br>\$m |
|------|---|----------------|----------------|----------------|----------------|----------------|
|      | <b>EMPLOYMENT (continued)</b>   |                |                |                |                |                |
|      | Youth Employment Package  |                |                |                |                |                |
| 84   | – encouraging entrepreneurship and self-employment  | -              | 15.3           | 24.2           | 24.0           | 24.2           |
| 85   | – Youth Jobs PaTH (Prepare — Trial — Hire)  | -              | -0.9           | 67.9           | 81.7           | 81.3           |
| 86   | – Work for the Dole — reform  | -              | -113.8         | -108.8         | -110.4         | -109.9         |
|      | <i>Fair Work Commission</i>   |                |                |                |                |                |
| 83   | Road Safety Remuneration Tribunal — abolition   | -              | -2.4           | -2.5           | -2.5           | -2.5           |
|      | <i>Office of the Fair Work Ombudsman</i>  |                |                |                |                |                |
| 82   | Community Engagement Grants Program — establishment   | -              | -              | -              | -              | -              |
| 83   | Road Safety Remuneration Tribunal — abolition   | -              | -1.4           | -1.4           | -1.4           | -1.4           |
|      | <b>Portfolio total</b>  | <b>-</b>       | <b>-148.9</b>  | <b>-82.5</b>   | <b>-70.9</b>   | <b>-70.0</b>   |
|      | <b>ENVIRONMENT</b>  |                |                |                |                |                |
|      | <i>Bureau of Meteorology</i>  |                |                |                |                |                |
| 88   | Bureau of Meteorology — improved data and services supporting supercomputer capability                              | nfp            | nfp            | -              | nfp            | -              |
|      | <i>Clean Energy Finance Corporation</i>   |                |                |                |                |                |
| 89   | Clean and Renewable Energy Innovation — Clean Energy Finance Corporation and the Australian Renewable Energy Agency | 2.0            | 50.9           | 61.4           | 64.7           | 68.1           |
|      | <i>Department of the Environment</i>  |                |                |                |                |                |
| 87   | 20 Million Trees Program — extension  | -              | -              | -              | -              | -              |
| 87   | Antarctic Traverse and Year-Round Aviation Access   | -              | -              | -              | -              | -              |
| 88   | Antarctica — maintaining Australia's presence   | -              | -              | -              | -              | -              |
| 89   | Clean and Renewable Energy Innovation — Clean Energy Finance Corporation and the Australian Renewable Energy Agency | -              | 0.9            | 2.8            | 2.6            | 1.8            |
| 90   | Commonwealth Environmental Water Office   | -              | 8.5            | -              | -              | -8.5           |
| 90   | Commonwealth Marine Reserves — implementation   | -              | -              | -              | -              | -              |
| 10   | Environment Protection and Biodiversity Conservation — revised charging arrangements()                              | -              | -2.2           | -1.6           | -1.2           | -1.0           |
| 10   | Fuel Quality Standards — revised charging arrangements()  | -              | 0.1            | ..             | ..             | 0.1            |
| 129  | National Carp Control Plan  | -              | 0.2            | 0.2            | 0.1            | -              |
| 91   | National Landcare Program — emerging priorities   | -              | 8.0            | 10.6           | -6.0           | -12.6          |
| 91   | Reef 2050 Plan and Reef Trust — additional contribution   | -              | 8.9            | 8.9            | -17.8          | -              |
| 92   | Regulatory Workflow Systems — improvements  | -              | -              | -              | -              | -              |

**Table 2: Expense measures since the 2015-16 MYEFO<sup>(a)</sup> (continued)**

| Page |   | 2015-16    | 2016-17     | 2017-18     | 2018-19     | 2019-20     |
|------|---|------------|-------------|-------------|-------------|-------------|
|      |   | \$m        | \$m         | \$m         | \$m         | \$m         |
|      | <b>ENVIRONMENT (continued)</b>  |            |             |             |             |             |
|      | <i>Director of National Parks</i>   |            |             |             |             |             |
| 90   | Commonwealth Marine Reserves — implementation   | -          | -           | -           | -           | -           |
|      | <b>Portfolio total</b>  | <b>2.0</b> | <b>75.3</b> | <b>82.5</b> | <b>42.4</b> | <b>47.7</b> |
|      | <b>FINANCE</b>  |            |             |             |             |             |
|      | <i>Australian Electoral Commission</i>  |            |             |             |             |             |
| 94   | Enhancements to EasyCount and Ballot Papers   | 4.3        | 0.5         | -           | -           | -           |
|      | <i>Department of Finance</i>  |            |             |             |             |             |
| 87   | Antarctic Traverse and Year-Round Aviation Access   | -          | -           | -           | -           | -           |
| 93   | Australian Hearing Services — a strong and viable future  | 1.2        | 1.1         | -           | -           | -           |
| 93   | Australian Securities and Investments Commission Registry Further Market Testing                | -          | 3.1         | -           | -           | -           |
| 170  | Commonwealth Non-Defence Property Divestment Program — extension()                              | -          | 1.0         | 1.1         | 0.4         | -           |
| 172  | Delivery of Inland Rail()   | -          | 3.8         | -           | -           | -           |
| 94   | Financing Strategies for NBN Co Limited   | -          | -           | -           | -           | -           |
| 143  | National Disability Insurance Scheme Savings Fund   | -          | ..          | 0.1         | -0.7        | -           |
| 94   | Non-Government Personal Staffing — additional funding   | 0.6        | 1.1         | 1.1         | 1.1         | 1.1         |
| 95   | Offering Choice in Public Sector Superannuation Accumulation Plan                               | -          | -           | -           | -           | -           |
| 11   | Property Services Coordinated Procurement()   | -          | 3.0         | -           | -           | -           |
| 130  | Rum Jungle Rehabilitation Project — extension   | -          | 0.1         | -           | -           | -           |
| 95   | Scoping Study — integrated solution for the management of parliamentary entitlements            | 0.5        | -           | -           | -           | -           |
| 95   | Smaller Government — Scoping Study Review of Investment Funds — Consolidation of Managers       | -          | -           | -           | -           | -           |
| 25   | Superannuation Reform Package — introduce a \$1.6 million superannuation transfer balance cap() | nfp        | nfp         | nfp         | nfp         | nfp         |
|      | <b>Portfolio total</b>  | <b>6.5</b> | <b>13.7</b> | <b>2.4</b>  | <b>0.9</b>  | <b>1.1</b>  |

**Table 2: Expense measures since the 2015-16 MYEFO<sup>(a)</sup> (continued)**

| Page |   | 2015-16<br>\$m | 2016-17<br>\$m | 2017-18<br>\$m | 2018-19<br>\$m | 2019-20<br>\$m |
|------|---|----------------|----------------|----------------|----------------|----------------|
|      | <b>FOREIGN AFFAIRS AND TRADE</b>  |                |                |                |                |                |
|      | <i>Australian Trade and Investment Commission</i>   |                |                |                |                |                |
| 97   | Foreign Affairs and Trade Portfolio — efficiencies  | -1.5           | -6.8           | -5.1           | -5.3           | -5.3           |
| 99   | Landing Pads in Innovation Hot Spots  | -              | 1.2            | 1.2            | -              | -              |
| 100  | Re-opening Australia's Australian Trade and Investment Commission Office in Tehran, Iran      | -              | -0.2           | ..             | ..             | ..             |
|      | <i>Department of Foreign Affairs and Trade</i>  |                |                |                |                |                |
| 134  | Cyber Security — implementation of Australia's Cyber Security Strategy                        | -              | -              | -              | -              | -              |
| 97   | Expanding Australia's Diplomatic Representation   | -              | 1.1            | 3.9            | 5.5            | 5.7            |
| 97   | Foreign Affairs and Trade Portfolio — efficiencies  | 9.7            | 19.3           | 17.1           | 16.9           | -13.4          |
| 98   | Free Trade Agreement Portal — enhancements  | -              | -              | -              | -              | -              |
| 99   | International Engagement to Prevent and Disrupt Maritime People Smuggling — continuation      | -              | 2.3            | 2.3            | 2.3            | 2.3            |
| 100  | Passport Funding Arrangements — additional funding  | -              | 14.0           | 8.8            | 10.5           | 13.5           |
|      | <b>Portfolio total</b>  | <b>8.2</b>     | <b>30.8</b>    | <b>28.2</b>    | <b>29.7</b>    | <b>2.7</b>     |
|      | <b>HEALTH</b>   |                |                |                |                |                |
|      | <i>Australian Aged Care Quality Agency</i>  |                |                |                |                |                |
| 13   | Aged Care — extending funding for unannounced compliance site visits to aged care providers() | -              | -              | -              | -              | -              |
|      | <i>Australian Organ and Tissue Donation and Transplantation Authority</i>                     |                |                |                |                |                |
| 112  | Organ and Tissue Donation Review — implementation of recommendations                          | -              | -              | -              | -              | -              |
|      | <i>Australian Sports Anti-Doping Authority</i>  |                |                |                |                |                |
| 101  | 2018 Gold Coast Commonwealth Games — pre-event anti-doping program                            | -              | 0.4            | 1.1            | ..             | -              |
|      | <i>Department of Health</i>   |                |                |                |                |                |
| 121  | A Streamlined Pathway to Permanent Residence for New Zealand Citizens                         | -              | -              | 0.2            | 0.4            | 0.6            |
|      | Aged Care Provider Funding  |                |                |                |                |                |
| 101  | – further revision of the Aged Care Funding Instrument  | -              | -106.6         | -205.8         | -307.9         | -425.2         |
| 102  | – improving the targeting of the viability supplement for regional aged care facilities       | -              | 12.6           | 26.1           | 27.4           | 29.3           |
| 102  | Child and Adult Public Dental Scheme  | -              | -46.2          | -35.9          | -18.1          | 137.2          |
| 103  | Extend the Alternative Arrangement Transfer to the Pharmaceutical Benefits Scheme             | ..             | -              | -              | -              | -              |
| 103  | Health Flexible Funds — pausing indexation and achieving efficiencies                         | -              | -              | -31.9          | -57.8          | -92.4          |

**Table 2: Expense measures since the 2015-16 MYEFO<sup>(a)</sup> (continued)**

| Page |   | 2015-16<br>\$m | 2016-17<br>\$m | 2017-18<br>\$m | 2018-19<br>\$m | 2019-20<br>\$m |
|------|---|----------------|----------------|----------------|----------------|----------------|
|      | <b>HEALTH (continued)</b>   |                |                |                |                |                |
| 103  | Health Star Rating System — continuation  | -              | 1.8            | 1.9            | 1.6            | -              |
|      | Healthier Medicare  |                |                |                |                |                |
| 104  | – enhanced Medicare compliance program  | -              | 12.0           | -1.0           | -3.6           | -6.2           |
| 104  | – removing obsolete services from the Medicare Benefits Schedule  | -              | -1.0           | -1.2           | -1.3           | -1.4           |
| 105  | – trial of health care homes  | 0.1            | 5.9            | -0.4           | 10.8           | -              |
| 105  | Hepatitis C Settlement Fund — continuation  | -              | -              | -              | -              | -              |
| 106  | Home and Community Care Services in Western Australia — continuation  | -              | -              | -              | -              | -              |
| 106  | Improving the Regulation of Therapeutic Goods in Australia  | -              | 7.2            | 5.3            | 3.7            | 3.7            |
| 107  | Life Saving Drugs Program — new and amended listings  | 0.5            | 2.3            | 2.7            | 3.1            | 3.7            |
|      | Medicare Benefits Schedule  |                |                |                |                |                |
| 107  | – listing of photography with non-mydriatic retinal cameras   | -              | 2.9            | 7.5            | 10.8           | 11.8           |
| 107  | – Magnetic Resonance Imaging of the breast  | -              | 0.5            | 0.8            | 0.8            | 0.8            |
| 108  | – new and amended listings  | -              | -8.2           | -12.3          | -13.0          | -14.1          |
| 108  | – pause indexation  | -              | -              | -              | -292.2         | -605.6         |
| 109  | – support for rural and remote registrars   | -              | -              | -              | -              | -              |
| 155  | Mental Health Treatment for Current and Former Members of the Australian Defence Force — improved access                    | -              | -1.2           | -1.8           | -2.4           | -3.1           |
| 109  | Mosquito Control and Cross Border Liaison in the Torres Strait Protected Zone — continuation                                | -              | -              | -              | -              | -              |
| 109  | My Aged Care — consumer access  | -              | 29.6           | 30.9           | 35.5           | 40.5           |
| 110  | National Cancer Screening Register  | -              | -              | 8.4            | 9.6            | 11.9           |
| 110  | National Coronial Information System — continuation   | -0.4           | -0.4           | -0.4           | -0.4           | -0.4           |
| 143  | National Disability Insurance Scheme Savings Fund   | -              | -2.7           | 2.3            | 2.5            | -59.6          |
| 110  | National Immunisation Program — new and amended listings  | -              | -              | -              | -              | -              |
| 111  | National Partnership Agreement — Management of Torres Strait-Papua New Guinea Cross-Border Health Issues — extension        | -              | -              | -              | -              | -              |
| 111  | National Partnership Agreement on Rheumatic Fever Strategy — extension  | -              | -0.4           | -              | -              | -              |
| 112  | National Partnership Agreement on Specified Projects — Addressing Blood Borne Viruses and Sexually Transmissible Infections | -              | -1.1           | -1.1           | -1.1           | -1.1           |
| 112  | Operational Costs for Cardiac and Breast Device Registries  | -              | 2.2            | -              | -              | -              |
| 112  | Organ and Tissue Donation Review — implementation of recommendations  | -              | -              | -              | -              | -              |

**Table 2: Expense measures since the 2015-16 MYEFO<sup>(a)</sup> (continued)**

| Page |  | 2015-16    | 2016-17      | 2017-18       | 2018-19       | 2019-20       |
|------|--|------------|--------------|---------------|---------------|---------------|
|      |  | \$m        | \$m          | \$m           | \$m           | \$m           |
|      | <b>HEALTH (continued)</b>  |            |              |               |               |               |
| 113  | OzFoodNet Program — continuation   | -          | -            | -             | -             | -             |
| 113  | Pausing Indexation of the Medicare Levy Surcharge and Private Health Insurance Rebate Thresholds — extension | -          | -            | -             | -             | -             |
| 114  | Perinatal Depression Online Support  | -          | -            | -             | -             | -             |
|      | Pharmaceutical Benefits Scheme   |            |              |               |               |               |
| 114  | – continued funding for legal action   | nfp        | nfp          | nfp           | nfp           | nfp           |
| 114  | – new and amended listings   | 2.6        | 4.0          | 8.8           | 12.9          | 16.2          |
| 115  | – price amendments   | 0.3        | 1.3          | 1.4           | 1.4           | 1.5           |
| 116  | – supply of medicines following damage to pharmacy premises  | -          | 0.2          | 0.2           | 0.2           | 0.2           |
| 116  | Private Health Insurance and Protheses Committees  | -          | 1.4          | 0.7           | 0.1           | -             |
| 116  | Protecting Australians from Antimicrobial Resistance   | -          | 2.8          | 2.2           | 2.2           | 2.2           |
| 117  | Public Hospitals — new funding arrangements  | -          | -            | -             | -             | -             |
| 118  | Quality Improvement in General Practice — simplification of the Practice Incentives Program                  | -0.3       | -7.6         | -29.4         | 3.7           | 4.3           |
| 118  | Regulation of Medicinal Cannabis — charging arrangements   | -          | -            | -             | -             | -             |
| 118  | Rural General Practice Grants Program  | -2.6       | -5.2         | 7.8           | -             | -             |
| 145  | Simplifying Student Payments   | -          | -            | -             | 0.3           | 0.5           |
| 119  | Stoma Appliance Scheme — new and amended listings  | -          | ..           | ..            | ..            | 0.1           |
| 119  | Taking More Action to Prevent Fetal Alcohol Spectrum Disorders   | -          | 2.6          | 2.6           | 2.6           | 2.7           |
| 119  | Tobacco Plain Packaging Litigation   | -          | nfp          | -             | -             | -             |
| 120  | Vaccine Preventable Diseases Surveillance Program  | -          | -            | -             | -             | -             |
|      | <i>National Health Funding Body</i>  |            |              |               |               |               |
| 117  | Public Hospitals — new funding arrangements  | -          | -            | -0.3          | 4.4           | 4.4           |
|      | <b>Portfolio total</b>   | <b>0.2</b> | <b>-90.8</b> | <b>-210.6</b> | <b>-563.6</b> | <b>-937.5</b> |
|      | <b>IMMIGRATION AND BORDER PROTECTION</b>   |            |              |               |               |               |
|      | <i>Department of Immigration and Border Protection</i>   |            |              |               |               |               |
| 121  | A Streamlined Pathway to Permanent Residence for New Zealand Citizens  | -          | 0.4          | 0.1           | -             | -             |
| 121  | Asylum Seeker Support — additional funding   | -          | 39.8         | -             | -             | -             |
| 122  | Australian Trusted Trader Programme  | -          | 11.6         | 17.4          | 18.1          | 16.6          |
| 122  | Combating People Smuggling — international engagement  | -          | 4.5          | 4.6           | -             | -             |
| 123  | Coordination and Outreach Migration Management Support — continuation  | -          | 2.2          | -             | -             | -             |

**Table 2: Expense measures since the 2015-16 MYEFO<sup>(a)</sup> (continued)**

| Page |   | 2015-16<br>\$m | 2016-17<br>\$m | 2017-18<br>\$m | 2018-19<br>\$m | 2019-20<br>\$m |
|------|---|----------------|----------------|----------------|----------------|----------------|
|      | <b>IMMIGRATION AND BORDER PROTECTION<br/>(continued)</b>  |                |                |                |                |                |
| 123  | Onshore Immigration Detention Network — consolidation   | 1.6            | 9.8            | -6.8           | -24.0          | -38.0          |
| 15   | Premium Border Clearance Services — establishment()   | -              | nfp            | nfp            | nfp            | nfp            |
| 124  | Reforming the Visa and Migration Framework  | -              | -              | -20.0          | -70.0          | -90.0          |
| 124  | Regional Cooperation Arrangements — continuation  | -              | 55.4           | -              | -              | -              |
| 124  | Regional Support Office — continuation  | -              | -              | -              | -              | -              |
| 125  | Supporting Regional Processing Arrangements — additional funding  | -              | 61.5           | -              | -              | -              |
| 16   | Tobacco excise — measures to improve health outcomes and combat illicit tobacco()                                   | -              | 2.9            | 4.9            | -              | -              |
| 125  | Unaccompanied Humanitarian Minors — additional funding  | -              | 7.4            | 4.7            | -              | -              |
|      | <b>Portfolio total</b>  | <b>1.6</b>     | <b>195.5</b>   | <b>4.8</b>     | <b>-75.9</b>   | <b>-111.5</b>  |
|      | <b>INDUSTRY, INNOVATION AND SCIENCE</b>   |                |                |                |                |                |
|      | <i>Australian Nuclear Science and Technology Organisation</i>   |                |                |                |                |                |
| 126  | Australian Nuclear Science and Technology Organisation — spent fuel management plan                                 | -              | -              | -              | -              | -              |
|      | <i>Australian Renewable Energy Agency</i>   |                |                |                |                |                |
| 89   | Clean and Renewable Energy Innovation — Clean Energy Finance Corporation and the Australian Renewable Energy Agency | -              | 5.3            | 4.9            | 7.7            | 5.4            |
|      | <i>Department of Industry, Innovation and Science</i>   |                |                |                |                |                |
| 126  | Australian Astronomical Observatory — extension   | -              | -              | -              | -              | 12.6           |
| 127  | Country of Origin Labelling — information and compliance  | 3.4            | -              | -              | -              | -              |
| 134  | Cyber Security — implementation of Australia's Cyber Security Strategy  | -              | 0.7            | 0.6            | 5.4            | 8.2            |
| 127  | Establishment of the Northern Australia Infrastructure Facility   | -              | -0.7           | -1.2           | -1.2           | -1.2           |
| 128  | Industry Programs — efficiencies  | -17.7          | -2.5           | -              | -              | -              |
| 128  | International Energy Agency's Oil Stockholding Requirements   | -              | 2.5            | 2.5            | 3.2            | 3.3            |
| 129  | National Carp Control Plan  | -              | 0.2            | 0.2            | 3.8            | -              |
| 129  | National Radioactive Waste Management Project — community benefits package  | -              | 2.5            | 2.4            | -4.9           | -              |
| 130  | Resources and Energy Programs — efficiencies  | -22.9          | -4.5           | -              | -              | -              |
| 130  | Rum Jungle Rehabilitation Project — extension   | -              | 0.7            | -              | -              | -              |

**Table 2: Expense measures since the 2015-16 MYEFO<sup>(a)</sup> (continued)**

| Page |   | 2015-16<br>\$m | 2016-17<br>\$m | 2017-18<br>\$m | 2018-19<br>\$m | 2019-20<br>\$m |
|------|---|----------------|----------------|----------------|----------------|----------------|
|      | <b>INDUSTRY, INNOVATION AND SCIENCE<br/>(continued)</b>                                   |                |                |                |                |                |
|      | <i>Geoscience Australia</i>   |                |                |                |                |                |
| 129  | National Resources Development Strategy<br>— exploring the future                         | -              | 21.1           | 20.4           | 30.8           | 24.9           |
|      | <i>Northern Australia Infrastructure Facility</i>   |                |                |                |                |                |
| 127  | Establishment of the Northern Australia<br>Infrastructure Facility                        | -              | 8.1            | 8.5            | 9.5            | 10.3           |
|      | <b>Portfolio total</b>  | <b>-37.2</b>   | <b>33.4</b>    | <b>38.3</b>    | <b>54.2</b>    | <b>63.5</b>    |
|      | <b>INFRASTRUCTURE AND REGIONAL<br/>DEVELOPMENT</b>  |                |                |                |                |                |
|      | <i>Australian Maritime Safety Authority</i>   |                |                |                |                |                |
| 9    | Seacare Scheme — cost recovery<br>arrangements()  | nfp            | nfp            | nfp            | nfp            | nfp            |
|      | <i>Department of Infrastructure and Regional<br/>Development</i>                          |                |                |                |                |                |
| 172  | Delivery of Inland Rail()   | -              | -              | -              | -              | -              |
|      | Infrastructure Investment Programme   |                |                |                |                |                |
| 131  | — efficiencies  | -              | -3.8           | -              | -              | -              |
| 131  | — new investments   | -              | -              | -              | -              | -              |
| 132  | Keys2drive — additional funding   | -              | 4.0            | -              | -              | -              |
| 83   | Road Safety Remuneration Tribunal —<br>abolition  | -              | 3.9            | 3.9            | 3.9            | 3.9            |
| 132  | Western Sydney Airport — further<br>preparatory works                                     | -              | 54.5           | 38.9           | -              | -              |
|      | <b>Portfolio total</b>  | <b>-</b>       | <b>58.5</b>    | <b>42.8</b>    | <b>3.9</b>     | <b>3.9</b>     |
|      | <b>PARLIAMENT</b>   |                |                |                |                |                |
|      | <i>Department of the House of Representatives</i>   |                |                |                |                |                |
| 133  | Parliamentary Departments — additional<br>funding   | 1.0            | 2.4            | 1.2            | 1.2            | 1.2            |
|      | <i>Department of the Senate</i>   |                |                |                |                |                |
| 133  | Parliamentary Departments — additional<br>funding   | -              | 3.0            | -              | -              | -              |
|      | <b>Portfolio total</b>  | <b>1.0</b>     | <b>5.4</b>     | <b>1.2</b>     | <b>1.2</b>     | <b>1.2</b>     |
|      | <b>PRIME MINISTER AND CABINET</b>   |                |                |                |                |                |
|      | <i>Department of the Prime Minister and Cabinet</i>                                       |                |                |                |                |                |
| 139  | Cashless Debit Card — third trial site  | -              | nfp            | -              | -              | -              |
| 134  | Cyber Security — implementation of<br>Australia's Cyber Security Strategy                 | -              | -              | -              | -              | -              |
| 141  | Domestic and Family Violence — new<br>initiatives to break the cycle of violence          | -              | -              | -10.0          | -10.0          | -12.2          |
| 135  | Implementing the National Cities Agenda   | -              | 4.6            | -              | -4.6           | -              |
| 136  | Indigenous Business Australia — continuity<br>of business support arrangements            | -              | 23.1           | -              | -              | -              |
| 136  | Indigenous Student Success in Higher<br>Education   | -              | -1.3           | -2.7           | -2.8           | -2.8           |
| 137  | Towards Constitutional Recognition of<br>Aboriginal and Torres Strait Islander<br>Peoples | -              | -              | -              | -              | -              |

**Table 2: Expense measures since the 2015-16 MYEFO<sup>(a)</sup> (continued)**

| Page |  | 2015-16<br>\$m | 2016-17<br>\$m | 2017-18<br>\$m | 2018-19<br>\$m | 2019-20<br>\$m |
|------|--|----------------|----------------|----------------|----------------|----------------|
|      | <b>PRIME MINISTER AND CABINET<br/>(continued)</b>  |                |                |                |                |                |
|      | <i>Digital Transformation Office</i>   |                |                |                |                |                |
| 137  | myGov operations   | 1.4            | 1.4            | -              | -              | -              |
| 138  | Trusted Digital Identity Framework   | -              | -              | -              | -              | -              |
|      | <i>Indigenous Business Australia</i>   |                |                |                |                |                |
| 136  | Indigenous Business Australia — continuity of business support arrangements                                  | -              | -23.1          | -              | -              | -              |
|      | <i>Indigenous Land Corporation</i>   |                |                |                |                |                |
| 136  | Indigenous Land Corporation — concessional loan for Ayers Rock Resort  | -              | nfp            | nfp            | nfp            | nfp            |
|      | <b>Portfolio total</b>   | <b>1.4</b>     | <b>4.7</b>     | <b>-12.7</b>   | <b>-17.4</b>   | <b>-15.0</b>   |
|      | <b>SOCIAL SERVICES</b>   |                |                |                |                |                |
|      | <i>Department of Human Services</i>  |                |                |                |                |                |
| 121  | A Streamlined Pathway to Permanent Residence for New Zealand Citizens  | -              | 0.6            | ..             | ..             | ..             |
|      | Aged Care Provider Funding   |                |                |                |                |                |
| 101  | – further revision of the Aged Care Funding Instrument   | 0.2            | 1.1            | 0.1            | 0.1            | 0.1            |
| 102  | – improving the targeting of the viability supplement for regional aged care facilities                      | ..             | 1.8            | 0.2            | 0.2            | 0.2            |
| 139  | Cashless Debit Card — third trial site   | -              | nfp            | nfp            | -              | -              |
| 102  | Child and Adult Public Dental Scheme   | 4.1            | -14.4          | -14.6          | -14.7          | -14.8          |
| 72   | Closure of Hunter River and Port Stephens Fisheries — assistance to individuals and businesses — extension   | -              | -              | -              | -              | -              |
| 140  | Compulsory Rent Deduction Scheme — establishment   | nfp            | nfp            | nfp            | nfp            | nfp            |
| 140  | Department of Human Services — administrative efficiencies   | -              | -20.0          | -20.0          | -20.0          | -20.0          |
| 154  | Department of Veterans' Affairs — business case for veteran-centric reform                                   | 2.2            | 3.9            | -              | -              | -              |
| 141  | Disability Support Pension — amending portability rules for para-athletes preparing for the Paralympic Games | -              | -              | -              | -              | -              |
|      | Healthier Medicare   |                |                |                |                |                |
| 104  | – removing obsolete services from the Medicare Benefits Schedule   | -              | ..             | ..             | ..             | ..             |
| 105  | – trial of health care homes   | 0.1            | 2.0            | 0.7            | 0.4            | -              |
| 78   | Investing in Child Care — ICT System   | -              | -              | -              | -              | -              |
| 83   | Job Commitment Bonus — cessation   | 0.4            | 1.9            | -2.3           | -2.5           | -2.6           |
| 78   | Jobs for Families Package — deferred implementation  | -4.0           | -32.3          | -11.3          | 5.9            | 8.2            |
|      | Medicare Benefits Schedule   |                |                |                |                |                |
| 107  | – listing of photography with non-mydriatic retinal cameras  | -              | ..             | 0.1            | 0.2            | 0.2            |
| 107  | – Magnetic Resonance Imaging of the breast   | -              | ..             | ..             | ..             | ..             |
| 108  | – new and amended listings   | -              | ..             | ..             | ..             | ..             |
| 108  | – pause indexation   | -              | -              | -              | -              | ..             |

**Table 2: Expense measures since the 2015-16 MYEFO<sup>(a)</sup> (continued)**

| Page |  | 2015-16<br>\$m | 2016-17<br>\$m | 2017-18<br>\$m | 2018-19<br>\$m | 2019-20<br>\$m |
|------|--|----------------|----------------|----------------|----------------|----------------|
|      | <b>SOCIAL SERVICES (continued)</b>   |                |                |                |                |                |
| 13   | Medicare Benefits Schedule and Pharmaceutical Benefits Scheme Data — efficiencies()                          | ..             | -              | -              | -              | -              |
| 142  | Mobility Allowance — transition to the National Disability Insurance Scheme                                  | -              | 2.5            | 0.2            | 0.1            | 0.9            |
| 137  | myGov operations   | 0.8            | 12.9           | 9.3            | 9.3            | 9.4            |
| 143  | National Disability Insurance Scheme Savings Fund  | 2.9            | 29.7           | 29.9           | 29.5           | 6.7            |
| 114  | Pharmaceutical Benefits Scheme — new and amended listings  | 0.3            | 0.2            | 0.1            | ..             | ..             |
| 118  | Quality Improvement in General Practice — simplification of the Practice Incentives Program                  | 0.1            | 7.0            | 0.4            | 0.3            | 0.3            |
| 145  | Simplifying Student Payments   | 0.1            | 2.2            | -1.1           | -0.9           | -1.3           |
| 85   | Youth Jobs PaTH (Prepare — Trial — Hire)   | 0.1            | 7.8            | 0.8            | 0.7            | 0.7            |
|      | <i>Department of Social Services</i>   |                |                |                |                |                |
| 121  | A Streamlined Pathway to Permanent Residence for New Zealand Citizens  | -              | -              | -9.7           | -24.8          | -34.2          |
| 139  | Australian Disability Enterprises — wage supplementation   | -19.3          | -38.7          | -3.2           | 41.2           | 20.0           |
| 139  | Building Social Cohesion for Recently Arrived Migrants   | -              | 3.8            | 3.5            | 3.6            | -              |
| 139  | Cashless Debit Card — third trial site   | -              | nfp            | nfp            | -              | -              |
| 67   | Countering Violent Extremism — community support and advice services   | -5.0           | -              | -              | -              | -              |
| 141  | Disability Support Pension — amending portability rules for para-athletes preparing for the Paralympic Games | -              | 0.2            | ..             | -              | 0.2            |
| 141  | Domestic and Family Violence — new initiatives to break the cycle of violence                                | -              | 33.3           | 33.3           | 33.3           | -              |
| 78   | Investing in Child Care — ICT System   | -              | -              | -              | -              | -              |
| 142  | Investment Approach to Welfare — Try, Test and Learn Fund  | -              | 31.0           | 31.0           | 23.9           | 7.3            |
| 142  | Mobility Allowance — transition to the National Disability Insurance Scheme                                  | -              | 0.7            | 3.4            | 13.1           | 19.2           |
| 143  | National Disability Insurance Scheme Savings Fund  | -60.4          | -136.2         | -348.9         | -530.7         | -711.6         |
| 144  | National Framework for Protecting Australia's Children — Third Action Plan 2015-18                           | -              | 1.8            | 1.5            | 1.4            | 0.4            |
| 157  | Reversal of Decision to Remove Backdating of Veterans' Disability Pension Claims                             | -              | -0.2           | -0.2           | -0.2           | -0.3           |
| 144  | Revised Social Security Agreement with New Zealand   | -              | nfp            | nfp            | nfp            | nfp            |
| 145  | Simplifying Student Payments   | -              | 0.2            | ..             | ..             | ..             |
| 145  | Strengthening Communities Grants — redesign  | -              | -              | -              | -              | -              |
| 146  | Supporting the Financially Vulnerable — financial counselling for problem gamblers                           | -              | 7.1            | -              | -              | -              |

**Table 2: Expense measures since the 2015-16 MYEFO<sup>(a)</sup> (continued)**

| Page |   | 2015-16<br>\$m | 2016-17<br>\$m | 2017-18<br>\$m | 2018-19<br>\$m | 2019-20<br>\$m |
|------|---|----------------|----------------|----------------|----------------|----------------|
|      | <b>SOCIAL SERVICES (continued)</b>  |                |                |                |                |                |
|      | Youth Employment Package  |                |                |                |                |                |
| 85   | – Youth Jobs PaTH (Prepare — Trial — Hire)  | -              | 0.5            | 1.4            | 1.4            | 1.4            |
| 86   | – Work for the Dole — reform  | -              | -14.5          | -11.9          | -12.6          | -12.6          |
|      | <i>National Disability Insurance Agency</i>   |                |                |                |                |                |
| 142  | Mobility Allowance — transition to the National Disability Insurance Scheme                 | -              | -              | -              | -              | -              |
| 143  | National Disability Insurance Scheme Savings Fund   | -15.2          | -309.1         | -457.8         | -285.7         | -68.5          |
|      | <b>Portfolio total</b>  | <b>-92.5</b>   | <b>-413.4</b>  | <b>-765.2</b>  | <b>-727.6</b>  | <b>-790.6</b>  |
|      | <b>TREASURY</b>   |                |                |                |                |                |
|      | <i>Australian Competition and Consumer Commission</i>                                       |                |                |                |                |                |
| 148  | Australian Energy Regulator — additional funding  | -              | 8.0            | -              | -              | -              |
| 127  | Country of Origin Labelling — information and compliance                                    | -              | 0.4            | 0.4            | 1.5            | 1.2            |
|      | <i>Australian Prudential Regulation Authority</i>   |                |                |                |                |                |
| 173  | Australian Prudential Regulation Authority — modernising data capabilities()                | -              | 2.4            | 2.8            | 1.1            | 1.4            |
|      | <i>Australian Securities and Investments Commission</i>                                     |                |                |                |                |                |
| 147  | Asia Region Funds Passport  | -              | 0.8            | 0.9            | 0.9            | 0.9            |
|      | Australian Securities and Investments Commission  |                |                |                |                |                |
| 148  | – improving outcomes in financial services  | -              | 22.0           | 27.6           | 19.7           | 12.9           |
| 173  | – industry charging arrangements()  | -              | -              | -              | -              | -              |
| 93   | Australian Securities and Investments Commission Registry Further Market Testing            | 1.1            | 5.9            | -              | -              | -              |
| 153  | Superannuation Complaints Tribunal — sustaining and modernising functions                   | -              | 2.5            | -              | -              | -              |
| 39   | Ten Year Enterprise Tax Plan — implementing a new suite of collective investment vehicles() | -              | 1.6            | 1.4            | 1.0            | 0.4            |
|      | <i>Australian Taxation Office</i>   |                |                |                |                |                |
| 19   | Applying GST to low value goods imported by consumers()                                     | -              | 4.2            | 3.6            | 3.3            | 2.6            |
| 149  | Australian Taxation Office — Functional and Efficiency Review                               | -              | 0.5            | -7.4           | -7.4           | -7.5           |
| 150  | eInvoicing  | -              | -              | -              | -              | -              |
| 77   | Higher Education Reform — further consultation  | -0.7           | -0.4           | 0.3            | -              | -              |
| 152  | National Register of Foreign Ownership of Water Entitlements                                | -              | -              | -              | -              | -              |

**Table 2: Expense measures since the 2015-16 MYEFO<sup>(a)</sup> (continued)**

| Page |  | 2015-16<br>\$m | 2016-17<br>\$m | 2017-18<br>\$m | 2018-19<br>\$m | 2019-20<br>\$m |
|------|--|----------------|----------------|----------------|----------------|----------------|
|      | <b>TREASURY (continued)</b>  |                |                |                |                |                |
|      | Superannuation Reform Package  |                |                |                |                |                |
| 25   | – introduce a \$1.6 million superannuation transfer balance cap()                                  | -              | 4.4            | -              | -              | -              |
| 28   | – introducing a Low Income Superannuation Tax Offset (LISTO)()                                     | -              | -              | 101.0          | 101.1          | 101.1          |
| 28   | – reforming the taxation of concessional superannuation contributions()                            | -              | -              | 0.9            | 2.2            | 1.1            |
| 33   | Tax Integrity Package — establishing the Tax Avoidance Taskforce()                                 | -              | 48.8           | 203.3          | 212.6          | 214.2          |
| 71   | Trans-Pacific Partnership — implementation   | -              | 0.4            | -              | -              | -              |
|      | <i>Department of the Treasury</i>  |                |                |                |                |                |
| 19   | Applying GST to low value goods imported by consumers()  | -              | -              | 60.0           | 90.0           | 120.0          |
| 147  | Asset Recycling Initiative — return of unallocated funds   | -              | -452.7         | -307.4         | -93.5          | -              |
| 148  | Australian Energy Regulator — additional funding   | -              | 1.0            | -              | -              | -              |
| 148  | Australian Securities and Investments Commission — improving outcomes in financial services        | -              | 2.0            | 2.0            | 2.0            | -              |
| 149  | Australian Small Business and Family Enterprise Ombudsman — expanded advocacy functions            | -              | 4.2            | 4.0            | 4.0            | 4.1            |
| 150  | Commonwealth Assistance for Western Australia  | 490.0          | -              | -              | -              | -              |
| 150  | eInvoicing   | -              | -              | -              | -              | -              |
| 150  | Financial Assistance to the New South Wales (NSW) Government for NSW Police                        | -              | -              | 0.1            | 2.9            | 4.6            |
| 151  | Financial Technology Innovation  | -              | 0.2            | -              | -              | -              |
| 105  | Hepatitis C Settlement Fund — continuation   | -              | 0.2            | 0.2            | 0.2            | 0.2            |
| 106  | Home and Community Care Services in Western Australia — continuation                               | -              | -              | -              | -              | -              |
| 20   | Indirect Tax Concession Scheme — diplomatic, consular and international organisation concessions() | ..             | ..             | ..             | ..             | ..             |
|      | Infrastructure Investment Programme  |                |                |                |                |                |
| 131  | – efficiencies   | -              | -4.0           | -0.3           | -4.2           | -150.4         |
| 131  | – new investments  | -              | -              | -              | -              | -              |
| 142  | Mobility Allowance — transition to the National Disability Insurance Scheme                        | -              | 0.2            | -              | -              | -              |
| 109  | Mosquito Control and Cross Border Liaison in the Torres Strait Protected Zone — continuation       | -              | -              | -              | -              | -              |
| 110  | National Coronial Information System — continuation  | 0.4            | 0.4            | 0.4            | 0.4            | 0.4            |
| 143  | National Disability Insurance Scheme Savings Fund  | 416.9          | 160.5          | 211.4          | 852.1          | -3,826.5       |

**Table 2: Expense measures since the 2015-16 MYEFO<sup>(a)</sup> (continued)**

| Page |   | 2015-16<br>\$m | 2016-17<br>\$m | 2017-18<br>\$m | 2018-19<br>\$m | 2019-20<br>\$m  |
|------|---|----------------|----------------|----------------|----------------|-----------------|
|      | <b>TREASURY (continued)</b>   |                |                |                |                |                 |
| 111  | National Partnership Agreement — Management of Torres Strait-Papua New Guinea Cross-Border Health Issues — extension        | -              | -              | -              | -              | -               |
| 111  | National Partnership Agreement on Rheumatic Fever Strategy — extension  | -              | 0.4            | -              | -              | -               |
| 112  | National Partnership Agreement on Specified Projects — Addressing Blood Borne Viruses and Sexually Transmissible Infections | -              | 1.1            | 1.1            | 1.1            | 1.1             |
| 64   | National Water Infrastructure Development Fund — additional funding   | -              | 9.5            | -              | -              | -               |
| 113  | OzFoodNet Program — continuation  | -              | -              | -              | -              | -               |
| 117  | Public Hospitals — new funding arrangements   | -              | -              | 477.5          | 932.4          | 1,441.4         |
| 152  | Regulatory Reform Agenda — implementation   | -              | 1.7            | 2.0            | 2.0            | -               |
| 152  | Review of Australia's Dispute Resolution and Complaints Schemes   | -              | -              | -              | -              | -               |
| 130  | Rum Jungle Rehabilitation Project — extension   | -              | 10.0           | -              | -              | -               |
| 40   | Ten Year Enterprise Tax Plan — increase the small business entity turnover threshold()                                      | -              | -15.0          | ..             | ..             | ..              |
| 16   | Tobacco excise — measures to improve health outcomes and combat illicit tobacco()   | -              | -              | 65.0           | 145.0          | 235.0           |
| 120  | Vaccine Preventable Diseases Surveillance Program   | -              | -              | -              | -              | -               |
|      | <b>Portfolio total</b>  | <b>907.7</b>   | <b>-178.9</b>  | <b>850.7</b>   | <b>2,270.1</b> | <b>-1,841.8</b> |
|      | <b>VETERANS' AFFAIRS</b>  |                |                |                |                |                 |
|      | <i>Department of Veterans' Affairs</i>  |                |                |                |                |                 |
|      | <i>Aged Care Provider Funding</i>   |                |                |                |                |                 |
| 101  | – further revision of the Aged Care Funding Instrument  | -              | -13.5          | -23.8          | -31.7          | -38.8           |
| 102  | – improving the targeting of the viability supplement for regional aged care facilities                                     | -              | 0.7            | 1.3            | 1.3            | 1.2             |
|      | <i>Department of Veterans' Affairs</i>  |                |                |                |                |                 |
| 154  | – business case for veteran-centric reform  | -              | 18.7           | -              | -              | -               |
| 154  | – improving processing systems  | -              | 3.8            | 1.3            | -              | -               |
| 154  | Establishing a Single Appeal Path under the Military Rehabilitation and Compensation Act 2004                               | -              | ..             | 0.1            | 0.1            | 0.1             |
| 104  | Healthier Medicare — removing obsolete services from the Medicare Benefits Schedule   | -              | ..             | ..             | ..             | ..              |
| 155  | Incapacity Payments — improved support for veterans   | -              | 0.3            | 1.5            | 1.6            | 2.3             |

**Table 2: Expense measures since the 2015-16 MYEFO<sup>(a)</sup> (continued)**

| Page                                 | 2015-16  | 2016-17        | 2017-18       | 2018-19      | 2019-20         |
|--------------------------------------|--|----------------|---------------|--------------|-----------------|
|                                      | \$m  | \$m            | \$m           | \$m          | \$m             |
| <b>VETERANS' AFFAIRS (continued)</b> |  |                |               |              |                 |
|                                      | Medicare Benefits Schedule   |                |               |              |                 |
| 107                                  | -  | ..             | 0.1           | 0.1          | 0.1             |
|                                      | – listing of photography with non-mydriatic retinal cameras  |                |               |              |                 |
| 107                                  | -  | ..             | ..            | ..           | ..              |
|                                      | – Magnetic Resonance Imaging of the breast   |                |               |              |                 |
| 108                                  | -  | -0.7           | -1.0          | -1.0         | -0.9            |
|                                      | – new and amended listings   |                |               |              |                 |
| 108                                  | -  | -              | -             | -9.3         | -18.2           |
|                                      | – pause indexation   |                |               |              |                 |
| 155                                  | -  | 11.4           | 10.5          | 11.0         | 11.6            |
|                                      | Mental Health Treatment for Current and Former Members of the Australian Defence Force — improved access |                |               |              |                 |
| 143                                  | -  | -0.2           | -1.7          | -3.4         | -5.0            |
|                                      | National Disability Insurance Scheme Savings Fund  |                |               |              |                 |
| 156                                  | nfp  | nfp            | nfp           | nfp          | nfp             |
|                                      | New Veteran Public Hospital Pricing Agreements   |                |               |              |                 |
|                                      | Pharmaceutical Benefits Scheme   |                |               |              |                 |
| 114                                  | ..   | ..             | ..            | 0.1          | 0.1             |
|                                      | – new and amended listings   |                |               |              |                 |
| 115                                  | ..   | 0.1            | 0.1           | 0.1          | 0.1             |
|                                      | – price amendments   |                |               |              |                 |
| 156                                  | -  | 2.1            | 4.7           | 0.3          | 0.4             |
|                                      | Refurbishment of War Graves and Memorials  |                |               |              |                 |
| 156                                  | -  | 0.1            | 0.1           | 0.1          | 0.1             |
|                                      | Repatriation Pharmaceutical Benefits Scheme — new listings and price amendments                          |                |               |              |                 |
| 157                                  | -  | 9.6            | 9.5           | 9.7          | 10.0            |
|                                      | Reversal of Decision to Remove Backdating of Veterans' Disability Pension Claims                         |                |               |              |                 |
| 157                                  | -  | 10.0           | -             | -            | -               |
|                                      | Spirit of ANZAC Centenary Experience Travelling Exhibition — additional funding                          |                |               |              |                 |
| 158                                  | -  | 0.7            | 1.4           | -            | -               |
|                                      | Support Services for Children of Veterans  |                |               |              |                 |
| 158                                  | -  | 0.4            | 0.2           | 0.2          | 0.1             |
|                                      | Veteran Suicide Awareness and Prevention Programs — continuation of Operation Life                       |                |               |              |                 |
| 158                                  | -  | 1.2            | 0.3           | 0.3          | 0.3             |
|                                      | Veterans' Review Board — case management system and alternative dispute resolution                       |                |               |              |                 |
|                                      | ..   | <b>44.6</b>    | <b>4.5</b>    | <b>-20.7</b> | <b>-36.7</b>    |
|                                      | <b>Portfolio total</b>   |                |               |              |                 |
|                                      | <b>-103.4</b>  | <b>476.5</b>   | <b>624.8</b>  | <b>502.2</b> | <b>-1,980.8</b> |
|                                      | <b>Decisions taken but not yet announced</b>   |                |               |              |                 |
|                                      | <b>0.1</b>   | <b>2.1</b>     | <b>5.1</b>    | <b>8.7</b>   | <b>9.9</b>      |
|                                      | <b>Depreciation expense</b>  |                |               |              |                 |
|                                      | <b>590.3</b>   | <b>1,096.5</b> | <b>-720.6</b> | <b>732.8</b> | <b>-6,546.7</b> |
|                                      | <b>Total impact of expense measures(d)</b>   |                |               |              |                 |

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

.. Not zero, but rounded to zero.

- Nil.

nfp not for publication.

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

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

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

(d) Measures may not add due to rounding.

## AGRICULTURE AND WATER RESOURCES

### Better Management of Biosecurity Risks — advanced analytical capability

| Expense (\$m)                                 | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|---|---------|---------|---------|---------|---------|
| Department of Agriculture and Water Resources | -       | -       | -       | -       | -       |

The Government will provide \$15.9 million over four years from 2016-17 to improve the analytical capability of the Department of Agriculture and Water Resources.

This measure will establish an advanced capability to turn data into intelligence for use by government entities (States and Territories), and where relevant, across industry and the wider community, to better manage Australia's biosecurity risks.

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

### Farm Co-operatives and Collaboration Pilot

| Expense (\$m)                                 | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|---|---------|---------|---------|---------|---------|
| Department of Agriculture and Water Resources | -       | -       | -       | -       | -       |

The Government will refine a two-year pilot program designed to improve access for farmers to training and information about co-operatives, collective bargaining and innovative business models. The pilot was announced in the *Agricultural Competitiveness White Paper*.

The revised program – to be known as the Farm Co-operatives and Collaboration Pilot – will focus on helping farmers to establish co-operatives and adopt innovative business, and will be delivered by Southern Cross University.

The cost of this measure will be met from within the existing resources of the Department of Agriculture and Water Resources.

Further information can be found in the press release of 14 April 2016 issued by the Minister for Agriculture and Water Resources.

**Farm Household Allowance — transitional debt waiver**

| Expense (\$m)                                 | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|---|---------|---------|---------|---------|---------|
| Department of Agriculture and Water Resources | 2.7     | -       | -       | -       | -       |

The Government will provide \$2.7 million in 2015-16 to offer a transitional debt waiver to any Farm Household Allowance (FHA) recipients who incurred an income support debt arising from an underestimate of their annual business income in 2014-15.

FHA recipients who incur an income support debt from 2015-16 onwards will be subject to the usual debt recovery arrangements.

**Managing Farm Risk Programme — efficiencies**

| Expense (\$m)                                 | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|---|---------|---------|---------|---------|---------|
| Department of Agriculture and Water Resources | -3.6    | -1.9    | -1.9    | -1.8    | -       |

The Government will achieve efficiencies of \$9.2 million over four years from 2015-16 in the *Managing Farm Risk Programme* (MFRP). A means test will be introduced to limit eligibility for the MFRP to farm businesses with annual revenue of less than \$2.0 million.

The MFRP was announced in the *Agricultural Competitiveness White Paper* (the White Paper), and provides rebates of up to \$2,500 to help farm businesses with the costs of farm insurance advice and assessments to help them manage drought and other production and market risks. This programme is being delivered by the Department of Agriculture and Water Resources instead of by the State governments, providing administrative savings. Consultation with industry suggests that demand at the time of the White Paper may have been over-estimated. There are adequate funds available under the revised allocation to meet expected demand over the life of the programme.

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

Further information can be found in the press release of 29 March 2016 issued by the Minister for Agriculture and Water Resources.

**National Water Infrastructure Development Fund — additional funding**

| Expense (\$m)                                 | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|---|---------|---------|---------|---------|---------|
| Department of the Treasury                    | -       | 9.5     | -       | -       | -       |
| Department of Agriculture and Water Resources | -       | -9.5    | -       | -       | -       |
| <b>Total — Expense</b>                        | -       | -       | -       | -       | -       |

The Government will provide an additional \$9.5 million in 2016-17 for the National Water Infrastructure Development Fund.

This measure will help the Government respond to strong demand by funding additional water infrastructure feasibility studies in northern Australia.

The cost of this measure will be offset by redirecting funding from the *Rural Research and Development for Profit* program.

**National Water Infrastructure Loan Facility**

| Expense (\$m)  | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|--|---------|---------|---------|---------|---------|
| Department of Agriculture and Water Resources        | -       | 0.9     | 0.9     | 1.9     | 3.8     |
| <i>Related revenue (\$m)</i>                         |         |         |         |         |         |
| <i>Department of Agriculture and Water Resources</i> | -       | 1.1     | 2.5     | 7.2     | 19.5    |

The Government will provide \$2.0 billion in concessional loan funding (for a 10 year period from 1 July 2016) to establish the *National Water Infrastructure Loan Facility*. Loans will be provided to the States and Territories to support major water infrastructure projects.

Applications for loans will be assessed against projects' cost effectiveness and financial viability. The loan recipient will make interest-only payments for up to the first five years of the loan term and will then have a further 10 years to repay the principal and any additional interest.

The cost to the Government of providing concessional loans will be offset over the life of the program by the interest revenue collected from loan recipients.

**Rural Financial Counselling Service — additional counsellors**

| Expense (\$m)                                 | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|---|---------|---------|---------|---------|---------|
| Department of Agriculture and Water Resources | -       | 1.7     | 1.8     | 1.8     | 1.8     |

The Government will provide \$7.1 million over four years from 2016-17 to maintain the additional rural financial counsellors in drought-affected areas funded through the *Agricultural Competitiveness White Paper* (the White Paper). The additional funding in the White Paper was a one-off measure for 2015-16 to provide increased resources to service providers in drought-affected areas.

Continuing this funding will provide the equivalent of 15 extra counsellors each year to assist farming families to manage issues associated with drought and drought recovery. The funding will be targeted to regions in need, assessed on the basis of prevailing drought conditions.

This measure builds on the 2015-16 Budget measure titled *Supporting Drought Affected Communities – Immediate Assistance*.

**Streamlining Agricultural and Veterinary Chemicals Regulation**

| Expense (\$m)   | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|---|---------|---------|---------|---------|---------|
| Department of Agriculture and Water Resources                   | -       | -       | -       | -       | -       |
| Australian Pesticides and Veterinary Medicines Authority        | -       | -       | -       | -       | -       |
| Total — Expense   | -       | -       | -       | -       | -       |
| <i>Related revenue (\$m)</i>                                    |         |         |         |         |         |
| <i>Australian Pesticides and Veterinary Medicines Authority</i> | -       | -       | -       | -       | -       |
| <i>Related capital (\$m)</i>                                    |         |         |         |         |         |
| <i>Australian Pesticides and Veterinary Medicines Authority</i> | -       | -       | -       | -       | -       |

The Government will provide \$17.1 million over four years from 2016-17 to further reform agricultural and veterinary chemicals regulation.

This measure will improve the competitiveness of farmers by streamlining access to productivity-enhancing chemicals, and increase our knowledge about chemical residues in the food chain and the environment.

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

## ATTORNEY-GENERAL'S

### Confiscated Assets Account — additional crime prevention activities

| Expense (\$m)                 | 2015-16    | 2016-17    | 2017-18  | 2018-19  | 2019-20  |
|-------------------------------|------------|------------|----------|----------|----------|
| Attorney-General's Department | 2.0        | 2.0        | -        | -        | -        |
| Australian Federal Police     | 1.2        | 1.9        | -        | -        | -        |
| <b>Total — Expense</b>        | <b>3.2</b> | <b>4.0</b> | <b>-</b> | <b>-</b> | <b>-</b> |
| <i>Related capital (\$m)</i>  |            |            |          |          |          |
| Australian Federal Police     | 0.1        | 0.1        | -        | -        | -        |

The Government will provide \$7.3 million over two years (including \$0.1 million in capital funding in 2015-16 and 2016-17) from the Confiscated Assets Account under the *Proceeds of Crime Act 2002* to fund the following crime prevention initiatives:

- \$4.0 million for Victoria Police to implement Phase Two of the Trident Waterfront Taskforce to continue to combat serious and organised crime in the maritime sector; and
- \$3.3 million for the Australian Federal Police to establish a National Anti-Gang Squad (NAGS) strike team in South Australia. The NAGS was established to provide the Government with a coordination capability to detect, deter and disrupt gang-related crimes.

Further information regarding the Trident Waterfront Taskforce can be found in the press release of 16 February 2016 issued by the Minister for Justice.

### Confiscated Assets Account — Fraud and Anti-Corruption Centre — enhanced investigative capabilities

| Expense (\$m)                | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|------------------------------|---------|---------|---------|---------|---------|
| Australian Federal Police    | -       | 4.4     | 4.8     | 4.8     | -       |
| <i>Related capital (\$m)</i> |         |         |         |         |         |
| Australian Federal Police    | -       | 0.5     | 0.1     | -       | -       |

The Government will provide \$14.7 million over three years from 2016-17 (including \$0.6 million in capital funding in 2016-17 and 2017-18) from the Confiscated Assets Account under the *Proceeds of Crime Act 2002* to expand the foreign bribery investigative capability within the Australian Federal Police's Fraud and Anti-Corruption Centre (FAC Centre).

This measure builds on the establishment of the FAC Centre which was announced by the Government in July 2014. The FAC Centre is a multi-agency initiative that focuses on strengthening law enforcement capability to respond to serious and complex Commonwealth fraud, foreign bribery, corruption and complex identity crime.

**Countering Violent Extremism — community support and advice services**

| Expense (\$m)                             | 2015-16     | 2016-17    | 2017-18  | 2018-19  | 2019-20  |
|---|-------------|------------|----------|----------|----------|
| Attorney-General's Department             | -           | 4.0        | -        | -        | -        |
| Department of Communications and the Arts | -           | 1.0        | -        | -        | -        |
| Department of Social Services             | -5.0        | -          | -        | -        | -        |
| <b>Total — Expense</b>                    | <b>-5.0</b> | <b>5.0</b> | <b>-</b> | <b>-</b> | <b>-</b> |

The Government will provide \$5.0 million in 2016-17 toward countering violent extremism initiatives, comprising:

- \$4.0 million for the Attorney-General's Department to establish and trial community support and advice services in conjunction with the States and Territories; and
- \$1.0 million for the Office of the Children's eSafety Commissioner to develop and distribute online resources promoting digital resilience.

The cost of this measure will be offset by redirecting funding from the Department of Social Services.

**CrimTrac National Order Reference System**

| Expense (\$m)   | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|-----------------|---------|---------|---------|---------|---------|
| CrimTrac Agency | -       | -       | -       | -       | -       |

The Government will contribute \$9.9 million for the development of a Domestic Violence Order (DVO) sharing system, to be known as the National Order Reference System. This System will strengthen the identification and development of DVOs across State and Territory borders for police, partner agencies and the courts.

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

This measure builds on the 2015-16 MYEFO measure titled *Women's Safety Package*.

**Enhanced Protective Security Arrangements — law enforcement agencies**

| Expense (\$m)                | 2015-16    | 2016-17     | 2017-18     | 2018-19     | 2019-20     |
|------------------------------|------------|-------------|-------------|-------------|-------------|
| Australian Federal Police    | -          | 19.6        | 16.6        | 15.8        | 15.7        |
| Australian Crime Commission  | 0.4        | 0.9         | 0.9         | 0.9         | 0.9         |
| <b>Total — Expense</b>       | <b>0.4</b> | <b>20.5</b> | <b>17.5</b> | <b>16.7</b> | <b>16.6</b> |
| <i>Related capital (\$m)</i> |            |             |             |             |             |
| Australian Federal Police    | -          | 51.8        | 0.4         | -           | -           |
| Australian Crime Commission  | 0.5        | 0.5         | 0.2         | -           | -           |
| <b>Total — Capital</b>       | <b>0.5</b> | <b>52.3</b> | <b>0.6</b>  | <b>-</b>    | <b>-</b>    |

The Government will provide \$153.6 million over five years (including \$65.2 million in capital funding) to enhance security arrangements for the Australian Federal Police (AFP) and the Australian Crime Commission (ACC) in light of the heightened threat environment for law enforcement agencies. The enhancements include:

- \$148.5 million over five years for the AFP for additional Protective Security Officers, upgraded physical and personnel security and a scoping study for enhanced protective technical capabilities; and
- \$5.1 million over five years for the ACC for upgraded physical and personnel security.

The cost of the AFP component will be partially met from within the existing resources of the AFP.

This measure builds on the 2014-15 MYEFO measure titled *National Security – Enhanced Protective Security Arrangements*.

**National Aerial Firefighting Centre**

| Expense (\$m)                 | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|-------------------------------|---------|---------|---------|---------|---------|
| Attorney-General's Department | -       | -       | -       | -       | -       |

The Government provided an additional \$0.5 million in 2015-16 to the National Aerial Firefighting Centre. This funding boosts the aerial firefighting resources available to Victoria, South Australia and Tasmania over the fire season.

The cost of this measure will be met from within the existing resources of the Attorney-General's Department.

**Office of the Australian Information Commissioner — continuation**

| Expense (\$m)                                     | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|---|---------|---------|---------|---------|---------|
| Office of the Australian Information Commissioner | -       | 9.3     | 9.3     | 9.3     | 9.4     |
| Attorney-General's Department                     | -       | -0.6    | -0.6    | -0.6    | -0.6    |
| Australian Human Rights Commission                | -       | -6.7    | -6.7    | -6.7    | -6.7    |
| Total — Expense                                   | -       | 2.0     | 2.0     | 2.0     | 2.0     |

The Government will provide \$8.1 million over four years from 2016-17 to continue the operations of the Office of the Australian Information Commissioner (OAIC).

Additionally, \$6.7 million per year for privacy functions will be transferred to the OAIC from the Australian Human Rights Commission, and \$0.6 million per year will be transferred from the Attorney-General's Department for Freedom of Information functions.

**Royal Commission into Trade Union Governance and Corruption — continuation of the joint police taskforce**

| Expense (\$m)                        | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|--------------------------------------|---------|---------|---------|---------|---------|
| Australian Federal Police            | 3.0     | 3.0     | -       | -       | -       |
| Attorney-General's Department        | -2.5    | -       | -       | -       | -       |
| Total — Expense                      | 0.5     | 3.0     | -       | -       | -       |
| <i>Related capital (\$m)</i>         |         |         |         |         |         |
| <i>Attorney-General's Department</i> | -0.5    | -       | -       | -       | -       |

The Government will provide funding of \$6.0 million to 2016-17 for the continuation of the joint police taskforce to investigate matters arising from the Royal Commission into Trade Union Governance and Corruption (the Royal Commission).

The police taskforce will extend for a further 12 months until 31 December 2016 to allow the continuation of investigations of significant matters arising from the Royal Commission.

The cost of this measure will be met from within existing resources provided for the Royal Commission, including \$3.0 million from 2014-15.

This measure builds on the 2014-15 Budget measure titled *Royal Commission into Trade Union Governance and Corruption – establishment*.

Further information can be found in the joint press release of 30 December 2015 issued by the Prime Minister, the Attorney-General and the Minister for Employment.

## COMMUNICATIONS AND THE ARTS

### Australian Broadcasting Corporation — operational funding

| Expense (\$m)                       | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|-------------------------------------|---------|---------|---------|---------|---------|
| Australian Broadcasting Corporation | -       | 13.5    | 13.8    | 14.1    | -       |

The Government will provide \$3.1 billion over three years from 2016-17 in base operational funding for the Australian Broadcasting Corporation (ABC). Base operational funding for the ABC is determined on a three year rolling basis for the operation of television, radio and online services. Provision for this funding has already been included in the forward estimates.

The Government will also extend a terminating 2013-14 Budget measure to support local news and current affairs services, particularly services located outside of capital cities.

### Special Broadcasting Service Corporation — operational funding

| Expense (\$m)                            | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|--|---------|---------|---------|---------|---------|
| Special Broadcasting Service Corporation | -       | 9.7     | 2.8     | 2.8     | -       |

The Government will provide \$814.2 million over three years from 2016-17 in base operational funding for the Special Broadcasting Service Corporation. This funding is determined on a three year rolling basis for the operation of television, radio and online services. Provision for this funding has already been included in the forward estimates.

The Government will also extend a terminating 2013-14 Budget measure and provide \$6.9 million in 2016-17 to replace revenue that could not be raised due to the delayed passage of legislation.

## CROSS PORTFOLIO

### Public Sector Transformation and the Efficiency Dividend

| Expense (\$m)                | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|------------------------------|---------|---------|---------|---------|---------|
| Various Agencies             | -       | -       | -275.9  | -467.6  | -564.5  |
| <i>Related capital (\$m)</i> |         |         |         |         |         |
| <i>Various Agencies</i>      | -       | -       | -22.7   | -43.0   | -50.1   |

The Government will achieve efficiencies in the operation of the Australian Public Service by increasing the standard annual efficiency dividend by 1.5 per cent in 2017-18, 1.0 per cent in 2018-19 and 0.5 per cent in 2019-20.

Further, recognising that the transformation and modernisation of the public sector will be hastened through targeted investment, the Government will reinvest \$500.0 million for specific initiatives to assist agencies to manage their transformation to a more modern public sector.

Net savings of \$1.4 billion will be achieved over three years from this measure.

### Trans-Pacific Partnership — implementation

| Expense (\$m)                | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|------------------------------|---------|---------|---------|---------|---------|
| Federal Court of Australia   | -       | 0.7     | 0.7     | 0.7     | 0.7     |
| Australian Taxation Office   | -       | 0.4     | -       | -       | -       |
| Total — Expense              | -       | 1.1     | 0.7     | 0.7     | 0.7     |
| <i>Related capital (\$m)</i> |         |         |         |         |         |
| <i>Various Agencies</i>      | -       | 12.4    | -       | -       | -       |

The Government will provide \$15.6 million over four years from 2016-17 (including \$3.3 million in expense funding) to implement reforms to government procurement included in the Trans-Pacific Partnership (TPP) trade agreement. The funding includes \$12.4 million to upgrade information technology systems to support greater transparency in the reporting of procurements conducted by limited tendering and \$2.9 million in funding for the Federal Court of Australia to provide a mechanism to deal with disputes about procurement decisions. Funding of \$0.4 million is also provided to allow film co-productions involving Australia and Malaysia to access tax benefits and subsidies in both countries.

See also the related revenue measure titled *Trans-Pacific Partnership Agreement* in the Immigration and Border Protection portfolio.

## DEFENCE

### Closure of Hunter River and Port Stephens Fisheries — assistance to individuals and businesses — extension

| Expense (\$m)                | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|------------------------------|---------|---------|---------|---------|---------|
| Department of Defence        | -       | -       | -       | -       | -       |
| Department of Human Services | -       | -       | -       | -       | -       |
| <b>Total — Expense</b>       | -       | -       | -       | -       | -       |

The Government will extend targeted assistance to eligible fishers and businesses affected by the closure of Hunter River and Port Stephens fisheries, noting that the New South Wales Government is due to make a decision regarding the fisheries by 30 June 2016.

Should the fisheries remain closed, the assistance package will be expanded to include a Business Transition Payment that will assist eligible businesses to pursue alternative sources of income should they wish to do so.

The cost of this measure will be met from within the existing resources of the Departments of Defence and Human Services.

This measure extends the 2015-16 MYEFO measure titled *Closure of Hunter River and Port Stephens Fisheries – Assistance to Individuals and Businesses*.

### Operation Accordion — extension

| Expense (\$m)                     | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|-----------------------------------|---------|---------|---------|---------|---------|
| Department of Defence             | -       | 182.9   | 2.7     | 3.2     | -       |
| <i>Related revenue (\$m)</i>      |         |         |         |         |         |
| <i>Department of Defence</i>      | -       | 4.9     | -       | -       | -       |
| <i>Australian Taxation Office</i> | -       | -8.2    | -4.4    | -       | -       |
| <b>Total — Revenue</b>            | -       | -3.3    | -4.4    | -       | -       |

The Government will provide \$183.8 million over three years for the net additional cost (including remediation costs) to extend Operation Accordion in 2016-17. The net additional cost takes into account the recovery of \$4.9 million from other Coalition forces for logistic support provided by the Australian Defence Force (ADF), which will be put toward the cost of the operation.

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

This measure is also expected to lead to a reduction in revenue of \$12.6 million over two years from 2016-17 as a result of the tax treatment of the income and benefits received by ADF personnel deployed overseas.

#### Operation Highroad — extension

| Expense (\$m)                     | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|-----------------------------------|---------|---------|---------|---------|---------|
| Department of Defence             | -       | 48.0    | -0.1    | 11.2    | -       |
| <i>Related revenue (\$m)</i>      |         |         |         |         |         |
| <i>Department of Defence</i>      | -       | 0.4     | -       | -       | -       |
| <i>Australian Taxation Office</i> | -       | -2.6    | -1.4    | -       | -       |
| <i>Total — Revenue</i>            | -       | -2.2    | -1.4    | -       | -       |

The Government will provide \$58.7 million over three years for the net additional cost (including remediation costs) to extend Operation Highroad until 31 December 2016. The net additional cost takes into account the recovery of \$0.4 million from other Coalition forces for logistic support provided by the Australian Defence Force (ADF), which will be put toward the cost of the operation.

Operation Highroad is the ADF contribution to the North Atlantic Treaty Organisation-led 'train, advise and assist' Resolute Support mission in Afghanistan.

This measure is also expected to lead to a reduction in revenue of \$4.0 million over two years from 2016-17 as a result of the tax treatment of the income and benefits received by ADF personnel deployed overseas.

#### Operation Manitou — extension

| Expense (\$m)                     | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|-----------------------------------|---------|---------|---------|---------|---------|
| Department of Defence             | -       | 38.0    | 11.0    | 11.9    | -       |
| <i>Related revenue (\$m)</i>      |         |         |         |         |         |
| <i>Australian Taxation Office</i> | -       | -4.7    | -2.5    | -       | -       |

The Government will provide \$60.9 million over three years from 2016-17 for the net additional cost (including remediation costs) to extend Operation Manitou.

Operation Manitou is the Australian Government's contribution to support international efforts to promote maritime security, stability and prosperity in the Middle East Region.

This measure is also expected to lead to a reduction in revenue of \$7.2 million over two years from 2016-17 as a result of the tax treatment of the income and benefits received by the Australian Defence Force personnel deployed overseas.

**Operation Okra — extension**

| Expense (\$m)                     | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|-----------------------------------|---------|---------|---------|---------|---------|
| Department of Defence             | -       | 345.2   | 13.6    | 13.9    | -       |
| <i>Related revenue (\$m)</i>      |         |         |         |         |         |
| <i>Department of Defence</i>      | -       | 9.8     | -       | -       | -       |
| <i>Australian Taxation Office</i> | -       | -16.1   | -8.5    | -       | -       |
| <i>Total — Revenue</i>            | -       | -6.3    | -8.5    | -       | -       |

The Government will provide \$363.0 million over three years for the net additional cost (including remediation costs) to extend Operation Okra in 2016-17. The net additional cost takes into account the recovery of \$9.8 million from other Coalition forces for logistic support provided by the Australian Defence Force (ADF), which will be put toward the cost of the operation.

Operation Okra is Australia’s military contribution to the international effort to disrupt and degrade Daesh (or ISIL), in Iraq and Syria.

This measure is also expected to lead to a reduction in revenue of \$24.6 million over two years from 2016-17 as a result of the tax treatment of the income and benefits received by ADF personnel deployed overseas.

**Operation Resolute — extension**

| Expense (\$m)         | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|-----------------------|---------|---------|---------|---------|---------|
| Department of Defence | -       | 16.8    | 2.8     | -       | -       |

The Government will provide \$19.6 million over two years for the net additional cost (including remediation costs) to extend Operation Resolute in 2016-17.

Operation Resolute is the Australian Defence Force contribution to the whole-of-government effort to protect Australia’s borders and offshore maritime interests. This includes Defence support to Operation Sovereign Borders.

## EDUCATION AND TRAINING

### Adult Migrant English Program — focus on jobs and social cohesion outcomes

| Expense (\$m)                               | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|---|---------|---------|---------|---------|---------|
| Department of Education and Training        | -       | -       | -0.9    | 0.2     | 0.6     |
| <i>Related capital (\$m)</i>                |         |         |         |         |         |
| <i>Department of Education and Training</i> | -       | 0.1     | -       | -       | -       |

The Government will redesign the *Adult Migrant English Program* (AMEP) to improve client participation, English language proficiency, and employment outcomes. Key changes include offering additional hours of English tuition to eligible clients, introducing better monitoring of improvements in client English skills and establishing two new AMEP service streams — Social English and Pre-Employment English.

The cost of this measure will be met from within the existing resources of the Department of Education and Training.

### Australian Institute of Aboriginal and Torres Strait Islander Studies — increased support

| Expense (\$m)   | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|---|---------|---------|---------|---------|---------|
| Australian Institute of Aboriginal and Torres Strait Islander Studies | -       | 10.0    | 10.0    | 10.0    | 10.1    |

The Government will provide an additional \$40.0 million over four years from 2016-17 to support the preservation, restoration and management of the Australian Institute of Aboriginal and Torres Strait Islander Studies collection of cultural and heritage material, as well as investment in additional expertise and digitisation equipment. This will ensure the collection is digitally preserved and safeguarded for future generations.

This measure builds on the 2015-16 Budget measure titled *Australian Institute of Aboriginal and Torres Strait Islander Studies – preservation of Indigenous cultural resources*.

Further information can be found in the *Closing the Gap* statement of 10 February 2016 issued by the Prime Minister.

**Australian International Education — enabling growth and innovation**

| Expense (\$m)                        | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|--------------------------------------|---------|---------|---------|---------|---------|
| Department of Education and Training | -       | 3.0     | 3.0     | 3.0     | 3.0     |

The Government will provide \$12.0 million over four years from 2016-17 to support implementation of the National Strategy for International Education. Activities funded under the Strategy will aim to ensure Australia remains competitive in attracting international students to study with Australian providers, and that Australia is positioned to grow and diversify its share of the global international education market through innovative course offerings.

**Early Learning Languages Australia — expansion**

| Expense (\$m)                        | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|--------------------------------------|---------|---------|---------|---------|---------|
| Department of Education and Training | -       | 4.3     | 1.6     | -       | -       |

The Government will provide \$5.9 million over two years from 2016-17 to expand the *Early Learning Languages Australia* program to all preschool services nationally from the 2017 school year.

The expansion will provide more preschool children, including those in regional and remote areas, with the opportunity to study a language other than English on an opt-in basis through play-based learning using mobile devices. Grants of \$500 per service will be available to assist up to 1,000 low socio-economic status preschool services with the purchase of devices.

This measure builds on the 2014-15 Budget measure titled *Students First – Early Language Learning Australia – trial*.

**Higher Education Participation Program — efficiencies**

| Expense (\$m)                        | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|--------------------------------------|---------|---------|---------|---------|---------|
| Department of Education and Training | -       | -13.0   | -18.1   | -33.1   | -88.1   |

The Government will achieve efficiencies of \$152.2 million over four years from 2016-17 from the *Higher Education Participation Program*. The Government will continue to provide \$553.2 million under the Program.

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

**Higher Education Reform — further consultation**

| Expense (\$m)                               | 2015-16      | 2016-17      | 2017-18       | 2018-19       | 2019-20       |
|---|--------------|--------------|---------------|---------------|---------------|
| Department of Education and Training        | -28.0        | 250.3        | -120.2        | -601.1        | -867.7        |
| Australian Taxation Office                  | -0.7         | -0.4         | 0.3           | -             | -             |
| Australian Research Council                 | -            | -0.7         | -1.5          | -1.5          | -1.6          |
| <b>Total — Expense</b>                      | <b>-28.7</b> | <b>249.2</b> | <b>-121.5</b> | <b>-602.6</b> | <b>-869.3</b> |
| <i>Related revenue (\$m)</i>                |              |              |               |               |               |
| <i>Department of Education and Training</i> | <i>-0.3</i>  | <i>382.9</i> | <i>367.2</i>  | <i>-33.4</i>  | <i>-78.8</i>  |

The Government will delay the implementation of the higher education reforms announced in the 2014-15 Budget and the 2014-15 MYEFO by an additional year to undertake further consultation. Higher education funding arrangements for 2017 will be in line with currently legislated arrangements. The Government will also not proceed with the deregulation of university fees announced in the 2014-15 Budget measure titled *Expanding Opportunity – expansion of the demand driven system and sharing the cost fairly*.

This measure is estimated to achieve savings of \$2.0 billion over five years from 2015-16 in fiscal balance terms and cost \$596.7 million over five years from 2015-16 in underlying cash balance terms.

**Industry Skills Fund — efficiencies**

| Expense (\$m)                        | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|--------------------------------------|---------|---------|---------|---------|---------|
| Department of Education and Training | -24.6   | -55.8   | -55.6   | -55.6   | -55.6   |

The Government will achieve savings of \$247.2 million over five years from 2015-16 by reducing the annual funding available under the Industry Skills Fund. Funding of \$206.9 million over five years will continue to be provided to support the training needs of small and medium enterprises which cannot be readily met by the national training system.

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

*Budget Measures 2016-17 – Part 2: Expense Measures*

**Investing in Child Care — ICT System**

| Expense (\$m)                        | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|--------------------------------------|---------|---------|---------|---------|---------|
| Department of Education and Training | -       | -       | -       | -       | -       |
| Department of Human Services         | -       | -       | -       | -       | -       |
| Department of Social Services        | -       | -       | -       | -       | -       |
| Total — Expense                      | -       | -       | -       | -       | -       |

The Government provided \$199.4 million over four years from 2016-17 to fund the development of an Information and Communication Technology system and to support implementation of the child care measures announced in the *Families Package* in the 2015-16 Budget. Funding for this measure is contingent on a second pass business case.

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

**Jobs for Families Package — deferred implementation**

| Expense (\$m)                        | 2015-16 | 2016-17 | 2017-18  | 2018-19 | 2019-20 |
|--------------------------------------|---------|---------|----------|---------|---------|
| Department of Education and Training | -56.0   | -11.1   | -1,141.3 | 1.4     | 78.0    |
| Department of Human Services         | -4.0    | -32.3   | -11.3    | 5.9     | 8.2     |
| Total — Expense                      | -59.9   | -43.4   | -1,152.5 | 7.3     | 86.2    |

The Government will defer implementation of the *Child Care Subsidy*, *Additional Child Care Subsidy* and *Community Child Care Fund* by one year to 1 July 2018 due to the Family Tax Benefit reforms required to fund the child care package not being passed by the Senate.

Child care fee assistance will continue to be provided under the *Child Care Benefit*, *Child Care Rebate*, *Jobs, Education and Training Child Care Fee Assistance*, *Community Support Program* and *Budget Based Funded Program* until 30 June 2018.

The *Interim Home Based Carer Subsidy Pilot Programme (Nanny Pilot Programme)*, which commenced on 1 January 2016 and subsidises care provided by a nanny in a child's home, will also be extended for six months to 30 June 2018. The hourly fee cap will be increased from \$7 to \$10 from 1 June 2016. The cost of this increase will be met from within the existing resources allocated to the programme.

**Promotion of Excellence in Learning and Teaching in Higher Education — efficiencies**

| Expense (\$m)                        | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|--------------------------------------|---------|---------|---------|---------|---------|
| Department of Education and Training | -       | -7.3    | -3.7    | -4.8    | -5.0    |

The Government will achieve efficiencies of \$20.9 million over four years from 2016-17 by adjusting funding for the *Promotion of Excellence in Learning and Teaching in Higher Education Program*. Funding of \$17.9 million over four years from 2016-17 will remain available under the program.

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

**Quality Indicators for Learning and Teaching — improvements**

| Expense (\$m)                               | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|---|---------|---------|---------|---------|---------|
| Department of Education and Training        | -       | 0.5     | 2.0     | 2.0     | 2.0     |
| <i>Related capital (\$m)</i>                |         |         |         |         |         |
| <i>Department of Education and Training</i> | -       | 1.5     | -       | -       | -       |

The Government will provide an additional \$8.1 million over four years from 2016-17 to enhance the information, design and functionality of the *Quality Indicators for Learning and Teaching (QILT)* website which includes survey data on higher education students' experiences from commencement to employment. The enhanced QILT information will provide students with greater information about courses, fees, admission and alternative entry processes, labour market outcomes for graduates, and employer satisfaction with the skills and work readiness of graduates. The improved information will assist students to make more informed decisions about their study options.

This measure builds on the 2014-15 Budget measure titled *Upholding Quality – Quality Indicators for Learning and Teaching – establishment*.

**School Funding — additional funding for students with a disability**

| Expense (\$m)                        | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|--------------------------------------|---------|---------|---------|---------|---------|
| Department of Education and Training | -       | 86.7    | 31.6    | -       | -       |

The Government will provide \$118.2 million over two years from 2016-17 in additional support for school students with a disability, targeted to those schools with the greatest need. This funding will be in addition to the current loading for students with disability that is provided as part of the broad school funding arrangements under the *Australian Education Act 2013*.

**School Funding — additional funding from 2018**

| Expense (\$m)                        | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|--------------------------------------|---------|---------|---------|---------|---------|
| Department of Education and Training | -       | -       | 102.2   | 306.1   | 519.3   |

The Government will provide an additional \$1.2 billion over four years from 2017-18 to provide further funding support for government and non-government schools for the 2018 to 2020 school years. Total school funding will be indexed by an education sector specific index of 3.56 per cent, with an allowance for changes in enrolments.

The additional funding will be based on the principles of being needs based, stable, simple, fair, transparent and is contingent on financial effort by the States and Territories and education reform by all sectors including improving literacy and numeracy, teaching and school leadership, and accountability, to lift student outcomes.

**Tertiary Education Quality and Standards Agency — building capacity**

| Expense (\$m)                                   | 2015-16  | 2016-17    | 2017-18    | 2018-19    | 2019-20    |
|---|----------|------------|------------|------------|------------|
| Tertiary Education Quality and Standards Agency | -        | 2.5        | 2.5        | 2.5        | 2.5        |
| Department of Education and Training            | -        | 0.2        | -          | -          | -          |
| <b>Total — Expense</b>                          | <b>-</b> | <b>2.7</b> | <b>2.5</b> | <b>2.5</b> | <b>2.5</b> |

The Government will provide an additional \$10.1 million over four years from 2016-17 to enable the Tertiary Education Quality and Standards Agency (TEQSA) to respond to increases in provider registrations and course accreditations and to build additional capacity to investigate and respond to developments in the higher education sector. This measure also includes funding for the Department of Education and Training to undertake a review of TEQSA's cost recovery arrangements.

**Vocational Education and Training — information campaign**

| Expense (\$m)                        | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|--------------------------------------|---------|---------|---------|---------|---------|
| Department of Education and Training | -       | -       | -       | -       | -       |

The Government will provide \$10.0 million over two years from 2015-16 for a national campaign to provide information to prospective students and employers about the Vocational Education and Training (VET) sector and the redesign of VET FEE-HELP. The campaign will provide information about VET to school leavers and other prospective students, and inform jobseekers and employers about the availability of skills-related government services.

The cost of this measure will be met from within the existing resources of the Department of Education and Training.

## EMPLOYMENT

### Asbestos Safety and Eradication Agency — additional funding

| Expense (\$m)                          | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|--|---------|---------|---------|---------|---------|
| Asbestos Safety and Eradication Agency | -       | 2.0     | 1.4     | -       | -       |

The Government will provide an additional \$3.4 million over two years from 2016-17 to the Asbestos Safety and Eradication Agency to coordinate the *National Strategic Plan for Asbestos Management and Awareness 2014-2018* (the Plan). The Plan establishes a framework for a national approach to asbestos management and awareness in Australia.

### Asbestos Safety Assurance Model — extension and cost recovery

| Expense (\$m)                | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|------------------------------|---------|---------|---------|---------|---------|
| Comcare                      | -       | nfp     | nfp     | nfp     | nfp     |
| <i>Related revenue (\$m)</i> |         |         |         |         |         |
| Comcare                      | -       | nfp     | nfp     | nfp     | nfp     |

Comcare will continue to monitor asbestos-related remediation activities under the National Broadband Network (NBN) rollout and introduce full cost recovery of its activities from 1 July 2016. Under the asbestos safety assurance model, Comcare inspectors verify that companies and contractors involved in the NBN rollout comply with the relevant work health and safety standards.

The expenditure for this measure is not for publication (nfp) due to ongoing consultation with industry.

### Community Engagement Grants Program — establishment

| Expense (\$m)                     | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|-----------------------------------|---------|---------|---------|---------|---------|
| Office of the Fair Work Ombudsman | -       | -       | -       | -       | -       |

The Government will provide \$7.3 million over four years from 2016-17 to establish the *Community Engagement Grants Program* to provide employment advice services with funding through a competitive selection process. The program will commence on 1 January 2017 when it will replace the current *Community-Based Employment Advice Services* program.

This will continue the Government's support for community organisations that provide employment advice to disadvantaged and vulnerable people in the workplace to enable them to exercise and assert their workplace rights.

The cost of this measure will be met from within the existing resources of the Office of the Fair Work Ombudsman.

**Job Commitment Bonus — cessation**

| Expense (\$m)                | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|------------------------------|---------|---------|---------|---------|---------|
| Department of Human Services | 0.4     | 1.9     | -2.3    | -2.5    | -2.6    |
| Department of Employment     | -       | -47.7   | -63.8   | -63.0   | -62.4   |
| Total — Expense              | 0.4     | -45.8   | -66.1   | -65.5   | -65.0   |

The Government will achieve efficiencies of \$242.1 million over five years from 2015-16 by ceasing the Job Commitment Bonus from 31 December 2016. Existing eligible job seekers will have up to 90 days from 31 December 2016 to apply for the Job Commitment Bonus, with up to an additional 90 days in special circumstances.

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

**Road Safety Remuneration Tribunal — abolition**

| Expense (\$m)   | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|---|---------|---------|---------|---------|---------|
| Department of Infrastructure and Regional Development | -       | 3.9     | 3.9     | 3.9     | 3.9     |
| Office of the Fair Work Ombudsman                     | -       | -1.4    | -1.4    | -1.4    | -1.4    |
| Fair Work Commission                                  | -       | -2.4    | -2.5    | -2.5    | -2.5    |
| Total — Expense                                       | -       | -       | -       | -       | -       |

The Government will abolish the Road Safety Remuneration Tribunal (the Tribunal). Funding of \$15.6 million over four years from 2016-17 that was previously allocated to the Tribunal will be redirected to the National Heavy Vehicle Regulator to work with the states and territories to implement practical safety measures.

Further information can be found in the joint press release of 13 April 2016 issued by the Prime Minister, the Minister for Employment and the Minister for Infrastructure and Transport.

**Youth Employment Package — encouraging entrepreneurship and self-employment**

| Expense (\$m)                   | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|---------------------------------|---------|---------|---------|---------|---------|
| Department of Employment        | -       | 15.3    | 24.2    | 24.0    | 24.2    |
| <i>Related capital (\$m)</i>    |         |         |         |         |         |
| <i>Department of Employment</i> | -       | 0.9     | -       | -       | -       |

The Government will provide an additional \$88.6 million over four years from 2016-17 to expand the *New Enterprise Incentive Scheme* (NEIS) and to support self-employment opportunities for young people.

From 1 December 2016, the Government will introduce a suite of initiatives to expand self-employment opportunities and encourage entrepreneurship among young Australians. These include:

- ‘Exploring Being My Own Boss’ workshops to engage young job seekers to explore self-employment as an alternative pathway to employment;
- Self-Employment and Entrepreneurship Starter Packs to raise awareness of the self-employment assistance available to youth; and
- engaging Inclusive Entrepreneurship Facilitators in areas of high youth unemployment to assist potential entrepreneurs in accessing local mentors and services.

The number of places in NEIS will also be increased to 8,600 per annum and eligibility will be expanded to people not on income support, including recently retrenched workers.

This measure builds on the 2015-16 MYEFO package titled *National Innovation and Science Agenda*.

**Youth Employment Package — Youth Jobs PaTH (Prepare — Trial — Hire)**

| Expense (\$m)                   | 2015-16    | 2016-17    | 2017-18     | 2018-19     | 2019-20     |
|---------------------------------|------------|------------|-------------|-------------|-------------|
| Department of Human Services    | 0.1        | 7.8        | 0.8         | 0.7         | 0.7         |
| Department of Social Services   | -          | 0.5        | 1.4         | 1.4         | 1.4         |
| Department of Employment        | -          | -0.9       | 67.9        | 81.7        | 81.3        |
| <b>Total — Expense</b>          | <b>0.1</b> | <b>7.3</b> | <b>70.1</b> | <b>83.8</b> | <b>83.4</b> |
| <i>Related capital (\$m)</i>    |            |            |             |             |             |
| <i>Department of Employment</i> | -          | 4.8        | -           | -           | -           |

The Government will provide \$751.7 million over four years from 2016-17 to establish a *Youth Jobs PaTH* program for young job seekers aged under 25 years to improve youth employment outcomes. The new pathway is designed to enhance young people's employability and provide up to 30,000 young people each year with real work experience. The pathway has three elements:

- Industry-endorsed pre-employment training (Prepare) — from 1 April 2017, training for up to six weeks will be provided to develop basic employability skills, including those required to identify and secure sustainable employment.
- Internship placements of up to twelve weeks (Trial) — from 1 April 2017, up to 30,000 internship placements will be offered each year to enable businesses and job seekers to trial their employment fit. Job seekers will receive a \$200 fortnightly incentive payment and businesses will receive \$1,000 upfront to host an intern. Placements will be voluntary and will be organised by employment services providers. Job seekers must be registered with *jobactive*, *Disability Employment Services* or *Transition to Work*, and have been in employment services for at least six months to be eligible for the internship program.
- Youth Bonus wage subsidies (Hire) — from 1 January 2017, employers will receive a wage subsidy of up to \$10,000 for job seekers under 25 years old with barriers to employment and will continue to receive up to \$6,500 for the most job-ready job seekers. Job seekers must be registered with *jobactive* or *Transition to Work*, and have been in employment services for at least six months for employers to be eligible for the wage subsidy. Funding for this component will be provided from within the existing funding for wage subsidies.

The program will include an employer mobilisation strategy to encourage participation in the initiative by all employers.

As part of this measure, the Government will also achieve savings of \$204.2 million over four years. The design of wage subsidies available through *jobactive* will be improved to reduce red tape for employers, including by simplifying payments and enabling employers to choose more flexible payment arrangements.

*Budget Measures 2016-17 – Part 2: Expense Measures*

**Youth Employment Package — Work for the Dole — reform**

| Expense (\$m)                   | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|---------------------------------|---------|---------|---------|---------|---------|
| Department of Social Services   | -       | -14.5   | -11.9   | -12.6   | -12.6   |
| Department of Employment        | -       | -113.8  | -108.8  | -110.4  | -109.9  |
| Total — Expense                 | -       | -128.4  | -120.7  | -123.0  | -122.5  |
| <i>Related capital (\$m)</i>    |         |         |         |         |         |
| <i>Department of Employment</i> | -       | 0.3     | -       | -       | -       |

The Government will achieve efficiencies of \$494.2 million over four years from 2016-17 by reforming *Work for the Dole* to be better targeted and more cost effective.

From 1 October 2016, the most job ready job seekers (Stream A job seekers) will enter the *Work for the Dole* phase after 12 months of participation in *jobactive*, instead of the current six months. This will provide an opportunity for job seekers to focus on finding a job before moving to the *Work for the Dole* phase.

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

## ENVIRONMENT

### 20 Million Trees Program — extension

| Expense (\$m)                 | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|-------------------------------|---------|---------|---------|---------|---------|
| Department of the Environment | -       | -       | -       | -       | -       |

The Government will provide an additional \$20.0 million over two years from 2018-19 to support the planting of native trees and associated understorey species to re-establish green corridors and urban forests.

The cost of this measure will be met from within the existing resources of the *National Landcare Program*.

This measure extends the 2014-15 Budget measure titled *20 Million Trees – commencement*.

This measure delivers on the Government's election commitment.

### Antarctic Traverse and Year-Round Aviation Access

| Expense (\$m)                        | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|--------------------------------------|---------|---------|---------|---------|---------|
| Department of the Environment        | -       | -       | -       | -       | -       |
| Department of Finance                | -       | -       | -       | -       | -       |
| <b>Total — Expense</b>               | -       | -       | -       | -       | -       |
| <i>Related capital (\$m)</i>         |         |         |         |         |         |
| <i>Department of Finance</i>         | -       | -       | -       | -       | -       |
| <i>Department of the Environment</i> | -       | -       | -       | -       | -       |
| <b>Total — Capital</b>               | -       | -       | -       | -       | -       |

The Government will provide \$55.0 million over 10 years from 2016-17 to undertake scoping studies and commence delivery of enhanced infrastructure capabilities in the Australian Antarctic Territory. This includes support for an over-ice traverse science capability and preliminary work to develop year-round aviation access to Antarctica.

Provision for this funding has already been included in the forward estimates.

**Antarctica — maintaining Australia’s presence**

| Expense (\$m)                 | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|-------------------------------|---------|---------|---------|---------|---------|
| Department of the Environment | -       | -       | -       | -       | -       |
| Department of Defence         | -       | -       | -       | -       | -       |
| Total — Expense               | -       | -       | -       | -       | -       |

The Government will provide \$83.1 million over four years from 2016-17 and further funding of \$413.1 million over 29 years from 2020-21 with \$10.3 million per annum ongoing from 2049-50, to support Australia’s presence in Antarctica. The funding will contribute to maintaining a sustainable level of operations to protect Australia’s environmental, economic, scientific, security and strategic interests in Antarctica.

A provision for part of this funding has already been included in the forward estimates, and the remaining cost of this measure will be offset by redirecting funding from within the Environment and Defence portfolios.

**Bureau of Meteorology — improved data and services supporting supercomputer capability**

| Expense (\$m)                | 2015-16    | 2016-17    | 2017-18  | 2018-19    | 2019-20  |
|------------------------------|------------|------------|----------|------------|----------|
| Bureau of Meteorology        | nfp        | nfp        | -        | nfp        | -        |
| <i>Related capital (\$m)</i> |            |            |          |            |          |
| <i>Bureau of Meteorology</i> | <i>nfp</i> | <i>nfp</i> | <i>-</i> | <i>nfp</i> | <i>-</i> |

The Government will provide funding to improve the data and services supporting the Bureau of Meteorology’s (BOM) supercomputer capability. This will ensure the BOM is well positioned to continue to improve its forecasting capabilities and better meet the changing information needs of government and the public.

The expenditure for this measure is not for publication (nfp) due to commercial-in-confidence considerations.

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

**Clean and Renewable Energy Innovation — Clean Energy Finance Corporation and the Australian Renewable Energy Agency**

| Expense (\$m)                      | 2015-16    | 2016-17     | 2017-18     | 2018-19     | 2019-20     |
|------------------------------------|------------|-------------|-------------|-------------|-------------|
| Clean Energy Finance Corporation   | 2.0        | 50.9        | 61.4        | 64.7        | 68.1        |
| Australian Renewable Energy Agency | -          | 5.3         | 4.9         | 7.7         | 5.4         |
| Department of the Environment      | -          | 0.9         | 2.8         | 2.6         | 1.8         |
| <b>Total — Expense</b>             | <b>2.0</b> | <b>57.1</b> | <b>69.1</b> | <b>74.9</b> | <b>75.2</b> |
| <i>Related revenue (\$m)</i>       |            |             |             |             |             |
| Clean Energy Finance Corporation   | 3.0        | 10.1        | 26.3        | 63.0        | 106.1       |
| <i>Related capital (\$m)</i>       |            |             |             |             |             |
| Clean Energy Finance Corporation   | 0.1        | 0.5         | 0.5         | 1.0         | 1.0         |

The Government will retain the Clean Energy Finance Corporation (CEFC) and the Australian Renewable Energy Agency (ARENA), and refocus part of their activities towards the Government's innovation agenda.

The CEFC's investment mandate will be revised to allocate \$1.0 billion in existing CEFC funding over 10 years to establish a Clean Energy Innovation Fund under the CEFC, to be jointly managed with ARENA. The Clean Energy Innovation Fund will provide debt and equity financing to assist emerging clean energy technologies make the leap from demonstration to commercial deployment. ARENA will also continue to manage its existing portfolio of grants within the \$1.0 billion envelope of funding made available for this purpose in the 2014-15 Budget.

Both the fiscal and underlying cash impacts progressively improve over the medium and longer term due to increasing net investment earnings.

Further information can be found in the press release of 23 March 2016 issued by the Prime Minister and the Minister for the Environment.

*Budget Measures 2016-17 – Part 2: Expense Measures*

**Commonwealth Environmental Water Office**

| Expense (\$m)                        | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|--------------------------------------|---------|---------|---------|---------|---------|
| Department of the Environment        | -       | 8.5     | -       | -       | -8.5    |
| <i>Related capital (\$m)</i>         |         |         |         |         |         |
| <i>Department of the Environment</i> | -       | 0.2     | -       | -       | -0.2    |

The Government will provide \$8.7 million in 2016-17 to better align the funding of the Commonwealth Environmental Water Office with the other elements of the Government's water functions.

This measure has been funded by re-profiling funds within the Environment portfolio.

**Commonwealth Marine Reserves — implementation**

| Expense (\$m)                        | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|--------------------------------------|---------|---------|---------|---------|---------|
| Department of the Environment        | -       | -       | -       | -       | -       |
| Director of National Parks           | -       | -       | -       | -       | -       |
| Total — Expense                      | -       | -       | -       | -       | -       |
| <i>Related capital (\$m)</i>         |         |         |         |         |         |
| <i>Director of National Parks</i>    | -       | -       | -       | -       | -       |
| <i>Department of the Environment</i> | -       | -       | -       | -       | -       |
| <i>Total — Capital</i>               | -       | -       | -       | -       | -       |

The Government will provide \$56.1 million over four years from 2016-17, and \$5.3 million annually from 2020-21, to implement management of the Commonwealth Marine Reserves, following the release of the Government's response to the independent review for public consultation in the second half of 2016. This measure includes funds for fisheries adjustment assistance, marine user engagement and the ongoing management of the reserves.

Provision for this funding has already been included in the forward estimates. The funding of \$5.3 million ongoing from 2020-21 will be offset by an equivalent reduction to the Natural Heritage Trust component of the *National Landcare Program*.

This measure delivers on the Government's election commitment.

**National Landcare Program — emerging priorities**

| Expense (\$m)                 | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|-------------------------------|---------|---------|---------|---------|---------|
| Department of the Environment | -       | 8.0     | 10.6    | -6.0    | -12.6   |

The Government will provide \$22.6 million over three years from 2016-17 (including \$4.0 million in 2018-19) to the Natural Heritage Trust component of the *National Landcare Program* to support activities under the Australian Government's Plan for a Cleaner Environment. The measure will address priority areas and projects supporting environment protection and natural resource management.

While a provision for this funding has already been included in the forward estimates, the expenditure profile varies this provision as shown.

**Reef 2050 Plan and Reef Trust — additional contribution**

| Expense (\$m)                 | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|-------------------------------|---------|---------|---------|---------|---------|
| Department of the Environment | -       | 8.9     | 8.9     | -17.8   | -       |

The Government will provide \$171.0 million to the Reef Trust and Reef 2050 Plan. The measure includes:

- \$101.0 million over six years from 2016-17 (including \$32.7 million in 2020-21 and \$32.7 million in 2021-22) to support the implementation of the Reef 2050 Plan; and
- \$70.0 million contribution over three years from 2019-20 (including \$15.0 million in 2020-21 and \$15.0 million in 2021-22) to the Reef Trust.

The cost of the Reef 2050 Plan component of this measure will be met from the existing resources of the *National Landcare Program*. Provision for the Reef Trust component has already been included in the forward estimates.

This measure extends the 2014-15 Budget measure titled *Reef 2050 Plan – establishment* and the 2015-16 Budget measure titled *Reef Trust – additional contribution* bringing the Government's investment in the Reef Trust to \$210.0 million since establishment.

*Budget Measures 2016-17 – Part 2: Expense Measures*

**Regulatory Workflow Systems — improvements**

| Expense (\$m)                        | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|--------------------------------------|---------|---------|---------|---------|---------|
| Department of the Environment        | -       | -       | -       | -       | -       |
| <i>Related capital (\$m)</i>         |         |         |         |         |         |
| <i>Department of the Environment</i> | -       | -       | -       | -       | -       |

The Government will provide \$3.5 million over two years from 2016-17 for the Department of the Environment to upgrade critical regulatory workflow systems, including data management platforms and the threatened species database. This will result in improved regulatory compliance and enforcement.

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

## FINANCE

### Australian Hearing Services — a strong and viable future

| Expense (\$m)                       | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|-------------------------------------|---------|---------|---------|---------|---------|
| Department of Finance               | 1.2     | 1.1     | -       | -       | -       |
| <i>Related revenue (\$m)</i>        |         |         |         |         |         |
| <i>Department of Human Services</i> | -       | 2.2     | -       | -       | -       |

The Government will provide \$2.2 million over two years from 2015-16 to consider the future ownership of Australian Hearing Services to ensure it has a strong and viable future in the context of a contestable National Disability Insurance Scheme market and continues to provide high quality valued services to Australians with a hearing loss.

The Government has not yet made a decision to transfer Australian Hearing into non-government ownership. People with a hearing loss who currently receive (or are eligible to receive) Community Service Obligation services will continue to receive those services.

The cost of this measure will be offset by a special dividend payment from Australian Hearing in 2016-17.

Further information can be found in the press release of 12 February 2016 issued by the Minister for Finance.

### Australian Securities and Investments Commission Registry Further Market Testing

| Expense (\$m)                                    | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|--|---------|---------|---------|---------|---------|
| Australian Securities and Investments Commission | 1.1     | 5.9     | -       | -       | -       |
| Department of Finance                            | -       | 3.1     | -       | -       | -       |
| Total — Expense                                  | 1.1     | 9.0     | -       | -       | -       |

The Government will provide \$3.1 million in 2016-17 for the Department of Finance to complete the final bid phase of the competitive tender process to market test the capacity of a private provider to upgrade and operate the Australian Securities and Investments Commission (ASIC) Registry and to develop value added products. The Government will make a final decision after examining the final tender outcomes on whether to commercialise the Registry.

In addition, the Government will provide \$1.1 million in 2015-16 and \$5.9 million in 2016-17 to ASIC to assist with the competitive tender process.

*Budget Measures 2016-17 – Part 2: Expense Measures*

Further information can be found in the press release of 29 April 2016 issued by the Minister for Finance.

**Enhancements to EasyCount and Ballot Papers**

| Expense (\$m)                   | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|---------------------------------|---------|---------|---------|---------|---------|
| Australian Electoral Commission | 4.3     | 0.5     | -       | -       | -       |

The Government will provide \$4.8 million over two years from 2015-16 to enhance the EasyCount vote counting system and printing of party logos on ballot papers.

This measure supports amendments to the *Commonwealth Electoral Act 1918* to improve the Senate voting system.

**Financing Strategies for NBN Co Limited**

| Expense (\$m)         | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|-----------------------|---------|---------|---------|---------|---------|
| Department of Finance | -       | -       | -       | -       | -       |

The Government has tasked the Department of Finance, in consultation with the Department of Communications and the Arts and the Department of the Treasury, to seek independent expert advice on strategies to meet NBN Co Limited's future funding requirements.

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

**Non-Government Personal Staffing — additional funding**

| Expense (\$m)         | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|-----------------------|---------|---------|---------|---------|---------|
| Department of Finance | 0.6     | 1.1     | 1.1     | 1.1     | 1.1     |

The Government will provide \$5.2 million over five years from 2015-16 to increase the number of personal employee positions allocated to non-Government independent Senators under the *Members of Parliament (Staff) Act 1984* from two to three personal employees. The provision of an additional personal employee will assist the independent senators with the consideration of the detailed policy and legislative information that comes before the Senate.

This will be funded from whole-of-government savings.

**Offering Choice in Public Sector Superannuation Accumulation Plan**

| Expense (\$m)         | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|-----------------------|---------|---------|---------|---------|---------|
| Department of Finance | -       | -       | -       | -       | -       |

The Government will extend PSSap membership eligibility to allow PSSap members to choose to remain contributory members when they move to non-Commonwealth employment.

This will align PSSap arrangements with superannuation arrangements available in the broader industry and is consistent with the Government's wider reforms and initiatives to lower administrative costs borne by members.

This measure has no financial implications.

**Scoping Study — integrated solution for the management of parliamentary entitlements**

| Expense (\$m)         | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|-----------------------|---------|---------|---------|---------|---------|
| Department of Finance | 0.5     | -       | -       | -       | -       |

The Government will provide \$0.5 million in 2015-16 to undertake a scoping study into the development of an integrated Information Communication Technology (ICT) solution for the management of parliamentary entitlements.

This aligns with the Review *An Independent Parliamentary Entitlements System*, which identified the need for an upgrade to the ICT system supporting the parliamentary expenses system.

Further information can be found in the press release of 23 March 2016 issued by the Minister for Finance.

**Smaller Government — Scoping Study Review of Investment Funds — consolidation of managers**

| Expense (\$m)         | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|-----------------------|---------|---------|---------|---------|---------|
| Department of Finance | -       | -       | -       | -       | -       |

The Government will undertake a scoping study in late 2016 to review the management arrangements of the Commonwealth's existing investment funds to determine if there are efficiencies to be gained from consolidating the investment management arrangements.

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

*Budget Measures 2016-17 – Part 2: Expense Measures*

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

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

## FOREIGN AFFAIRS AND TRADE

### Expanding Australia's Diplomatic Representation

| Expense (\$m)                                  | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|--|---------|---------|---------|---------|---------|
| Department of Foreign Affairs and Trade        | -       | 1.1     | 3.9     | 5.5     | 5.7     |
| <i>Related capital (\$m)</i>                   |         |         |         |         |         |
| <i>Department of Foreign Affairs and Trade</i> | -       | 3.7     | 6.2     | -       | -       |

The Government will provide \$42.3 million (including \$16.8 million in capital funding) over five years from 2015–16 to expand Australia's diplomatic network by opening a consulate in Lae (Papua New Guinea) and another post in China as well as extending the interim embassy in Kyiv (Ukraine) until September 2016. An expanded diplomatic network will promote Australia's foreign policy and trade interests. Establishing a further diplomatic presence in China will open new investment opportunities for Australian business following ratification of the China-Australia Free Trade Agreement.

The Government will fund the establishment of the diplomatic posts in Lae through redirecting funding provided for the establishment of a diplomatic post in Buka (Papua New Guinea), which is no longer proceeding. Continuation of the interim embassy in Kyiv will be met from the existing resourcing of the Department of Foreign Affairs and Trade.

Further information can be found in the press releases of 10 February 2016 and 3 March 2016 issued by the Minister for Foreign Affairs.

### Foreign Affairs and Trade Portfolio — efficiencies

| Expense (\$m)                              | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|--|---------|---------|---------|---------|---------|
| Department of Foreign Affairs and Trade    | 9.7     | 19.3    | 17.1    | 16.9    | -13.4   |
| Australian Trade and Investment Commission | -1.5    | -6.8    | -5.1    | -5.3    | -5.3    |
| Total — Expense                            | 8.2     | 12.5    | 12.0    | 11.5    | -18.7   |

The Government will achieve efficiencies of \$74.5 million over five years (including \$1.8 million in 2015–16) within the Department of Foreign Affairs and Trade (DFAT) and the Australian Trade and Investment Commission (Austrade).

*Budget Measures 2016-17 – Part 2: Expense Measures*

A range of efficiencies were identified following DFAT's Functional and Efficiency Review, including:

- streamlining business processes;
- automating and centralising administrative functions;
- changing overseas posting arrangements; and
- removing consular assistance for dual nationals and permanent residents in the countries of which they are citizens.

The Government will also achieve efficiencies from Austrade through reductions in departmental costs and reduced funding for Match Australia.

Provision for this funding has already been included in the forward estimates. The expenditure impact identified against DFAT reflects changes in the timing and nature of the efficiencies since the original saving was provisioned.

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

**Free Trade Agreement Portal — enhancements**

| Expense (\$m)                           | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|---|---------|---------|---------|---------|---------|
| Department of Foreign Affairs and Trade | -       | -       | -       | -       | -       |

The Government will provide \$1.8 million over four years from 2016-17 to enhance the online Free Trade Agreement Portal managed by the Department of Foreign Affairs and Trade ([ftaportal.dfat.gov.au](http://ftaportal.dfat.gov.au)). This measure will improve the functionality of the portal and allow additional information covering all of Australia's free trade agreements to be available.

The cost of this measure will be met from within the existing resources of the Department of Foreign Affairs and Trade.

This measure builds on the 2015-16 Budget measure titled *Free Trade Agreement Promotion*.

**International Engagement to Prevent and Disrupt Maritime People Smuggling — continuation**

| Expense (\$m)                           | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|---|---------|---------|---------|---------|---------|
| Department of Foreign Affairs and Trade | -       | 2.3     | 2.3     | 2.3     | 2.3     |

The Government will provide \$9.2 million over four years from 2016-17 to enable the Department of Foreign Affairs and Trade to continue initiatives to prevent people smuggling. This measure provides for the continuation of the People Smuggling Taskforce, the Ambassador for People Smuggling and Human Trafficking, and Ministerial and senior officials meetings of the Bali process to strengthen cooperation in our region.

The cost of this measure will be offset by redirecting funding from the 2016-17 Budget measure titled *Foreign Affairs and Trade Portfolio – efficiencies*.

This measure extends the 2014-15 Budget measure titled *International Engagement to Prevent and Disrupt Maritime People Smuggling*.

**Landing Pads in Innovation Hot Spots**

| Expense (\$m)                              | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|--|---------|---------|---------|---------|---------|
| Australian Trade and Investment Commission | -       | 1.2     | 1.2     | -       | -       |

The Government will provide \$2.4 million over two years from 2016-17 to bring forward the opening of the Singapore and Berlin Landing Pads from 2018-19 to 2016-17. The Landing Pads will support emerging Australian companies in global innovation hotspots.

This measure builds on the 2015-16 MYEFO measure titled *National Innovation and Science Agenda – Global Innovation Strategy*.

Further information can be found in the joint press release of 27 April 2016 issued by the Minister for Trade and Investment and the Minister for Industry, Innovation and Science.

**Passport Funding Arrangements — additional funding**

| Expense (\$m)                           | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|---|---------|---------|---------|---------|---------|
| Department of Foreign Affairs and Trade | -       | 14.0    | 8.8     | 10.5    | 13.5    |

The Government will provide an additional \$46.7 million over four years from 2016-17 to meet the increased costs of producing and providing passports to Australian citizens.

**Re-opening Australia’s Australian Trade and Investment Commission Office in Tehran, Iran**

| Expense (\$m)                                     | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|---|---------|---------|---------|---------|---------|
| Australian Trade and Investment Commission        | -       | -0.2    | ..      | ..      | ..      |
| <i>Related capital (\$m)</i>                      |         |         |         |         |         |
| <i>Australian Trade and Investment Commission</i> | -       | 0.2     | -       | -       | -       |

The Government will provide \$5.3 million (including \$0.2 million capital in 2016-17) over four years to re-open an Australian Trade and Investment Commission (Austrade) office in Tehran (Iran).

The office will support Australian business to capitalise on export and investment opportunities in agriculture, resources, healthcare, education and water management. The initiative follows the implementation of arrangements to verify that Iran’s nuclear industry is being developed for peaceful purposes and the consequent lifting of international sanctions.

The cost of this measure will be offset by redirecting funding from other areas in the Austrade network.

Further information can be found in the press release of 15 March 2016 issued by the Minister for Trade and Investment.

## HEALTH

### 2018 Gold Coast Commonwealth Games — pre-event anti-doping program

| Expense (\$m)                           | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|---|---------|---------|---------|---------|---------|
| Australian Sports Anti-Doping Authority | -       | 0.4     | 1.1     | ..      | -       |

The Government will provide \$1.5 million over three years from 2016-17 to the Australian Sports Anti-Doping Authority for increased anti-doping activities prior to the 2018 Gold Coast Commonwealth Games, including pre-Games testing of both Australian team members and international athletes.

### Aged Care Provider Funding — further revision of the Aged Care Funding Instrument

| Expense (\$m)                   | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|---------------------------------|---------|---------|---------|---------|---------|
| Department of Human Services    | 0.2     | 1.1     | 0.1     | 0.1     | 0.1     |
| Department of Veterans' Affairs | -       | -13.5   | -23.8   | -31.7   | -38.8   |
| Department of Health            | -       | -106.6  | -205.8  | -307.9  | -425.2  |
| Total — Expense                 | 0.2     | -119.0  | -229.6  | -339.5  | -463.8  |

The Government will achieve efficiencies of \$1.2 billion over four years through changes to the scoring matrix of the Aged Care Funding Instrument (ACFI) that determines the level of funding paid to aged care providers. The Government will also reduce indexation of the Complex Health Care component of the ACFI by 50 per cent in 2016-17 and establish a \$53.3 million transitional assistance fund to support providers.

These changes expand on the refinements made through the 2015-16 MYEFO measure titled *Aged Care Provider Funding — revision to the Aged Care Funding Instrument Complex Health Care Domain*. This measure is part of the Government's response to the continued higher than expected growth in ACFI expenditure, which has increased by a further \$2.5 billion over the forward estimates since the 2015-16 MYEFO.

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

**Aged Care Provider Funding — improving the targeting of the viability supplement for regional aged care facilities**

| Expense (\$m)                   | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|---------------------------------|---------|---------|---------|---------|---------|
| Department of Health            | -       | 12.6    | 26.1    | 27.4    | 29.3    |
| Department of Human Services    | ..      | 1.8     | 0.2     | 0.2     | 0.2     |
| Department of Veterans' Affairs | -       | 0.7     | 1.3     | 1.3     | 1.2     |
| Total — Expense                 | ..      | 15.0    | 27.6    | 28.9    | 30.7    |

The Government will provide \$102.3 million over four years from 2016-17 to target the aged care viability supplement more effectively to areas of greatest need by replacing the current outdated remoteness classification system with the more up to date Modified Monash Model. This will bring the viability supplement into line with other health programs.

The viability supplement was introduced in 1997 to address cost pressures experienced by residential care providers due to isolation and the small size of many rural and remote locations.

**Child and Adult Public Dental Scheme**

| Expense (\$m)                       | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|-------------------------------------|---------|---------|---------|---------|---------|
| Department of Human Services        | 4.1     | -14.4   | -14.6   | -14.7   | -14.8   |
| Department of Health                | -       | -46.2   | -35.9   | -18.1   | 137.2   |
| Total — Expense                     | 4.1     | -60.6   | -50.5   | -32.7   | 122.4   |
| <i>Related capital (\$m)</i>        |         |         |         |         |         |
| <i>Department of Human Services</i> | -       | ..      | ..      | ..      | ..      |

The Government will reform public dental services by providing \$1.7 billion over four years from 2016-17 for a new Child and Adult Public Dental Scheme (the Scheme) to be delivered by the states and territories (the states) under a National Partnership Agreement (NPA).

All children and adult concession card holders will be eligible for the Scheme and the states will have the flexibility to provide funded services to other groups based on need. Service levels for an individual will not be capped.

The Government will provide 40 per cent of the national efficient price for all dental services provided under the Scheme, with the states providing the remaining 60 per cent. After an initial transition period, growth in Commonwealth Government funding from 2019-20 will be capped in line with growth in the Consumer Price Index and population.

The cost of the NPA will be offset by terminating the Child Dental Benefits Schedule and the NPA for Adult Public Dental Services from 2016-17. Some savings from these two programs have already been included in the forward estimates.

Further information can be found in the press release of 23 April 2016 issued by the Minister for Health.

### **Extend the Alternative Arrangement Transfer to the Pharmaceutical Benefits Scheme**

| Expense (\$m)        | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|----------------------|---------|---------|---------|---------|---------|
| Department of Health | ..      | -       | -       | -       | -       |

The Government will delay the implementation of the 2015-16 Budget measure *Ceasing the Alternative Arrangement Transfer to the Pharmaceutical Benefits Programme – removal of anomaly* from 1 January 2016 until 1 July 2016. This will ensure that the Cohealth Pharmacy, which provides pharmacy services in inner Melbourne, can transition to arrangements which introduce equitable patient contributions for Pharmaceutical Benefits Scheme medicines resulting in savings of \$18,000.

### **Health Flexible Funds — pausing indexation and achieving efficiencies**

| Expense (\$m)        | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|----------------------|---------|---------|---------|---------|---------|
| Department of Health | -       | -       | -31.9   | -57.8   | -92.4   |

The Government will achieve efficiencies of \$182.2 million over three years from 2017-18 from the Health portfolio Flexible Funds. The savings will be achieved through various methods, including by reducing uncommitted funds and continuing the current pause in the indexation of the funds for a further two years from 2018-19. Savings will be focussed to reduce the impact on high priority areas.

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

### **Health Star Rating System — continuation**

| Expense (\$m)        | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|----------------------|---------|---------|---------|---------|---------|
| Department of Health | -       | 1.8     | 1.9     | 1.6     | -       |

The Government will provide \$5.3 million over three years from 2016-17 to contribute to the ongoing implementation of the Health Star Rating System in collaboration with the States and Territories. This funding will contribute to the costs of a public awareness campaign, monitoring and evaluation and support activities.

This measure extends the 2012-13 Budget measure titled *Review of Food Labelling Law and Policy – implementation of recommendations*.

*Budget Measures 2016-17 – Part 2: Expense Measures*

**Healthier Medicare — enhanced Medicare compliance program**

| Expense (\$m)                | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|------------------------------|---------|---------|---------|---------|---------|
| Department of Health         | -       | 12.0    | -1.0    | -3.6    | -6.2    |
| <i>Related revenue (\$m)</i> |         |         |         |         |         |
| <i>Department of Health</i>  | -       | 13.0    | 15.6    | 18.2    | 20.8    |

The Government will achieve efficiencies of \$66.2 million over four years from 2016-17 through enhancements to the Medicare compliance program. Efficiencies will be achieved by introducing an advanced data analytics capability to better target providers who make Medicare claims that are inconsistent with existing rules and introducing changes to improve low rates of debt recovery from providers.

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

**Healthier Medicare — removing obsolete services from the Medicare Benefits Schedule**

| Expense (\$m)                   | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|---------------------------------|---------|---------|---------|---------|---------|
| Department of Human Services    | -       | ..      | ..      | ..      | ..      |
| Department of Veterans' Affairs | -       | ..      | ..      | ..      | ..      |
| Department of Health            | -       | -1.0    | -1.2    | -1.3    | -1.4    |
| Total — Expense                 | -       | -1.1    | -1.2    | -1.3    | -1.5    |

The Government will achieve efficiencies of \$5.1 million over four years from 1 July 2016 by implementing the recommendations of the first stage of the *Medicare Benefits Schedule (MBS) Review* to remove or amend clinically obsolete items from the MBS.

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

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

**Healthier Medicare — trial of health care homes**

| Expense (\$m)                | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|------------------------------|---------|---------|---------|---------|---------|
| Department of Health         | 0.1     | 5.9     | -0.4    | 10.8    | -       |
| Department of Human Services | 0.1     | 2.0     | 0.7     | 0.4     | -       |
| Total — Expense              | 0.3     | 7.9     | 0.3     | 11.2    | -       |
| <i>Related capital (\$m)</i> |         |         |         |         |         |
| Department of Human Services | 0.1     | 1.5     | -       | -       | -       |

The Government will provide \$21.3 million over four years from 2015-16 to trial the *Health Care Homes* model of coordinated primary health care, which was recommended by the Primary Health Care Advisory Group's Report — *Better Outcomes for People with Chronic and Complex Health Conditions*.

The trial will support eligible primary care providers to deliver coordinated care, management and support to approximately 65,000 voluntary participants with chronic and complex conditions. Funding will be provided to health care practitioners by redirecting fee for service payments for Chronic Disease Management Medicare items for participating patients.

An evaluation of the impact of the pilot on improving participant health outcomes and reducing avoidable hospitalisations will be considered in 2018.

Further information can be found in the joint press release of 31 March 2016 issued by the Prime Minister and the Minister for Health.

**Hepatitis C Settlement Fund — continuation**

| Expense (\$m)              | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|----------------------------|---------|---------|---------|---------|---------|
| Department of the Treasury | -       | 0.2     | 0.2     | 0.2     | 0.2     |
| Department of Health       | -       | -       | -       | -       | -       |
| Total — Expense            | -       | 0.2     | 0.2     | 0.2     | 0.2     |

The Government will provide \$0.6 million over four years from 2016-17 for the continuation of the Hepatitis C settlement fund. The fund provides a contribution to out-of-court settlement costs for eligible individuals who contracted Hepatitis C as a result of a blood transfusion in Australia between 1985 and 1991.

This measure extends the 2012-13 Budget measure titled *Hepatitis C Litigation Settlement Scheme — continuation*.

**Home and Community Care Services in Western Australia — continuation**

| Expense (\$m)              | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|----------------------------|---------|---------|---------|---------|---------|
| Department of Health       | -       | -       | -       | -       | -       |
| Department of the Treasury | -       | -       | -       | -       | -       |
| Total — Expense            | -       | -       | -       | -       | -       |

The Government will provide \$392.9 million over two years from 1 July 2016 to continue the *National Partnership Agreement for Home and Community Care* services in Western Australia.

The National Partnership Agreement (NPA) provides funding for entry level community care services that support older people, and younger people with a disability, and their carers to remain living in their own homes and communities.

The extension of the NPA will allow for continued negotiation to transition Western Australia *Home and Community Care* services to the *Commonwealth Home Support Programme*, in line with other States and Territories.

Provision for this funding has already been included in the forward estimates.

**Improving the Regulation of Therapeutic Goods in Australia**

| Expense (\$m)                | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|------------------------------|---------|---------|---------|---------|---------|
| Department of Health         | -       | 7.2     | 5.3     | 3.7     | 3.7     |
| <i>Related revenue (\$m)</i> |         |         |         |         |         |
| <i>Department of Health</i>  | -       | -0.1    | 1.7     | 3.7     | 3.7     |
| <i>Related capital (\$m)</i> |         |         |         |         |         |
| <i>Department of Health</i>  | -       | 6.2     | 3.0     | 0.3     | -       |

The Government will provide \$20.4 million over four years from 2016-17, including \$9.5 million in capital funding, to improve the regulation of therapeutic goods in Australia in response to the *Expert Panel Review of Medicines and Medical Devices Regulation*. The funding will improve access to therapeutic goods for consumers and introduce more flexible and timely regulatory processes for the therapeutic goods industry.

The ongoing cost of this measure from 2017-18 will be met by the Therapeutic Goods Administration's cost recovery arrangements.

**Life Saving Drugs Program — new and amended listings**

| Expense (\$m)        | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|----------------------|---------|---------|---------|---------|---------|
| Department of Health | 0.5     | 2.3     | 2.7     | 3.1     | 3.7     |

The Government will provide \$12.3 million over five years to include nitisinone (Orfadin®) on the *Life Saving Drugs Program*, for the treatment of hereditary tyrosinemia type 1.

Tyrosinemia is a rare genetic metabolism disorder that affects the ability of the body to break down certain amino acids.

**Medicare Benefits Schedule — listing of photography with non-mydriatic retinal cameras**

| Expense (\$m)                   | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|---------------------------------|---------|---------|---------|---------|---------|
| Department of Health            | -       | 2.9     | 7.5     | 10.8    | 11.8    |
| Department of Human Services    | -       | ..      | 0.1     | 0.2     | 0.2     |
| Department of Veterans' Affairs | -       | ..      | 0.1     | 0.1     | 0.1     |
| Total — Expense                 | -       | 3.0     | 7.7     | 11.0    | 12.1    |

The Government will provide \$33.8 million over four years from 2016-17 to list a new item on the Medicare Benefits Schedule (MBS) for retinal photography with a non-mydriatic retinal camera. The listing will benefit communities in rural and remote locations where there is limited access to optometric and ophthalmic services to diagnose Diabetic Retinopathy.

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

**Medicare Benefits Schedule — Magnetic Resonance Imaging of the breast**

| Expense (\$m)                   | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|---------------------------------|---------|---------|---------|---------|---------|
| Department of Health            | -       | 0.5     | 0.8     | 0.8     | 0.8     |
| Department of Human Services    | -       | ..      | ..      | ..      | ..      |
| Department of Veterans' Affairs | -       | ..      | ..      | ..      | ..      |
| Total — Expense                 | -       | 0.5     | 0.8     | 0.8     | 0.8     |

The Government will provide \$3.0 million over four years from 2016-17 to list two new items on the Medicare Benefits Schedule for diagnostic imaging services. These items will enable earlier, safer and better diagnosis of some breast cancer conditions resulting in improved management and outcomes.

**Medicare Benefits Schedule — new and amended listings**

| Expense (\$m)                   | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|---------------------------------|---------|---------|---------|---------|---------|
| Department of Human Services    | -       | ..      | ..      | ..      | ..      |
| Department of Veterans' Affairs | -       | -0.7    | -1.0    | -1.0    | -0.9    |
| Department of Health            | -       | -8.2    | -12.3   | -13.0   | -14.1   |
| Total — Expense                 | -       | -8.9    | -13.4   | -14.0   | -15.1   |

The Government will achieve efficiencies of \$51.4 million over four years from 2016-17 as a result of changes to the Medicare Benefits Schedule (MBS) and Veterans' Benefits for new and amended items which have been listed since the 2015-16 MYEFO, following recommendations from the Medical Services Advisory Committee and reviews of clinical practice of the MBS.

The amendments to the MBS include:

- the consolidation of 57 skin service items;
- streamlining existing skin patch testing items and adding new items to test for a greater number of allergens on one occasion; and
- restricting the co-claiming of specific items for the treatment of varicose veins where clinically appropriate.

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

**Medicare Benefits Schedule — pause indexation**

| Expense (\$m)                   | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|---------------------------------|---------|---------|---------|---------|---------|
| Department of Human Services    | -       | -       | -       | -       | ..      |
| Department of Veterans' Affairs | -       | -       | -       | -9.3    | -18.2   |
| Department of Health            | -       | -       | -       | -292.2  | -605.6  |
| Total — Expense                 | -       | -       | -       | -301.5  | -623.8  |

The Government will achieve efficiencies of \$925.3 million over two years from 1 July 2018 by extending the pause on indexation of Medicare Benefits Schedule fees for all services provided by general practitioners, medical specialists, allied health and other health practitioners until 30 June 2020.

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

**Medicare Benefits Schedule — support for rural and remote registrars**

| Expense (\$m)        | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|----------------------|---------|---------|---------|---------|---------|
| Department of Health | -       | -       | -       | -       | -       |

The Government will provide \$8.0 million over four years from 1 November 2016 to enable general practice registrars training on the Australian College of Rural and Remote Medicine Independent Pathway to claim a higher level of Medicare benefit rebate for the services they provide while training.

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

**Mosquito Control and Cross Border Liaison in the Torres Strait Protected Zone — continuation**

| Expense (\$m)              | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|----------------------------|---------|---------|---------|---------|---------|
| Department of Health       | -       | -       | -       | -       | -       |
| Department of the Treasury | -       | -       | -       | -       | -       |
| Total — Expense            | -       | -       | -       | -       | -       |

The Government will provide \$3.0 million over three years from 2017-18 to continue funding for exotic mosquito control in the Torres Strait, with a focus on preventing the establishment of the Asian Tiger mosquito in transport hubs, particularly Horn and Thursday Islands.

The funding will also enable effective two-way information and data sharing with Papua New Guinea in regard to communicable diseases and other health issues which may arise from cross border movements in the Torres Strait Protected Zone.

Provision for this funding has already been included in the forward estimates.

**My Aged Care — consumer access**

| Expense (\$m)        | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|----------------------|---------|---------|---------|---------|---------|
| Department of Health | -       | 29.6    | 30.9    | 35.5    | 40.5    |

The Government will provide \$136.6 million over four years from 2016-17 to support the operation of the My Aged Care contact centre. The funding will assist the contact centre to meet the significant increase in demand for assistance from customers interacting with the aged care system.

### National Cancer Screening Register

| Expense (\$m)        | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|----------------------|---------|---------|---------|---------|---------|
| Department of Health | -       | -       | 8.4     | 9.6     | 11.9    |

The Government will provide \$178.3 million over five years from 2015-16 to develop a National Cancer Screening Register to replace current State and Territory registers for the *National Cervical Screening Program* and the current register for the *National Bowel Cancer Screening Program*.

Funding of \$148.4 million for this measure has already been provided for by the Government.

This measure builds on the 2014-15 Budget measure titled *Full implementation of National Bowel Cancer Screening Programme* and the 2015-16 Budget measure titled *National Cervical Screening Programme – reform*.

See also the related expense measure titled *Operational Costs for Cardiac and Breast Devices Registries*.

### National Coronial Information System — continuation

| Expense (\$m)              | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|----------------------------|---------|---------|---------|---------|---------|
| Department of the Treasury | 0.4     | 0.4     | 0.4     | 0.4     | 0.4     |
| Department of Health       | -0.4    | -0.4    | -0.4    | -0.4    | -0.4    |
| Total — Expense            | -       | -       | -       | -       | -       |

The Commonwealth will provide \$2.0 million over five years from 2015-16 to Victoria to continue the National Coronial Information System which provides a single source of nationally consistent coronial data. This Commonwealth contribution will support the administration, maintenance and improvement of the database.

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

### National Immunisation Program — new and amended listings

| Expense (\$m)        | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|----------------------|---------|---------|---------|---------|---------|
| Department of Health | -       | -       | -       | -       | -       |

The Government will list FluQuadri® as an alternative vaccine for seasonal influenza on the *National Immunisation Program* (NIP) from 6 May 2016. The Government will also amend the existing listing for Cervarix®, a vaccine for the prevention of cervical cancer. These changes will have no financial impact, as both vaccines are alternatives to vaccines already listed on the NIP.

**National Partnership Agreement — Management of Torres Strait-Papua New Guinea Cross-Border Health Issues — extension**

| Expense (\$m)              | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|----------------------------|---------|---------|---------|---------|---------|
| Department of Health       | -       | -       | -       | -       | -       |
| Department of the Treasury | -       | -       | -       | -       | -       |
| Total — Expense            | -       | -       | -       | -       | -       |

The Government will provide \$19.0 million over four years from 2016-17 to extend the *National Partnership Agreement on the Management of Torres Strait-Papua New Guinea Cross-Border Health Issues*.

This funding will continue to support health facilities in the Torres Strait and the broader Queensland health system to provide health services to Papua New Guinea nationals who travel through the Torres Strait Protected Zone.

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

**National Partnership Agreement on Rheumatic Fever Strategy — extension**

| Expense (\$m)              | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|----------------------------|---------|---------|---------|---------|---------|
| Department of the Treasury | -       | 0.4     | -       | -       | -       |
| Department of Health       | -       | -0.4    | -       | -       | -       |
| Total — Expense            | -       | -       | -       | -       | -       |

The Government will provide \$3.1 million in 2016-17 to extend the Project Agreements on the Rheumatic Fever Strategy with the Northern Territory, Queensland, Western Australia and South Australia. These Agreements aim to improve detection, monitoring and management of acute rheumatic fever, and the associated condition, rheumatic heart disease.

Provision for \$2.7 million of this funding has already been included in the forward estimates.

**National Partnership Agreement on Specified Projects — addressing blood borne viruses and sexually transmissible infections**

| Expense (\$m)              | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|----------------------------|---------|---------|---------|---------|---------|
| Department of the Treasury | -       | 1.1     | 1.1     | 1.1     | 1.1     |
| Department of Health       | -       | -1.1    | -1.1    | -1.1    | -1.1    |
| Total — Expense            | -       | -       | -       | -       | -       |

The Government will provide \$4.5 million over four years from 2016-17 to the Queensland Government to continue funding for primary healthcare staff and healthcare workers to reduce the risks and prevalence of blood borne viruses and sexually transmissible infections on Saibai Island, and to expand current activities to the rest of the Torres Strait region. The funding will be provided through a National Partnership Agreement.

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

**Operational Costs for Cardiac and Breast Device Registries**

| Expense (\$m)                | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|------------------------------|---------|---------|---------|---------|---------|
| Department of Health         | -       | 2.2     | -       | -       | -       |
| <i>Related revenue (\$m)</i> |         |         |         |         |         |
| <i>Department of Health</i>  | -       | ..      | ..      | ..      | ..      |

The Government will provide \$2.2 million in 2016-17 for the operational costs of the Australian Breast Device Registry and the Cardiac Devices Registry. The Registries will collect data necessary to provide information on the performance of these devices over time.

See also the related expense measure titled *National Cancer Screening Register*.

**Organ and Tissue Donation Review — implementation of recommendations**

| Expense (\$m)  | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|--|---------|---------|---------|---------|---------|
| Department of Health   | -       | -       | -       | -       | -       |
| Australian Organ and Tissue Donation and Transplantation Authority | -       | -       | -       | -       | -       |
| Total — Expense  | -       | -       | -       | -       | -       |

The Government will provide \$0.5 million in 2016-17 to implement key recommendations of the *Review of the Implementation of the National Reform Agenda on Organ and Tissue Donation and Transplantation*, including:

- establishing a new Governance Board to replace the Australian Organ and Tissue Donation and Transplantation Advisory Council;
- implementing a national communications strategy for the *Supporting Leave for Living Donors Program*; and
- reviewing the DonateLife logo and consulting on donor memorials with community organisations and donor families.

The cost of this measure will be met from within the existing resources of the Department of Health and the Australian Organ and Tissue Donation and Transplantation Authority.

Further information can be found in the press release of 2 February 2016 issued by the Minister for Rural Health.

#### **OzFoodNet Program — continuation**

| Expense (\$m)              | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|----------------------------|---------|---------|---------|---------|---------|
| Department of Health       | -       | -       | -       | -       | -       |
| Department of the Treasury | -       | -       | -       | -       | -       |
| Total — Expense            | -       | -       | -       | -       | -       |

The Government will provide \$7.1 million over four years from 2016-17 to continue funding for Australia's national surveillance system for foodborne diseases, in collaboration with the states and territories.

Provision for this funding has already been included in the forward estimates.

#### **Pausing Indexation of the Medicare Levy Surcharge and Private Health Insurance Rebate Thresholds — extension**

| Expense (\$m)        | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|----------------------|---------|---------|---------|---------|---------|
| Department of Health | -       | -       | -       | -       | -       |

The Government will continue the pause on indexation of the income thresholds for the Medicare Levy Surcharge and Private Health Insurance Rebate for a further three years. This will achieve efficiencies of \$744.2 million over three years from 1 July 2018.

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

**Perinatal Depression Online Support**

| Expense (\$m)        | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|----------------------|---------|---------|---------|---------|---------|
| Department of Health | -       | -       | -       | -       | -       |

The Government will provide \$0.8 million over two years from 2015-16 to develop online support resources for women who are experiencing, or are at risk of developing, perinatal depression.

The cost of this measure and for the ongoing management of the online support tools will be met from within the existing resources of the Department of Health.

**Pharmaceutical Benefits Scheme — continued funding for legal action**

| Expense (\$m)        | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|----------------------|---------|---------|---------|---------|---------|
| Department of Health | nfp     | nfp     | nfp     | nfp     | nfp     |

The Government will provide funding to continue legal action to seek compensation for losses incurred by the Government as a result of pharmaceutical companies taking action to delay the listing of generic forms of medicines on the Pharmaceutical Benefits Scheme.

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

**Pharmaceutical Benefits Scheme — new and amended listings**

| Expense (\$m)                   | 2015-16    | 2016-17    | 2017-18    | 2018-19     | 2019-20     |
|---------------------------------|------------|------------|------------|-------------|-------------|
| Department of Health            | 2.6        | 4.0        | 8.8        | 12.9        | 16.2        |
| Department of Human Services    | 0.3        | 0.2        | 0.1        | ..          | ..          |
| Department of Veterans’ Affairs | ..         | ..         | ..         | 0.1         | 0.1         |
| <b>Total — Expense</b>          | <b>2.9</b> | <b>4.2</b> | <b>8.9</b> | <b>13.0</b> | <b>16.3</b> |
| <i>Related revenue (\$m)</i>    |            |            |            |             |             |
| <i>Department of Health</i>     | <i>nfp</i> | <i>nfp</i> | <i>nfp</i> | <i>nfp</i>  | <i>nfp</i>  |

The Government will provide \$45.2 million over five years from 2015-16 for a number of new and amended listings on the Pharmaceutical Benefits Scheme (PBS) and the Repatriation Pharmaceutical Benefits Scheme.

New and amended listings since the 2015-16 MYEFO include:

- Four new treatments for Hepatitis C and the establishment of a Chronic Hepatitis C National Registry to track health outcomes from 1 March 2016;

- Mesalazine (Mezavant®) for the treatment of the bowel condition ulcerative colitis from 1 April 2016;
- Bendamustine (Ribomustine®) for the treatment of Stage III-IV non-Hodgkin lymphoma and Stage III-IV Mantle Cell Lymphoma from 1 May 2016; and
- Omalizumab (Xolair®) for the treatment of severe allergic asthma from 1 June 2016.

The costs for some of these medicines are reduced by revenue from rebates negotiated as part of purchase. Details of this revenue is not for publication (nfp) due to commercial sensitivity.

Funding for the listing of treatments for Hepatitis C has already been provided for by the Government.

Further information can be found in the press releases of 20 December 2015 and 1 March 2016 issued by the Minister for Health, or the PBS website ([www.pbs.gov.au](http://www.pbs.gov.au)).

#### **Pharmaceutical Benefits Scheme — price amendments**

| Expense (\$m)                   | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|---------------------------------|---------|---------|---------|---------|---------|
| Department of Health            | 0.3     | 1.3     | 1.4     | 1.4     | 1.5     |
| Department of Veterans' Affairs | ..      | 0.1     | 0.1     | 0.1     | 0.1     |
| Total — Expense                 | 0.3     | 1.4     | 1.4     | 1.5     | 1.6     |

The Government will provide \$6.2 million over five years from 2015-16 to amend the prices of certain medicines which are currently listed on the Pharmaceutical Benefits Scheme (PBS) and the Repatriation Pharmaceutical Benefits Scheme, as recommended by the Pharmaceutical Benefits Advisory Committee.

Price amendments agreed since the 2015-16 MYEFO include:

- Erythromycin for the treatment of infection;
- Methylphenidate for the treatment of Attention Deficit Hyperactivity Disorder; and
- Fludarabine for the treatment of leukaemia.

Each of these price amendments took effect from 1 April 2016.

These price amendments respond to recommendations of the Pharmaceutical Benefits Advisory Committee.

Further information can be found on the PBS website ([www.pbs.gov.au](http://www.pbs.gov.au)).

**Pharmaceutical Benefits Scheme — supply of medicines following damage to pharmacy premises**

| Expense (\$m)        | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|----------------------|---------|---------|---------|---------|---------|
| Department of Health | -       | 0.2     | 0.2     | 0.2     | 0.2     |

The Government will provide \$0.9 million over four years from 2016-17 to streamline the administrative processes for approved pharmacies which are required to relocate due to damaged premises.

These changes will amend the legislation to ensure that Pharmaceutical Benefits Scheme (PBS) medicines can only be supplied at alternate pharmacy premises when an approved pharmacy premises is damaged to the extent that the public cannot access those premises. The alternative premises must be in the same locality and only operate for a period of up to six months. The changes will ensure that these temporary pharmacies will receive full PBS supply payments immediately following the damage, rather than from the date of approval.

**Private Health Insurance and Prosthesis Committees**

| Expense (\$m)        | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|----------------------|---------|---------|---------|---------|---------|
| Department of Health | -       | 1.4     | 0.7     | 0.1     | -       |

The Government will provide \$2.2 million over three years from 1 July 2016 to establish the Private Health Sector Reform Committee to provide advice on the design and implementation of private health insurance reforms, with the aim of reducing the cost and improving the value of private health insurance to consumers.

The Government will also expand the Prosthesis List Advisory Committee to include additional expertise to further develop and advise on the implementation of prostheses reform, with the costs of this component to be met from within the existing resources of the Department of Health.

**Protecting Australians from Antimicrobial Resistance**

| Expense (\$m)        | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|----------------------|---------|---------|---------|---------|---------|
| Department of Health | -       | 2.8     | 2.2     | 2.2     | 2.2     |

The Government will provide \$9.4 million over four years from 2016-17 to improve Australia’s capacity to detect, prevent and respond to antimicrobial resistance (AMR). Activities will include:

- funding the National AMR and Antimicrobial Usage Surveillance System;
- improving antimicrobial awareness in general practice;

- developing a website to disseminate information for consumers and professionals; and
- supporting the work of the Australian Strategic and Technical Advisory Group on AMR.

### Public Hospitals — new funding arrangements

| Expense (\$m)                | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|------------------------------|---------|---------|---------|---------|---------|
| Department of the Treasury   | -       | -       | 477.5   | 932.4   | 1,441.4 |
| Department of Health         | -       | -       | -       | -       | -       |
| National Health Funding Body | -       | -       | -0.3    | 4.4     | 4.4     |
| Total — Expense              | -       | -       | 477.3   | 936.7   | 1,445.8 |

The Government will provide up to \$2.9 billion over the forward estimates in additional funding to the states and territories (the states) for public hospitals. On 1 April 2016, the Council of Australian Governments (COAG) agreed to retain key features of Activity Based Funding (ABF), including the National Efficient Price (NEP), with the Commonwealth agreeing to fund 45 per cent of the growth in hospital services based on the NEP for three years from 2017-18. Growth in the Government's contribution will be capped at 6.5 per cent per year over this period.

The Commonwealth will also work with the states to implement reforms to improve the safety and quality of public hospital services and to reduce avoidable hospitalisations for patients. The states will also work with the Government on trials of the Commonwealth's Health Care Homes model of coordinated primary health care for patients with multiple chronic conditions.

As part of the commitment to retain the ABF, the Government will provide \$8.5 million over three years from 2017-18 to continue the operation of the Administrator of the National Health Funding Pool and the National Health Funding Body.

This measure will revise the changes to public hospital funding that were announced in the 2014-15 Budget measure titled *Commonwealth Public Hospitals – change to funding arrangements*. The Government will also provide additional funding to Tasmania and the Australian Capital Territory, and to other states on a case by case basis, to ensure that they will receive no less than they would have under the 2014-15 measure.

Further information can be found in the COAG Communiqué of 1 April 2016.

See also the related measure *Healthier Medicare – Trial of Health Care Homes*.

**Quality Improvement in General Practice — simplification of the Practice Incentives Program**

| Expense (\$m)                | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|------------------------------|---------|---------|---------|---------|---------|
| Department of Human Services | 0.1     | 7.0     | 0.4     | 0.3     | 0.3     |
| Department of Health         | -0.3    | -7.6    | -29.4   | 3.7     | 4.3     |
| Total — Expense              | -0.2    | -0.6    | -29.0   | 4.0     | 4.6     |

The Government will redesign the *Practice Incentives Program* (PIP) to introduce a new Quality Improvement Incentive from May 2017 which will provide general practices with increased flexibility to improve the detection and management of a range of chronic conditions in the primary care setting, and to focus on issues specific to their practice. PIP payments for teaching, after hours, rural loading and digital health will continue in their current form.

As a result of redesigning the PIP, the Government will achieve savings of \$21.2 million which will contribute to the related expense measure titled *Healthier Medicare – Trial of Health Care Homes*.

**Regulation of Medicinal Cannabis — charging arrangements**

| Expense (\$m)        | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|----------------------|---------|---------|---------|---------|---------|
| Department of Health | -       | -       | -       | -       | -       |

The Government will introduce legislation to allow charges to be imposed on licences granted under the *Narcotic Drugs Act 1976*. Any revenue collected will support the licensing scheme for the regulation of cannabis for medicinal and scientific use.

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

This measure builds on the 2015-16 MYEFO measure titled *Regulation of Medicinal Cannabis*.

**Rural General Practice Grants Program**

| Expense (\$m)        | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|----------------------|---------|---------|---------|---------|---------|
| Department of Health | -2.6    | -5.2    | 7.8     | -       | -       |

The Government will redesign the *Rural and Regional Training Infrastructure Grants Program*. The redesigned program, to be renamed the *Rural General Practice Grants Program*, will support the Government’s commitment to rural, regional and remote Australians by providing a broader range of infrastructure grants to increase opportunities to teach and train health practitioners in rural, regional and remote areas across Australia.

Existing funding of \$20.7 million from the Department of Health will be redirected for this purpose.

### Stoma Appliance Scheme — new and amended listings

| Expense (\$m)        | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|----------------------|---------|---------|---------|---------|---------|
| Department of Health | -       | ..      | ..      | ..      | 0.1     |

The Government will provide \$0.2 million over four years from 1 July 2016 for changes to the *Stoma Appliance Scheme* (the Scheme). The changes will include the listing of four new items on the Scheme, amending the product listings of three current items and deleting two items. These changes are based on the recommendations of the Stoma Product Assessment Panel.

### Taking More Action to Prevent Fetal Alcohol Spectrum Disorders

| Expense (\$m)        | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|----------------------|---------|---------|---------|---------|---------|
| Department of Health | -       | 2.6     | 2.6     | 2.6     | 2.7     |

The Government will provide \$10.5 million over four years from 2016-17 to reduce the occurrence of Fetal Alcohol Spectrum Disorders (FASD), focusing on prevention of FASD in high risk remote and rural communities. Activities will include establishing a FASD Clinical Network, a FASD diagnostic clinic, a Model of Care for Communities, and expanding the FASD Technical Network.

This measure will aim to improve the diagnosis of FASD in high risk communities and will provide additional education and training for families and health professionals to reduce the instances of FASD in new pregnancies.

This measure builds on initiatives included as part of the *National Fetal Alcohol Spectrum Disorders Action Plan* which was announced by the former Assistant Minister for Health on 25 June 2014.

### Tobacco Plain Packaging Litigation

| Expense (\$m)        | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|----------------------|---------|---------|---------|---------|---------|
| Department of Health | -       | nfp     | -       | -       | -       |

The Government will continue to provide funding to defend challenges to the *Tobacco Plain Packaging Act 2011* (the Act). The Act is currently the subject of dispute settlement proceedings involving four countries through the World Trade Organization, and an international legal challenge.

*Budget Measures 2016-17 – Part 2: Expense Measures*

The funding will support work undertaken by the Department of Health, the Attorney-General's Department and the Department of Foreign Affairs and Trade to defend the legislation.

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

**Vaccine Preventable Diseases Surveillance Program**

| Expense (\$m)              | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|----------------------------|---------|---------|---------|---------|---------|
| Department of Health       | -       | -       | -       | -       | -       |
| Department of the Treasury | -       | -       | -       | -       | -       |
| Total — Expense            | -       | -       | -       | -       | -       |

The Government will provide \$2.6 million over three years from 2017-18 to the States and Territories for the *Vaccine Preventable Diseases Surveillance Program*. The Program will support 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.

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

## IMMIGRATION AND BORDER PROTECTION

### A Streamlined Pathway to Permanent Residence for New Zealand Citizens

| Expense (\$m)  | 2015-16  | 2016-17    | 2017-18     | 2018-19      | 2019-20      |
|--|----------|------------|-------------|--------------|--------------|
| Department of Human Services                           | -        | 0.6        | ..          | ..           | ..           |
| Department of Immigration and Border Protection        | -        | 0.4        | 0.1         | -            | -            |
| Department of Health                                   | -        | -          | 0.2         | 0.4          | 0.6          |
| Department of Employment                               | -        | -          | -           | -            | 0.2          |
| Department of Social Services                          | -        | -          | -9.7        | -24.8        | -34.2        |
| <b>Total — Expense</b>                                 | <b>-</b> | <b>1.0</b> | <b>-9.5</b> | <b>-24.4</b> | <b>-33.5</b> |
| <i>Related revenue (\$m)</i>                           |          |            |             |              |              |
| <i>Department of Immigration and Border Protection</i> | -        | -          | -           | -            | -            |
| <i>Related capital (\$m)</i>                           |          |            |             |              |              |
| <i>Department of Immigration and Border Protection</i> | -        | 1.1        | 0.2         | -            | -            |

The Government will be providing a streamlined pathway to permanent residence for New Zealand Special Category Visa holders.

From 1 July 2017, New Zealand citizens will be eligible for the pathway if they were a resident in Australia on 19 February 2016 and, at the time of application, have lived here for at least five years and earned income of at least the Temporary Skilled Migration Income Threshold (currently \$53,000 p.a.) over the qualifying period.

Further information can be found in the joint press release of 19 February 2016 issued by the Prime Minister and the Minister for Immigration and Border Protection.

### Asylum Seeker Support — additional funding

| Expense (\$m)                                   | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|---|---------|---------|---------|---------|---------|
| Department of Immigration and Border Protection | -       | 39.8    | -       | -       | -       |

The Government will provide an additional \$39.8 million in 2016-17 to fund the provision of asylum seeker assistance to support eligible non-Illegal Maritime Arrivals while their immigration status is resolved.

This measure builds on the 2015-16 MYEFO measure titled *Asylum Seeker Support – additional funding*.

### Australian Trusted Trader Programme

| Expense (\$m)                                   | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|---|---------|---------|---------|---------|---------|
| Department of Immigration and Border Protection | -       | 11.6    | 17.4    | 18.1    | 16.6    |
| <i>Related revenue (\$m)</i>                    |         |         |         |         |         |
| Department of Immigration and Border Protection | -       | -       | -       | -       | -       |
| <i>Related capital (\$m)</i>                    |         |         |         |         |         |
| Department of Immigration and Border Protection | -       | 4.8     | 2.5     | -0.1    | -0.9    |

The Government will provide \$69.9 million over four years from 2016-17 (including \$6.3 million in capital funding) to deliver an *Australian Trusted Trader Programme*, which will provide accreditation to eligible businesses who are assessed as low-risk. Under this programme, trusted businesses will be able to access trade benefits such as reduced levels of inspections and reporting requirements, and expedited border clearances. This will allow the Department of Immigration and Border Protection to allocate a higher proportion of its resources to higher risk transactions.

In addition, from 2017-18, traders will be able to pay customs duty monthly rather than per import consignment. In underlying cash terms, this deferral of customs duty is estimated to defer \$70.0 million of tax receipts to beyond the forward estimates period.

Accredited exporters will also benefit from Mutual Recognition Arrangements with other countries which, once agreed, will facilitate the passage of goods through those countries' borders.

The costs of the programme will be funded from the 2015-16 Budget measure titled *Cost Recovery – licensing and import processing*.

This measure builds on the 2014-15 Budget measure titled *Smaller Government – strengthen and enhance Australia's border protection services*.

Further information can be found in the press release of 29 April 2016 issued by the Minister for Immigration and Border Protection.

### Combating People Smuggling — international engagement

| Expense (\$m)                                   | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|---|---------|---------|---------|---------|---------|
| Department of Immigration and Border Protection | -       | 4.5     | 4.6     | -       | -       |

The Government will provide \$9.1 million over two years from 2016-17 for international engagement activities to prevent and disrupt maritime people smuggling.

Australian Border Force officials within the Department of Immigration and Border Protection will continue to be stationed in Indonesia, Malaysia and Sri Lanka, to assist border agencies in source and transit countries to better address the threat of people smuggling.

This measure extends the 2015-16 Budget measure titled *National Security – combating people smuggling – international engagement*.

**Coordination and Outreach Migration Management Support — continuation**

| Expense (\$m)                                   | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|---|---------|---------|---------|---------|---------|
| Department of Immigration and Border Protection | -       | 2.2     | -       | -       | -       |

The Government will provide \$2.2 million in 2016-17 to continue funding the International Organization for Migration (IOM) to maintain outreach offices across Indonesia. The IOM offices assist the Indonesian Government to monitor migration flows and coordinate its responses to irregular maritime activity.

**Onshore Immigration Detention Network — consolidation**

| Expense (\$m)  | 2015-16 | 2016-17 | 2017-18 | 2018-19    | 2019-20 |
|--|---------|---------|---------|------------|---------|
| Department of Immigration and Border Protection        | 1.6     | 9.8     | -6.8    | -24.0      | -38.0   |
| <i>Related revenue (\$m)</i>                           |         |         |         |            |         |
| <i>Department of Immigration and Border Protection</i> | -       | -       | -       | <i>nfp</i> | -       |

The Government will achieve efficiencies of \$68.2 million over five years from 2015-16 by closing the Perth Immigration Residential Housing and the Maribyrnong and Blaxland Immigration Detention Centres. Further, the lease for the Wickham Point facility will not be renewed past its current expiry date in November 2016. Savings of \$10.8 million over four years have already been provided for by the Government.

These closures will bring the number of detention facilities closed since 2013 to 17 as a result of the detention population reducing from around 6,400 in September 2013, to fewer than 1,700 in April 2016.

In addition, the North West Point facility on Christmas Island will be put into contingency from 1 January 2018, joining the Phosphate Hill and Construction Camp facilities, which were put into contingency in 2015-16.

This measure will also raise revenue from the sale of Commonwealth owned land at Maribyrnong and Villawood. The revenue from this measure is not for publication (nfp) due to commercial confidentiality reasons.

*Budget Measures 2016-17 – Part 2: Expense Measures*

This measure builds on the 2015-16 MYEFO measure titled *Management of the Onshore Immigration Detention Network*.

See also the related capital measure titled *Onshore Immigration Detention Network – enhancement* in the Immigration and Border Protection portfolio.

**Reforming the Visa and Migration Framework**

| Expense (\$m)                                   | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|---|---------|---------|---------|---------|---------|
| Department of Immigration and Border Protection | -       | -       | -20.0   | -70.0   | -90.0   |

The Government will achieve efficiencies of \$180.0 million over three years from 2017-18 by reforming the visa and migration framework, improving automation in visa processing, providing self service options and using more sophisticated assessment capabilities.

The savings from this measure will be redirected by the Government to fund policy priorities within the portfolio.

**Regional Cooperation Arrangements — continuation**

| Expense (\$m)                                   | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|---|---------|---------|---------|---------|---------|
| Department of Immigration and Border Protection | -       | 55.4    | -       | -       | -       |

The Government will provide \$55.4 million in 2016-17 to continue funding the Regional Cooperation Arrangements (RCA) in Indonesia. The RCA supports regional partners to manage their asylum seeker populations.

This measure extends the 2014-15 Budget measure titled *Regional Cooperation Arrangements – additional funding*.

**Regional Support Office — continuation**

| Expense (\$m)                                   | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|---|---------|---------|---------|---------|---------|
| Department of Immigration and Border Protection | -       | -       | -       | -       | -       |

The Government will provide \$1.3 million annually to continue funding the activities of the Regional Support Office (RSO). The RSO supports the *Bali Process on People Smuggling, Trafficking in Persons and Related Transnational Crime and Regional Cooperation Framework* to reduce irregular migration in the Asia Pacific region.

The cost of this measure will be met from within the existing resources of the Department of Immigration and Border Protection.

This measure builds on the 2015-16 Budget measure titled *National Security – Regional Support Office – additional funding*.

**Supporting Regional Processing Arrangements — additional funding**

| Expense (\$m)                                   | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|---|---------|---------|---------|---------|---------|
| Department of Immigration and Border Protection | -       | 61.5    | -       | -       | -       |

The Government will provide an additional \$61.5 million in 2016-17 to support the operation of regional processing centres and settlement outcomes. This includes the payment of increased taxes and charges.

This measure builds on the 2015-16 MYEFO measure titled *Refugee Resettlement Arrangements for Illegal Maritime Arrivals in Regional Processing Centres – additional funding*.

**Unaccompanied Humanitarian Minors — additional funding**

| Expense (\$m)                                   | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|---|---------|---------|---------|---------|---------|
| Department of Immigration and Border Protection | -       | 7.4     | 4.7     | -       | -       |

The Government will provide an additional \$12.1 million in 2016-17 and 2017-18 for the supervision and welfare of unaccompanied humanitarian minors (UHMs).

The *UHM Programme* provides settlement services to non-citizens under the age of 18 years who arrive in Australia without a guardian, and who are the recipient of a Humanitarian visa.

This measure builds on the 2014-15 Budget measure titled *Unaccompanied humanitarian minors – additional funding*.

## INDUSTRY, INNOVATION AND SCIENCE

### Australian Astronomical Observatory — extension

| Expense (\$m)                                     | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|---|---------|---------|---------|---------|---------|
| Department of Industry,<br>Innovation and Science | -       | -       | -       | -       | 12.6    |

The Government will provide \$12.6 million in 2019-20 for the operating costs of the Australian Astronomical Observatory (AAO). The AAO, a division of the Department of Industry, Innovation and Science, operates the Anglo-Australian and UK Schmidt telescopes providing observing facilities for Australian optical astronomers.

### Australian Nuclear Science and Technology Organisation — spent fuel management plan

| Expense (\$m)   | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|---|---------|---------|---------|---------|---------|
| Australian Nuclear Science and<br>Technology Organisation | -       | -       | -       | -       | -       |

The Government will redirect funding of \$39.4 million over three years from 2016-17 to allow for the reprocessing of spent fuel from the Australian Nuclear Science and Technology Organisation's (ANSTO) Open Pool Australian Lightwater Reactor in France rather than in the United States of America as previously planned. The processed fuel will eventually be returned to Australia for storage at the National Radioactive Waste Management Facility which is expected to be operational from 2020.

This measure builds on the 2014-15 Budget measure titled *Australian Nuclear Science and Technology Organisation (ANSTO) – permanent disposal of used nuclear fuel*.

**Country of Origin Labelling — information and compliance**

| Expense (\$m)   | 2015-16    | 2016-17    | 2017-18    | 2018-19    | 2019-20    |
|---|------------|------------|------------|------------|------------|
| Australian Competition and Consumer Commission        | -          | 0.4        | 0.4        | 1.5        | 1.2        |
| Department of Industry, Innovation and Science        | 3.4        | -          | -          | -          | -          |
| <b>Total — Expense</b>                                | <b>3.4</b> | <b>0.4</b> | <b>0.4</b> | <b>1.5</b> | <b>1.2</b> |
| <i>Related capital (\$m)</i>                          |            |            |            |            |            |
| <i>Department of Industry, Innovation and Science</i> | -          | -          | -          | -          | -          |

The Government will provide \$19.4 million over six years from 2015-16 (including \$0.7 million in 2020-21) to implement changes to the Country of Origin Labelling (CoOL) framework for food. This measure includes an information campaign to inform consumers and producers of the new framework, and funding for the Australian Competition and Consumer Commission to deliver a compliance and enforcement strategy.

Funding of \$11.8 million in 2015-16 has already been provisioned by the Government.

Further information on the changes to the CoOL framework can be found in the joint press release of 31 March 2016 issued by the Minister for Industry, Innovation and Science, the Minister for Agriculture and Water Resources, the Minister for Small Business and Assistant Treasurer, and the Minister for Regional Development, Regional Communications and Rural Health.

**Establishment of the Northern Australia Infrastructure Facility**

| Expense (\$m)                                     | 2015-16  | 2016-17    | 2017-18    | 2018-19    | 2019-20    |
|---|----------|------------|------------|------------|------------|
| Northern Australia Infrastructure Facility        | -        | 8.1        | 8.5        | 9.5        | 10.3       |
| Department of Industry, Innovation and Science    | -        | -0.7       | -1.2       | -1.2       | -1.2       |
| <b>Total — Expense</b>                            | <b>-</b> | <b>7.4</b> | <b>7.3</b> | <b>8.3</b> | <b>9.1</b> |
| <i>Related revenue (\$m)</i>                      |          |            |            |            |            |
| <i>Northern Australia Infrastructure Facility</i> | -        | 10.1       | 10.1       | 10.1       | 10.1       |

The Government will provide \$43.8 million over five years (including \$11.7 million in 2020-21) to establish the Northern Australia Infrastructure Facility (NAIF) as a corporate Commonwealth entity.

The NAIF will deliver up to \$5.0 billion in financing over five years (from 2016-17) to support economic infrastructure in northern Australia. The NAIF will be administered by a Board which will be guided by an investment mandate to be issued by the Minister for Resources, Energy and Northern Australia.

*Budget Measures 2016-17 – Part 2: Expense Measures*

The cost of administering the NAIF will be met by fees levied on applicants for, and recipients of, financial assistance.

**Industry Programs — efficiencies**

| Expense (\$m)                                  | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|--|---------|---------|---------|---------|---------|
| Department of Industry, Innovation and Science | -17.7   | -2.5    | -       | -       | -       |

The Government will achieve savings of \$20.2 million over two years from 2015-16 in order to extend funding for the Australian Astronomical Observatory and partially fund a communications and compliance campaign for the new Country of Origin Labelling framework.

The efficiencies will come from the communications campaign for the *National Innovation and Science Agenda* package, the *Entrepreneurs' Programme* and the *Cooperative Research Centres* program.

**International Energy Agency's Oil Stockholding Requirements**

| Expense (\$m)                                  | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|--|---------|---------|---------|---------|---------|
| Department of Industry, Innovation and Science | -       | 2.5     | 2.5     | 3.2     | 3.3     |

The Government will provide \$23.8 million over four years from 2016-17 to support Australia working to meet the International Energy Agency's (IEA) oil stockholding requirements. The funding includes a Collective Action Response Mechanism, the establishment of an Energy Security Office in the Department of Industry, Innovation and Science and the establishment of a counsellor position to represent Australia's interests at the IEA in Paris.

Funding of \$6.2 million in both 2018-19 and 2019-20 has already been provided for by the Government.

**National Carp Control Plan**

| Expense (\$m)                                  | 2015-16 | 2016-17    | 2017-18    | 2018-19    | 2019-20 |
|--|---------|------------|------------|------------|---------|
| Department of Agriculture and Water Resources  | -       | 4.3        | 3.9        | 2.0        | -       |
| Department of Industry, Innovation and Science | -       | 0.2        | 0.2        | 3.8        | -       |
| Department of the Environment                  | -       | 0.2        | 0.2        | 0.1        | -       |
| <b>Total — Expense</b>                         | -       | <b>4.7</b> | <b>4.4</b> | <b>5.9</b> | -       |

The Government will provide \$15.0 million over three years from 2016-17 for the development and initial implementation of a National Carp Control Plan. This funding will enable the coordinated release of a carp bio-control agent (Cyprinid Herpesvirus 3) into the Murray-Darling Basin by the end of 2018.

**National Radioactive Waste Management Project — community benefits package**

| Expense (\$m)                                  | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|--|---------|---------|---------|---------|---------|
| Department of Industry, Innovation and Science | -       | 2.5     | 2.4     | -4.9    | -       |

The Government will provide funding of \$7.5 million over three years from 2016-17 to provide a benefits package to the shortlisted communities selected for consideration under the National Radioactive Waste Management Project.

This measure builds on the 2013-14 Budget measure titled *National Radioactive Waste Management – securing a site and First Stage business case*.

Further information can be found in the press release of 29 April 2016 issued by the Minister for Resources, Energy and Northern Australia.

**National Resources Development Strategy — exploring for the future**

| Expense (\$m)                | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|------------------------------|---------|---------|---------|---------|---------|
| Geoscience Australia         | -       | 21.1    | 20.4    | 30.8    | 24.9    |
| <i>Related capital (\$m)</i> |         |         |         |         |         |
| <i>Geoscience Australia</i>  | -       | 3.4     | -       | -       | -       |

The Government will provide \$100.5 million over four years from 2016-17 to produce geographical modelling of mineral, petroleum and groundwater resources in targeted areas across northern Australia and South Australia. This program of data acquisition and analysis will allow Australia to identify new greenfield exploration sites for future development.

*Budget Measures 2016-17 – Part 2: Expense Measures*

**Resources and Energy Programs — efficiencies**

| Expense (\$m)                                  | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|--|---------|---------|---------|---------|---------|
| Department of Industry, Innovation and Science | -22.9   | -4.5    | -       | -       | -       |

The Government will achieve efficiencies of \$27.4 million over two years from 2015-16 from the *Carbon Capture and Storage Flagships Programme* and the *National Low Emissions Coal Initiative*.

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

**Rum Jungle Rehabilitation Project — extension**

| Expense (\$m)                                  | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|--|---------|---------|---------|---------|---------|
| Department of the Treasury                     | -       | 10.0    | -       | -       | -       |
| Department of Industry, Innovation and Science | -       | 0.7     | -       | -       | -       |
| Department of Finance                          | -       | 0.1     | -       | -       | -       |
| Total — Expense                                | -       | 10.8    | -       | -       | -       |

The Government will provide an additional \$10.8 million in 2016-17 to extend Stage 2 of the former Rum Jungle uranium mine site rehabilitation project, which includes the finalisation of a detailed business case for the environmental rehabilitation of the site and continuation of site management and maintenance activities.

Funding of \$10.0 million will be provided through a National Partnership Agreement with the Northern Territory Government, which will continue to coordinate and administer the Rum Jungle rehabilitation project.

## INFRASTRUCTURE AND REGIONAL DEVELOPMENT

### Infrastructure Investment Programme — efficiencies

| Expense (\$m)   | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|---|---------|---------|---------|---------|---------|
| Department of Infrastructure and Regional Development | -       | -3.8    | -       | -       | -       |
| Department of the Treasury                            | -       | -4.0    | -0.3    | -4.2    | -150.4  |
| Total — Expense                                       | -       | -7.8    | -0.3    | -4.2    | -150.4  |

The Government will achieve efficiencies of \$162.7 million over four years from 2016-17 from uncommitted project contingency funding within the *Infrastructure Investment Programme*.

Savings from this measure will be redirected by the Government to fund new policy priorities in the Infrastructure and Regional Development portfolio.

### Infrastructure Investment Programme — new investments

| Expense (\$m)   | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|---|---------|---------|---------|---------|---------|
| Department of Infrastructure and Regional Development | -       | -       | -       | -       | -       |
| Department of the Treasury                            | -       | -       | -       | -       | -       |
| Total — Expense                                       | -       | -       | -       | -       | -       |

The Government will provide \$2.9 billion for significant new investments in essential infrastructure across Australia. The new investments include:

- \$1.5 billion for new projects in Victoria to be funded on a matching basis with the Victorian Government, including \$350.0 million for the Western Ring Road, \$220.0 million for the Murray Basin freight rail upgrade, \$500.0 million on the Monash Freeway, \$345.0 million for rural and regional highways, \$75.0 million for urban congestion and \$10.0 million to progress the business case for the Melbourne Metro;
- \$260.8 million for the tunnel section of Stage 2 of the Perth Freight Link, bringing the total Government commitment to the project to \$1.2 billion;
- \$200.0 million for the Ipswich Motorway in Queensland to be funded on a matching basis with the Queensland Government;
- up to \$50.0 million to allow the Commonwealth to adopt a more active role in preparing project and business cases with the states and territories; and

*Budget Measures 2016-17 – Part 2: Expense Measures*

- \$920.0 million in annual funding from 2019-20 to successful infrastructure sub-programs, including \$400.0 million to increase and extend the *Roads to Recovery* program, \$60.0 million for the *Black Spots* program, \$40.0 million for the *Heavy Vehicle Safety and Productivity* program, \$60.0 million for the *Bridges Renewal* program, \$350.0 million for National Network Maintenance and \$10.0 million for Research and Evaluation.

Funding for the Victorian projects has already been provided for by the Government.

Funding for the new projects, business case development and the sub-programs will be met from within the existing resources of the *Infrastructure Investment Programme*.

**Keys2drive — additional funding**

| Expense (\$m)   | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|---|---------|---------|---------|---------|---------|
| Department of Infrastructure and Regional Development | -       | 4.0     | -       | -       | -       |

The Government will provide \$4.0 million in 2016-17 to extend the *Keys2drive* program for a further year. *Keys2drive* is a learner driver education program that provides a free coaching session from a professional driving instructor to participating learners and supervising drivers. The program is delivered by the Australian Automobile Association and state motoring clubs.

The one year extension will allow the Government to implement alternative sustainable funding sources for the program beyond 2016-17.

**Western Sydney Airport — further preparatory works**

| Expense (\$m)  | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|--|---------|---------|---------|---------|---------|
| Department of Infrastructure and Regional Development        | -       | 54.5    | 38.9    | -       | -       |
| <i>Related capital (\$m)</i>                                 |         |         |         |         |         |
| <i>Department of Infrastructure and Regional Development</i> | -       | 11.1    | 10.6    | -       | -       |

The Government will provide \$115.1 million over two years from 2016-17 to progress preparatory works at the Western Sydney Airport (WSA) site at Badgerys Creek, including \$26.2 million to undertake concept design for the provision of rail services through the site.

The funding will be used to provide specialist advice on planning and development of the project, ongoing management and security of the site, minor land acquisitions and design work for the provision of utilities. The concept design for the provision of rail services to the site will be prepared with assistance from Transport for New South Wales and will recommend any preparatory works to ensure the WSA site is rail ready.

**PARLIAMENT****Parliamentary Departments — additional funding**

| Expense (\$m)                               | 2015-16    | 2016-17    | 2017-18    | 2018-19    | 2019-20    |
|---|------------|------------|------------|------------|------------|
| Department of the Senate                    | -          | 3.0        | -          | -          | -          |
| Department of the House of Representatives  | 1.0        | 2.4        | 1.2        | 1.2        | 1.2        |
| <b>Total — Expense</b>                      | <b>1.0</b> | <b>5.4</b> | <b>1.2</b> | <b>1.2</b> | <b>1.2</b> |
| <i>Related capital (\$m)</i>                |            |            |            |            |            |
| <i>Department of the Senate</i>             | -          | 0.4        | 0.4        | -          | -          |
| <i>Department of Parliamentary Services</i> | -          | -          | -          | -          | -          |
| <b>Total — Capital</b>                      | <b>-</b>   | <b>0.4</b> | <b>0.4</b> | <b>-</b>   | <b>-</b>   |

The Government will provide \$29.1 million over five years from 2015-16 (including \$19.1 million in capital funding over two years from 2016-17) to support the operations of the Australian Parliament House (APH).

This includes support for committees, publications systems, databases, and the *Pacific Parliamentary Linkage Program*.

The funding also includes \$18.3 million in capital over two years from 2016-17 to strengthen the main and side skylights within the APH. This funding has already been provided for by the Government.

## PRIME MINISTER AND CABINET

### Cyber Security — implementation of Australia’s Cyber Security Strategy

| Expense (\$m)                                  | 2015-16  | 2016-17      | 2017-18      | 2018-19      | 2019-20      |
|--|----------|--------------|--------------|--------------|--------------|
| Attorney-General’s Department                  | -        | 12.8         | 17.4         | 17.3         | 18.3         |
| Australian Federal Police                      | -        | 3.1          | 5.3          | 5.4          | 5.4          |
| Australian Crime Commission                    | -        | 1.7          | 4.8          | 4.4          | 4.4          |
| Department of Education and Training           | -        | 0.9          | 0.8          | 0.8          | 0.9          |
| Department of Industry, Innovation and Science | -        | 0.7          | 0.6          | 5.4          | 8.2          |
| Department of the Prime Minister and Cabinet   | -        | -            | -            | -            | -            |
| Department of Communications and the Arts      | -        | -            | -            | -            | -            |
| Department of Foreign Affairs and Trade        | -        | -            | -            | -            | -            |
| <b>Total — Expense</b>                         | <b>-</b> | <b>19.2</b>  | <b>28.9</b>  | <b>33.3</b>  | <b>37.1</b>  |
| <i>Related capital (\$m)</i>                   |          |              |              |              |              |
| <i>Attorney-General’s Department</i>           | -        | 3.7          | 5.1          | 4.7          | 3.0          |
| <i>Australian Federal Police</i>               | -        | 1.0          | 0.2          | -            | -            |
| <i>Australian Crime Commission</i>             | -        | 0.3          | 0.4          | -            | -            |
| <i>Department of Defence</i>                   | -        | -23.5        | -34.0        | -32.6        | -32.0        |
| <b>Total — Capital</b>                         | <b>-</b> | <b>-18.5</b> | <b>-28.3</b> | <b>-27.9</b> | <b>-28.9</b> |

The Government’s \$230.0 million Cyber Security Strategy includes \$194.9 million over four years to implement key recommendations of the *Cyber Security Review*, including:

- \$51.1 million over four years from 2016-17 for the Department of Defence (Defence) to: relocate the Australian Cyber Security Centre to a more flexible facility for public-private engagement (\$38.8 million); conduct cyber security assessments for Commonwealth entities (\$1.3 million); and identify cyber vulnerabilities in Commonwealth systems (\$11.0 million);
- \$82.3 million over four years from 2016-17 for the Attorney-General’s Department to: establish Joint Cyber Threat Centres and an online threat sharing portal (\$47.3 million); expand CERT (Computer Emergency Response Team) Australia (\$21.5 million); run a cyber security awareness campaign (\$10.0 million) which will replace the Department of Communications and the Arts’ *Stay Smart Online* program; develop national good practice guidance (\$1.6 million); expand the Government’s exercising program for cyber incidents (\$2.0 million); and support, on a cost recovery basis, delivery of voluntary cyber security governance ‘health checks’ for ASX100-listed companies;

- \$36.4 million over four years from 2016-17 for the Australian Federal Police (\$20.4 million) and the Australian Crime Commission (\$16.0 million) to increase their capability to fight cybercrime; and
- \$3.5 million over four years from 2016-17 for the Department of Education and Training (DET) to establish up to six academic centres of cyber security excellence.

The cost of these initiatives will be met from within the existing resources of Defence. These activities will complement the initiatives in the *2016 Defence White Paper* to enhance Australia’s cyber capabilities and increase the cyber workforce.

Other initiatives supporting the Cyber Security Strategy comprise:

- \$2.7 million over four years from 2016-17 to establish a Cyber Ambassador within the Department of Foreign Affairs and Trade (DFAT), with the cost to be met from within DFAT’s existing resources;
- \$4.0 million over four years from 2016-17 from Official Development Assistance for cyber capacity building projects in the Indo-Pacific region; and
- \$14.9 million over four years from 2016-17 for the Department of Industry, Innovation and Science to support the expansion of CREST (Council of Registered Ethical Security Testers) Australia and provide grants to small businesses to test their cyber security.

This measure builds on the 2015-16 MYEFO measures *National Innovation and Science Agenda – advancing Australia’s cyber security* and *National Innovation and Science Agenda – Data 61*.

Further information can be found in *Australia’s Cyber Security Strategy* and in the press release of 21 April 2016 issued by the Prime Minister.

### Implementing the National Cities Agenda

| Expense (\$m)                                | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|--|---------|---------|---------|---------|---------|
| Department of the Prime Minister and Cabinet | -       | 4.6     | -       | -4.6    | -       |

The Government will provide \$4.6 million in 2016-17 to continue and expand the Cities Taskforce. This funding will drive implementation of the Government’s agenda for Australian cities.

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

This measure builds on the 2015-16 MYEFO measure titled *Cities and the Built Environment Taskforce – establishment*.

**Indigenous Business Australia — continuity of business support arrangements**

| Expense (\$m)                                | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|--|---------|---------|---------|---------|---------|
| Department of the Prime Minister and Cabinet | -       | 23.1    | -       | -       | -       |
| Indigenous Business Australia                | -       | -23.1   | -       | -       | -       |
| <b>Total — Expense</b>                       | -       | -       | -       | -       | -       |

The Government will redirect \$23.1 million in 2016-17 from Indigenous Business Australia to the Department of the Prime Minister and Cabinet to ensure the continuity of business support and capability development services to Indigenous entrepreneurs in 2016-17.

Services will include business planning and advice, and workshops and training for Indigenous entrepreneurs who wish to take advantage of opportunities to start up, acquire or grow a business.

**Indigenous Land Corporation — concessional loan for Ayers Rock Resort**

| Expense (\$m)               | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|-----------------------------|---------|---------|---------|---------|---------|
| Indigenous Land Corporation | -       | nfp     | nfp     | nfp     | nfp     |

The Government will offer a concessional loan of up to \$65.0 million in 2016-17 to the Indigenous Land Corporation to assist with the ongoing ownership and management of Ayers Rock Resort.

The expenditure for this measure is not for publication (nfp) as it is commercial-in-confidence.

**Indigenous Student Success in Higher Education**

| Expense (\$m)                                | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|--|---------|---------|---------|---------|---------|
| Department of Education and Training         | -       | 1.3     | 2.7     | 2.8     | 2.8     |
| Department of the Prime Minister and Cabinet | -       | -1.3    | -2.7    | -2.8    | -2.8    |
| <b>Total — Expense</b>                       | -       | -       | -       | -       | -       |

The Government will consolidate three existing programs from 1 January 2017 to create a new program to improve progression and completion rates for Indigenous higher education students. The new program will replace the *Commonwealth Scholarship Program*, the *Indigenous Support Program* and the *Indigenous Tutorial Assistance Scheme – Tertiary Tuition*, giving universities more flexibility to implement responses that best meet the needs of individual students, for example, by providing scholarships, counselling, and tutorial assistance.

Provision for this funding has already been included in the forward estimates.

The Government will also redirect funding of \$9.7 million over four years from 2016-17 from the Department of the Prime Minister and Cabinet to the Department of Education and Training's *National Institutes Program* to consolidate funding arrangements for the Batchelor Institute of Indigenous Tertiary Education.

This measure progresses some of the recommendations of the 2012 *Report of the Review of Higher Education Access and Outcomes for Aboriginal and Torres Strait Islander People*.

### myGov operations

| Expense (\$m)                 | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|-------------------------------|---------|---------|---------|---------|---------|
| Department of Human Services  | 0.8     | 12.9    | 9.3     | 9.3     | 9.4     |
| Digital Transformation Office | 1.4     | 1.4     | -       | -       | -       |
| Total — Expense               | 2.2     | 14.3    | 9.3     | 9.3     | 9.4     |
| <i>Related capital (\$m)</i>  |         |         |         |         |         |
| Department of Human Services  | -       | 1.5     | 1.5     | 1.5     | 1.5     |

The Government will provide \$50.5 million over five years from 2015-16 to the Department of Human Services (DHS) and the Digital Transformation Office (DTO) to support the operations of the myGov service. This includes:

- \$45.1 million over four years for the core operational component of myGov; and
- \$5.4 million over two years for a joint team including DHS, the DTO, the Department of the Treasury and the Department of the Prime Minister and Cabinet, to identify future developments to meet user needs.

Provision for this funding has already been included in the forward estimates.

### Towards Constitutional Recognition of Aboriginal and Torres Strait Islander Peoples

| Expense (\$m)                                | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|--|---------|---------|---------|---------|---------|
| Department of the Prime Minister and Cabinet | -       | -       | -       | -       | -       |

The Government will provide \$14.6 million over two years from 2015-16 to support national consultation activities to be undertaken by the Referendum Council regarding recognising Aboriginal and Torres Strait Islander peoples in the Constitution.

The funding provides for the operations of the Referendum Council for a series of information and consultation activities.

*Budget Measures 2016-17 – Part 2: Expense Measures*

This measure includes funding of \$5.0 million to Reconciliation Australia to increase awareness of constitutional recognition for Aboriginal and Torres Strait Islander peoples through their RECOGNISE campaign.

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

**Trusted Digital Identity Framework**

| Expense (\$m)                 | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|-------------------------------|---------|---------|---------|---------|---------|
| Digital Transformation Office | -       | -       | -       | -       | -       |

The Government will provide \$5.3 million over two years from 2015-16 to support the development of the Trusted Digital Identity Framework.

Provision for this funding has already been included in the forward estimates.

## SOCIAL SERVICES

### Australian Disability Enterprises — wage supplementation

| Expense (\$m)                 | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|-------------------------------|---------|---------|---------|---------|---------|
| Department of Social Services | -19.3   | -38.7   | -3.2    | 41.2    | 20.0    |

The Government will provide greater flexibility to Australian Disability Enterprises (ADEs) as they transition to new wage arrangements for supported employees by amending the terms under which wage supplementation is paid to ADEs. The Government will allow the payment of wage supplementation to ADEs from the date of claim and the period over which ADEs may claim wage supplementation will be extended by three years from 31 December 2017 to 31 December 2020.

Funding of \$140.3 million was provided for wage supplementation as part of the 2015-16 Budget measure titled *Australian Disability Enterprises – additional support*.

### Building Social Cohesion for Recently Arrived Migrants

| Expense (\$m)                 | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|-------------------------------|---------|---------|---------|---------|---------|
| Department of Social Services | -       | 3.8     | 3.5     | 3.6     | -       |

The Government will provide \$10.9 million over three years from 2016-17 to provide additional support to recently arrived humanitarian migrants to strengthen their sense of belonging to Australian society and to increase their social and economic participation.

### Cashless Debit Card — third trial site

| Expense (\$m)                                | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|--|---------|---------|---------|---------|---------|
| Department of Social Services                | -       | nfp     | nfp     | -       | -       |
| Department of Human Services                 | -       | nfp     | nfp     | -       | -       |
| Administrative Appeals Tribunal              | -       | nfp     | -       | -       | -       |
| Department of the Prime Minister and Cabinet | -       | nfp     | -       | -       | -       |
| Total — Expense                              | -       | nfp     | nfp     | -       | -       |

The Government will expand the trial of the cashless debit card to a third location from 1 July 2016.

The Government is currently trialling the cashless debit card in Ceduna, South Australia and Kununurra/Wyndham in Western Australia. Recipients in the trial area who receive a working age payment will receive 80 per cent of their payment through the card and 20 per cent into their regular bank account. Recipients cannot use the card to purchase alcohol or gambling products or to withdraw cash.

*Budget Measures 2016-17 – Part 2: Expense Measures*

The expenditure for this measure is not for publication (nfp) as negotiations with potential commercial providers are yet to be finalised.

This measure builds on the 2015-16 Budget measure titled *New Income Management Arrangements – trial and industry consultation*.

**Compulsory Rent Deduction Scheme — establishment**

| Expense (\$m)                       | 2015-16    | 2016-17    | 2017-18    | 2018-19    | 2019-20    |
|-------------------------------------|------------|------------|------------|------------|------------|
| Department of Human Services        | nfp        | nfp        | nfp        | nfp        | nfp        |
| <i>Related revenue (\$m)</i>        |            |            |            |            |            |
| <i>Department of Human Services</i> | <i>nfp</i> | <i>nfp</i> | <i>nfp</i> | <i>nfp</i> | <i>nfp</i> |

The Government will establish a Compulsory Rent Deduction (CRD) Scheme.

Under the Scheme, occupants of public and some community housing who receive income support payments or Family Tax Benefit will have their rent and related tenancy costs deducted from their payments and automatically transferred to the relevant public and state approved community housing providers.

The CRD Scheme will reduce the likelihood of individuals accumulating rental debt, leading to an expected reduction in evictions and improved social outcomes. It will also improve rental income streams for housing providers and so encourage investment in public housing stock.

The expenditure for this measure is not for publication (nfp) as the arrangement is subject to negotiation with the States and Territories.

**Department of Human Services — administrative efficiencies**

| Expense (\$m)                | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|------------------------------|---------|---------|---------|---------|---------|
| Department of Human Services | -       | -20.0   | -20.0   | -20.0   | -20.0   |

The Government will achieve ongoing administrative efficiencies of \$80.0 million over four years in the existing departmental funding of the Department of Human Services.

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

**Disability Support Pension — amending portability rules for para-athletes preparing for the Paralympic Games**

| Expense (\$m)                 | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|-------------------------------|---------|---------|---------|---------|---------|
| Department of Social Services | -       | 0.2     | ..      | -       | 0.2     |
| Department of Human Services  | -       | -       | -       | -       | -       |
| Total — Expense               | -       | 0.2     | ..      | -       | 0.2     |

The Government will provide \$0.5 million over four years from 2016-17 to amend portability rules in order to allow para-athletes receiving the Disability Support Pension additional periods of up to four weeks of overseas travel without their payment being impacted. This will enable these athletes to attend approved international events leading up to the 2016 Paralympic Games.

This measure will apply retrospectively from September 2015 and will also apply to the 2018 winter Paralympic Games and the 2020 summer Paralympic Games.

**Domestic and Family Violence — new initiatives to break the cycle of violence**

| Expense (\$m)                                | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|--|---------|---------|---------|---------|---------|
| Department of Social Services                | -       | 33.3    | 33.3    | 33.3    | -       |
| Department of the Prime Minister and Cabinet | -       | -       | -10.0   | -10.0   | -12.2   |
| Total — Expense                              | -       | 33.3    | 23.3    | 23.3    | -12.2   |

The Government will provide \$100.0 million over three years from 2016-17 toward Commonwealth initiatives to break the cycle of violence against women and children. The Commonwealth initiatives will draw on the recommendations of the Third Action Plan 2016-19 (the Plan) under the *National Plan to Reduce Violence Against Women and their Children 2010-2022*, and build on existing Commonwealth initiatives under previous action plans.

The final report of the Council of Australian Governments' Advisory Panel on Reducing Violence Against Women and their Children, released on 1 April 2016, will inform the development of the Plan.

This measure builds on the \$101.2 million that was provided through the 2015-16 MYEFO measure titled *Women's Safety Package*.

**Investment Approach to Welfare — Try, Test and Learn Fund**

| Expense (\$m)                        | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|--------------------------------------|---------|---------|---------|---------|---------|
| Department of Social Services        | -       | 31.0    | 31.0    | 23.9    | 7.3     |
| <i>Related capital (\$m)</i>         |         |         |         |         |         |
| <i>Department of Social Services</i> | -       | 0.7     | 0.5     | 0.9     | 0.9     |

The Government will provide \$96.1 million over four years from 2016-17 for a new Try, Test and Learn Fund to test the effectiveness of innovative policies aimed at reducing long-term welfare dependency.

The Try, Test and Learn Fund will be used to apply and test the effectiveness of new approaches to assisting specific groups who are identified through the Australian Priority Investment Approach as having a high risk of long-term welfare dependency.

These new approaches will be evaluated based on their effectiveness of supporting people into employment and so reducing long-term welfare costs. Results of specific programs and policies under the Try, Test and Learn Fund will inform future decisions as to whether they should be continued, revised, scaled up, or discontinued.

**Mobility Allowance — transition to the National Disability Insurance Scheme**

| Expense (\$m)                               | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|---|---------|---------|---------|---------|---------|
| Department of Human Services                | -       | 2.5     | 0.2     | 0.1     | 0.9     |
| Department of Social Services               | -       | 0.7     | 3.4     | 13.1    | 19.2    |
| Department of the Treasury                  | -       | 0.2     | -       | -       | -       |
| National Disability Insurance Agency        | -       | -       | -       | -       | -       |
| <b>Total — Expense</b>                      | -       | 3.4     | 3.6     | 13.3    | 20.1    |
| <i>Related revenue (\$m)</i>                |         |         |         |         |         |
| <i>National Disability Insurance Agency</i> | -       | ..      | -1.0    | -2.1    | -2.9    |

The Government will provide \$46.5 million over four years from 2016-17 to provide continuity of support for recipients of the Mobility Allowance as the National Disability Insurance Scheme is rolled out and to revise the eligibility requirements.

**National Disability Insurance Scheme Savings Fund**

| Expense (\$m)                                 | 2015-16      | 2016-17       | 2017-18       | 2018-19       | 2019-20         |
|---|--------------|---------------|---------------|---------------|-----------------|
| Department of the Treasury                    | 416.9        | 160.5         | 211.4         | 852.1         | -3,826.5        |
| Department of Human Services                  | 2.9          | 29.7          | 29.9          | 29.5          | 6.7             |
| Administrative Appeals Tribunal               | -            | 0.6           | 0.8           | 0.9           | 0.3             |
| Department of Employment                      | -            | 0.1           | 0.4           | 0.7           | 0.6             |
| Department of Finance                         | -            | ..            | 0.1           | -0.7          | -               |
| Department of Agriculture and Water Resources | -            | -0.1          | -0.4          | -0.7          | -0.9            |
| Department of Veterans' Affairs               | -            | -0.2          | -1.7          | -3.4          | -5.0            |
| Department of Health                          | -            | -2.7          | 2.3           | 2.5           | -59.6           |
| Department of Social Services                 | -60.4        | -136.2        | -348.9        | -530.7        | -711.6          |
| National Disability Insurance Agency          | -15.2        | -309.1        | -457.8        | -285.7        | -68.5           |
| <b>Total — Expense</b>                        | <b>344.2</b> | <b>-257.4</b> | <b>-564.0</b> | <b>64.5</b>   | <b>-4,664.5</b> |
| <i>Related revenue (\$m)</i>                  |              |               |               |               |                 |
| Department of Finance                         | ..           | 1.1           | 2.4           | -20.2         | -               |
| Department of Health                          | 416.2        | 0.6           | 5.4           | -216.2        | -435.1          |
| National Disability Insurance Agency          | -            | -96.2         | -163.3        | -761.3        | -1,552.6        |
| <b>Total — Revenue</b>                        | <b>416.2</b> | <b>-94.5</b>  | <b>-155.5</b> | <b>-997.7</b> | <b>-1,987.7</b> |
| <i>Related capital (\$m)</i>                  |              |               |               |               |                 |
| Department of Veterans' Affairs               | -            | 0.4           | -             | -             | -               |

The Government will establish the National Disability Insurance Scheme Savings Fund Special Account to assist in meeting the future costs of the National Disability Insurance Scheme (NDIS). In the 2016-17 Budget, the Government will credit \$2.1 billion to the fund, comprising:

- funding of \$711.2 million over five years, reflecting reduced net costs in NDIS transition agreements which have been signed with the states and territories; and
- savings of a total \$1.3 billion over five years which are the net proceeds of more efficiently targeting social welfare expenditure, after offsetting a range of new priorities in the Social Services Portfolio.

The following efficiencies will contribute to the NDIS Savings Fund:

- \$1.4 billion over five years by closing relevant unnecessary carbon tax compensation to new recipients of government welfare benefits.

*Budget Measures 2016-17 – Part 2: Expense Measures*

- \$108.6 million over four years by aligning the backdating provisions for new Carer Allowance claims with other social security payments. From 1 January 2017, Carer Allowance will be payable to eligible applicants from the date of the claim, or the date they first contact the Department of Human Services. Savings for this component have already been provided for by the Government.
- \$62.1 million over five years by reviewing 30,000 Disability Support Pension recipients each year for three years by assessing their capacity to work.
- \$66.7 million by identifying funds not being spent in 2015-16 and by not proceeding with the NDIS advertising campaign.

Further information on the NDIS Savings Fund Special Account can be found in the joint press release of 16 March 2016 issued by the Minister for Social Services and the Minister for Finance.

**National Framework for Protecting Australia's Children — Third Action Plan 2015-18**

| Expense (\$m)                 | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|-------------------------------|---------|---------|---------|---------|---------|
| Department of Social Services | -       | 1.8     | 1.5     | 1.4     | 0.4     |

The Government will provide \$5.1 million over four years from 2016-17 to fund two trials as part of the Third Action Plan under the *National Framework for Protecting Australia's Children: Protecting Children is Everyone's Business, 2009-2020*.

Funding of \$1.2 million will be provided over four years to build parenting skills in the first 1,000 days of a child's life through a trial which targets vulnerable children. In addition, \$3.9 million will be provided over four years for an intensive case management trial to support young people in out-of-home care as they transition into adulthood and independent living.

**Revised Social Security Agreement with New Zealand**

| Expense (\$m)                 | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|-------------------------------|---------|---------|---------|---------|---------|
| Department of Social Services | -       | nfp     | nfp     | nfp     | nfp     |

The Government is negotiating with the New Zealand Government to amend elements of the existing Social Security Agreement (the Agreement) between both countries to reflect changes that have occurred in the domestic law of both countries since the Agreement commenced in July 2002.

The funding for this measure is not for publication (nfp).

**Simplifying Student Payments**

| Expense (\$m)                 | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|-------------------------------|---------|---------|---------|---------|---------|
| Department of Human Services  | 0.1     | 2.2     | -1.1    | -0.9    | -1.3    |
| Department of Social Services | -       | 0.2     | ..      | ..      | ..      |
| Department of Health          | -       | -       | -       | 0.3     | 0.5     |
| Total — Expense               | 0.1     | 2.4     | -1.1    | -0.6    | -0.8    |

The Government will simplify student payments, by:

- automatically issuing Health Care Cards to recipients of student payments by removing the requirement for a separate application;
- aligning means testing rules for student payments with other welfare payments; and
- automatically updating the geographical classification which is used to assess eligibility for the Relocation Scholarship and for the independent rate of Youth Allowance.

This measure will reduce the administrative burden for welfare payment recipients and improve consistency across welfare payments and will not impact on the value of student payments.

**Strengthening Communities Grants — redesign**

| Expense (\$m)                 | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|-------------------------------|---------|---------|---------|---------|---------|
| Department of Social Services | -       | -       | -       | -       | -       |

The Government will redesign the *Strengthening Communities* grants program to have a greater focus on building strong, resilient and cohesive communities and will rename them the *Strong and Resilient Communities* grants. The redesign will be undertaken within existing funding and will complement other Government policies to strengthen social cohesion.

*Budget Measures 2016-17 – Part 2: Expense Measures*

**Supporting the Financially Vulnerable — financial counselling for problem gamblers**

| Expense (\$m)                 | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|-------------------------------|---------|---------|---------|---------|---------|
| Department of Social Services | -       | 7.1     | -       | -       | -       |

The Government will provide an additional \$7.1 million in 2016-17 to continue the delivery of financial counselling for people affected by problem gambling.

## TREASURY

### Asia Region Funds Passport

| Expense (\$m)                                    | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|--|---------|---------|---------|---------|---------|
| Australian Securities and Investments Commission | -       | 0.8     | 0.9     | 0.9     | 0.9     |
| <i>Related revenue (\$m)</i>                     |         |         |         |         |         |
| Australian Securities and Investments Commission | -       | 0.4     | 0.9     | 0.9     | 0.9     |
| <i>Related capital (\$m)</i>                     |         |         |         |         |         |
| Australian Securities and Investments Commission | -       | 2.9     | -       | -       | -       |

The Government will provide \$6.4 million over four years from 2016-17 (including \$2.9 million in capital funding in 2016-17) to the Australian Securities and Investments Commission to implement a regulatory framework for Australia's participation in the Asia Region Funds Passport.

The Asia Region Funds Passport initiative aims to increase access for Australian fund managers to growing Asian markets by creating a regulatory arrangement for the cross border offer of collective investment vehicles.

The cost of this measure will be partially offset by a registration fee, which will be paid by Australian and foreign funds using the Asia Region Funds Passport.

### Asset Recycling Initiative — return of unallocated funds

| Expense (\$m)              | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|----------------------------|---------|---------|---------|---------|---------|
| Department of the Treasury | -       | -452.7  | -307.4  | -93.5   | -       |

The Government will return \$853.6 million in unallocated funds from the Asset Recycling Initiative (ARI) to the budget for use on other policy priorities.

The ARI has been operating since May 2014, and under the National Partnership Agreement on Asset Recycling, the States and Territories have until 30 June 2016 to agree final ARI schedules with the Commonwealth. The Government has reached agreement or is in the final stage of negotiating agreements with the States and Territories worth up to \$3.3 billion, catalysing \$22.0 billion in infrastructure investment. As no other agreements with the States and Territories are likely to be agreed before 30 June 2016, the Government has decided to reallocate the remaining uncommitted funding from ARI to other policy priorities.

**Australian Energy Regulator — additional funding**

| Expense (\$m)                                  | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|--|---------|---------|---------|---------|---------|
| Australian Competition and Consumer Commission | -       | 8.0     | -       | -       | -       |
| Department of the Treasury                     | -       | 1.0     | -       | -       | -       |
| <b>Total — Expense</b>                         | -       | 9.0     | -       | -       | -       |

The Government will provide \$8.0 million in 2016-17 to support the Australian Energy Regulator (AER), a constituent part of the Australian Competition and Consumer Commission. This funding will ensure that the AER is sufficiently resourced to undertake its legislated functions, including obligations and functions conferred on it by the Council of Australian Governments and the Australian Energy Market Commission in recent years, which have significantly increased its workload.

The Government will also provide \$1.0 million to the Department of the Treasury to undertake an independent resourcing review of the AER, to determine the appropriate resourcing required to ensure the AER can perform its legislated functions going forward.

**Australian Securities and Investments Commission — improving outcomes in financial services**

| Expense (\$m)   | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|---|---------|---------|---------|---------|---------|
| Australian Securities and Investments Commission        | -       | 22.0    | 27.6    | 19.7    | 12.9    |
| Department of the Treasury                              | -       | 2.0     | 2.0     | 2.0     | -       |
| <b>Total — Expense</b>                                  | -       | 24.0    | 29.5    | 21.6    | 12.9    |
| <i>Related revenue (\$m)</i>                            |         |         |         |         |         |
| <i>Australian Prudential Regulation Authority</i>       | -       | 37.0    | 46.3    | 25.2    | 12.9    |
| <i>Related capital (\$m)</i>                            |         |         |         |         |         |
| <i>Australian Securities and Investments Commission</i> | -       | 14.9    | 18.8    | 5.5     | -       |

The Government will provide \$127.2 million over four years, comprising \$121.3 million over four years from 2016-17 to the Australian Securities and Investments Commission (ASIC) and \$5.9 million over three years from 2016-17 to the Department of the Treasury to combat misconduct in Australia’s financial services industry and bolster consumer confidence in the sector. This follows consideration of the findings of the *Capability Review of the Australian Securities and Investments Commission*. The funding to ASIC will be ongoing.

The additional funding will support increased surveillance and enforcement activities in areas such as financial advice, responsible lending, life insurance, and breach reporting, and enhancements to ASIC’s data analytics.

The funding for ASIC includes \$39.2 million in capital over three years from 2016-17, which will support improvements to ASIC's technology systems to ensure that ASIC is better equipped to detect financial sector misconduct and to improve information management systems to support other work.

Funding will also support ASIC and the Department of the Treasury in accelerating the implementation of law reforms recommended by the *Financial System Inquiry*.

The cost of this measure will initially be offset in 2016-17 by an increase in the Financial Institutions Supervisory Levies collected by the Australian Prudential Regulation Authority. However an industry funding model for ASIC will commence in the second half of 2017 and thereafter this additional funding for ASIC may instead be collected as part of that model.

Further information can be found in the joint press release of 20 April 2016 issued by the Treasurer and the Minister for Small Business and Assistant Treasurer.

#### **Australian Small Business and Family Enterprise Ombudsman — expanded advocacy functions**

| Expense (\$m)              | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|----------------------------|---------|---------|---------|---------|---------|
| Department of the Treasury | -       | 4.2     | 4.0     | 4.0     | 4.1     |

The Government will provide \$16.3 million over four years from 2016-17 to support the activities of the Australian Small Business and Family Enterprise Ombudsman and to expand the advocacy function of the Ombudsman.

This measure builds on the 2014-15 Budget measure titled *Small Business and Family Enterprise Ombudsman*.

#### **Australian Taxation Office — Functional and Efficiency Review**

| Expense (\$m)              | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|----------------------------|---------|---------|---------|---------|---------|
| Australian Taxation Office | -       | 0.5     | -7.4    | -7.4    | -7.5    |

The Government will achieve efficiency savings of \$21.8 million over four years from 2016-17 by reducing stand alone and co-located Australian Taxation Office (ATO) shopfronts in favour of myGov shopfronts, while actively promoting digital service delivery, expanding ATO external compliance assurance processes, and implementing more efficient processes for external scrutiny of the ATO.

### Commonwealth Assistance for Western Australia

| Expense (\$m)              | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|----------------------------|---------|---------|---------|---------|---------|
| Department of the Treasury | 490.0   | -       | -       | -       | -       |

The Australian Government will provide an additional \$490.0 million in 2015-16 for the Forrestfield Airport Link in Western Australia. Western Australia continues to receive the lowest share of GST revenue, as a proportion of population share, of any state or territory. This investment recognises this and effectively stops the drop in Western Australia's share of the GST, ensuring Western Australia's GST relativity is maintained at its 2014-15 level.

Further information can be found in the joint press release of 10 April 2016 issued by the Prime Minister, the Treasurer and the Minister for Finance.

### eInvoicing

| Expense (\$m)              | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|----------------------------|---------|---------|---------|---------|---------|
| Department of the Treasury | -       | -       | -       | -       | -       |
| Australian Taxation Office | -       | -       | -       | -       | -       |
| Total — Expense            | -       | -       | -       | -       | -       |

The Government will undertake a detailed study into the costs and benefits of adopting electronic invoicing (eInvoicing) by the Australian Government. The study will help the Government identify the feasibility of eInvoicing and how the Government may best unlock the potential for eInvoicing to improve government efficiency.

Broader adoption of eInvoicing with State and Territory and local governments will be considered in the study.

The cost of implementing the measure will be met from within the existing resources of the Australian Taxation Office.

This measure builds on the Government's *Fintech Statement* released on 21 March 2016.

### Financial Assistance to the New South Wales (NSW) Government for NSW Police

| Expense (\$m)              | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|----------------------------|---------|---------|---------|---------|---------|
| Department of the Treasury | -       | -       | 0.1     | 2.9     | 4.6     |

The Government will provide \$7.6 million over three years from 2017-18 (part of \$15.2 million over six years from 2017-18) under a four year transitional funding agreement with the New South Wales (NSW) Government for NSW police. The funding agreement will equally share the costs of reimbursing NSW police officers who incur an additional tax liability from making voluntary superannuation contributions that exceed the concessional contributions cap due to the impact of NSW's death and disability insurance premiums. The agreement also covers the cost-sharing of any fringe benefits tax that results from reimbursing police officers in these situations.

This will ensure NSW police officers have the same capacity to make voluntary concessional contributions toward their retirement as those individuals who are not subject to compulsory employer insurance premiums that contribute toward the concessional cap.

This agreement will take effect for the 2016-17 financial year: that is, in respect of contributions made in, and tax assessments for, 2016-17.

Further information can be found in the joint press release of 27 April 2016 issued by the Treasurer and the Treasurer of NSW.

### **Financial Technology Innovation**

| Expense (\$m)              | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|----------------------------|---------|---------|---------|---------|---------|
| Department of the Treasury | -       | 0.2     | -       | -       | -       |

The Government will provide \$0.2 million in 2016-17 to promote Australia internationally as a financial technology (FinTech) destination.

This measure builds on the Government's *FinTech Statement* released on 21 March 2016 and is part of the Government's National Innovation and Science Agenda.

The Government is backing innovation in financial services in the Australian market. This measure supports the promotion of Australian FinTech organisations, and promotes Australia to offshore FinTech innovators. This policy will encourage the development and refinement of new FinTech products and services in the Australian market.

Supporting a successful Australian FinTech industry provides opportunities for financial services exports, as well as the development of products and services, and the creation of value, in other sectors of the Australian economy.

### National Register of Foreign Ownership of Water Entitlements

| Expense (\$m)              | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|----------------------------|---------|---------|---------|---------|---------|
| Australian Taxation Office | -       | -       | -       | -       | -       |

The Government will introduce a National Register of Foreign Ownership of Water Entitlements (the Register). The Register will require foreign persons to notify and update their interests in water entitlements with the Australian Taxation Office (ATO), effective from 1 July 2017.

The cost of this measure will be met from within the existing resourcing of the ATO.

### Regulatory Reform Agenda — implementation

| Expense (\$m)              | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|----------------------------|---------|---------|---------|---------|---------|
| Department of the Treasury | -       | 1.7     | 2.0     | 2.0     | -       |

The Government will provide \$5.6 million over three years from 2016-17 to support the Department of the Treasury to meet its obligations under the Government's Regulatory Reform Agenda.

The Department of the Treasury will undertake a series of rolling reviews of regulatory frameworks with an initial focus on issues identified in the *Competition Policy Review*, the *Financial System Inquiry* and the tax reform process.

### Review of Australia's Dispute Resolution and Complaints Schemes

| Expense (\$m)              | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|----------------------------|---------|---------|---------|---------|---------|
| Department of the Treasury | -       | -       | -       | -       | -       |

The Government will establish a panel of eminent persons to review the role, powers and governance of the financial system's external dispute resolution and complaints schemes and assess the merits of better integrating these schemes to improve the handling of consumer complaints. The panel will report to the Government by the end of 2016.

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

Further information can be found in the joint press release of 20 April 2016 issued by the Treasurer and the Minister for Small Business and Assistant Treasurer.

**Superannuation Complaints Tribunal — sustaining and modernising functions**

| Expense (\$m)                                    | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|--|---------|---------|---------|---------|---------|
| Australian Securities and Investments Commission | -       | 2.5     | -       | -       | -       |
| <i>Related revenue (\$m)</i>                     |         |         |         |         |         |
| Australian Prudential Regulation Authority       | -       | 5.2     | -       | -       | -       |
| <i>Related capital (\$m)</i>                     |         |         |         |         |         |
| Australian Securities and Investments Commission | -       | 2.7     | -       | -       | -       |

The Government will provide \$5.2 million in 2016-17 (including \$2.7 million in capital funding) to the Superannuation Complaints Tribunal (SCT) to improve processes, and to reduce the backlog of complaints lodged with the SCT.

The cost of this measure will be offset by an increase in the Financial Institutions Supervisory Levies collected by the Australian Prudential Regulation Authority.

## VETERANS' AFFAIRS

### Department of Veterans' Affairs — business case for veteran-centric reform

| Expense (\$m)                   | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|---------------------------------|---------|---------|---------|---------|---------|
| Department of Veterans' Affairs | -       | 18.7    | -       | -       | -       |
| Department of Human Services    | 2.2     | 3.9     | -       | -       | -       |
| Total — Expense                 | 2.2     | 22.5    | -       | -       | -       |

The Government will provide \$24.8 million over two years from 2015-16 to develop a second pass business case to simplify and streamline the Department of Veterans' Affairs business processes and replace legacy Information and Communication Technology systems.

The development of the second pass business case will outline how to best deliver services to veterans and their dependents which are more veteran-centric, efficient, accurate and reliable.

### Department of Veterans' Affairs — improving processing systems

| Expense (\$m)                          | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|--|---------|---------|---------|---------|---------|
| Department of Veterans' Affairs        | -       | 3.8     | 1.3     | -       | -       |
| <i>Related capital (\$m)</i>           |         |         |         |         |         |
| <i>Department of Veterans' Affairs</i> | -       | 16.0    | 2.8     | -       | -       |

The Government will provide \$23.9 million over two years from 2016-17 to improve the operation and sustainability of the Department of Veterans' Affairs (DVA) existing Information and Communication Technology systems. This work will be undertaken in collaboration with the Department of Human Services.

This measure will strengthen DVA's processing systems, which support the delivery of services to veterans.

### Establishing a Single Appeal Path under the *Military Rehabilitation and Compensation Act 2004*

| Expense (\$m)                   | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|---------------------------------|---------|---------|---------|---------|---------|
| Department of Veterans' Affairs | -       | ..      | 0.1     | 0.1     | 0.1     |

The Government will provide \$0.3 million over four years from 2016-17 to implement a single appeal path for decisions made under the *Military Rehabilitation and Compensation Act 2004* in order to streamline and simplify the appeals process for applicants. A single appeal path will provide discretionary powers to the Administrative Appeals Tribunal to award costs in most circumstances.

**Incapacity Payments — improved support for veterans**

| Expense (\$m)                   | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|---------------------------------|---------|---------|---------|---------|---------|
| Department of Veterans' Affairs | -       | 0.3     | 1.5     | 1.6     | 2.3     |
| <i>Related capital (\$m)</i>    |         |         |         |         |         |
| Department of Veterans' Affairs | -       | 0.1     | -       | -       | -       |

The Government will provide \$5.7 million over four years from 2016-17 to align the end date of veterans' incapacity payments with the incremental increase to the Age Pension qualifying age and to reduce unnecessary financial hardship for veterans and their dependents by providing eligible discharged veterans with an interim incapacity payment at the level of their regular weekly salary while their actual incapacity benefit is calculated.

This measure stems from the implementation of reforms in response to the review of the *Military Rehabilitation and Compensation Act 2004* completed in 2011.

**Mental Health Treatment for Current and Former Members of the Australian Defence Force — improved access**

| Expense (\$m)                   | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|---------------------------------|---------|---------|---------|---------|---------|
| Department of Veterans' Affairs | -       | 11.4    | 10.5    | 11.0    | 11.6    |
| Department of Health            | -       | -1.2    | -1.8    | -2.4    | -3.1    |
| Total — Expense                 | -       | 10.2    | 8.8     | 8.6     | 8.5     |
| <i>Related capital (\$m)</i>    |         |         |         |         |         |
| Department of Veterans' Affairs | -       | 1.4     | 0.4     | ..      | -       |

The Government will provide \$37.9 million over four years from 2016-17 to extend access to certain mental health services on a non-liability basis to all current and former permanent Australian Defence Force (ADF) members irrespective of their date, duration or type of service. Eligible services will include treatment for post traumatic stress and depressive disorders. Current and former ADF members, including victims of abuse in the ADF, will be able to apply for treatment without needing to obtain a formal diagnosis beforehand.

*Budget Measures 2016-17 – Part 2: Expense Measures*

**New Veteran Public Hospital Pricing Agreements**

| Expense (\$m)                   | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|---------------------------------|---------|---------|---------|---------|---------|
| Department of Veterans' Affairs | nfp     | nfp     | nfp     | nfp     | nfp     |
| <i>Related capital (\$m)</i>    |         |         |         |         |         |
| Department of Veterans' Affairs | -       | nfp     | -       | -       | -       |

The Government will achieve efficiencies by adopting the National Efficient Price, which is calculated by the Independent Hospital Pricing Authority, for funding to the States and Territories for veterans' services in public hospitals. This will not impact on hospital services provided to veterans.

The savings from this measure are not for publication (nfp) due to continuing negotiations with State and Territory governments.

The savings from this measure will be redirected by the Government to fund policy priorities in the Veterans' Affairs portfolio.

**Refurbishment of War Graves and Memorials**

| Expense (\$m)                   | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|---------------------------------|---------|---------|---------|---------|---------|
| Department of Veterans' Affairs | -       | 2.1     | 4.7     | 0.3     | 0.4     |

The Government will provide \$7.5 million over four years from 2016-17 to enable the Office of Australian War Graves to undertake the following refurbishment projects:

- rebuild 1,000 existing war graves which have been irreparably damaged;
- restore more than 2,800 grave plaques in the Lae War Cemetery in Papua New Guinea;
- enhance the safety of the Hellfire Pass Memorial Museum in Thailand; and
- conduct a scoping study for the refurbishment of the Australian War Memorial in London, including urgent remedial work.

**Repatriation Pharmaceutical Benefits Scheme — new listings and price amendments**

| Expense (\$m)                   | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|---------------------------------|---------|---------|---------|---------|---------|
| Department of Veterans' Affairs | -       | 0.1     | 0.1     | 0.1     | 0.1     |

The Government will provide \$0.3 million over four years from 2016-17 for new listings on the *Repatriation Schedule of Pharmaceutical Benefits* (the Schedule) and for price amendments for a range of medicines which are already listed on the Schedule.

The new listings and price amendments have been recommended by the Repatriation Pharmaceutical Reference Committee, which advises on the clinical appropriateness of items to be made available under the Repatriation Pharmaceutical Benefits Scheme (RPBS).

The RPBS was established to meet the specific clinical needs of veterans with health conditions arising from war or military service.

### **Reversal of Decision to Remove Backdating of Veterans' Disability Pension Claims**

| Expense (\$m)                   | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|---------------------------------|---------|---------|---------|---------|---------|
| Department of Veterans' Affairs | -       | 9.6     | 9.5     | 9.7     | 10.0    |
| Department of Social Services   | -       | -0.2    | -0.2    | -0.2    | -0.3    |
| Total — Expense                 | -       | 9.4     | 9.2     | 9.5     | 9.8     |

The Government will provide \$37.8 million over four years from 2016-17 to reverse the 2014-15 Budget measure titled *Veterans' Disability Pensions commencement of payments from date of claim* that removed the backdating of payments to veterans under the Veterans' Disability Pension.

### **Spirit of ANZAC Centenary Experience Travelling Exhibition — additional funding**

| Expense (\$m)                   | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|---------------------------------|---------|---------|---------|---------|---------|
| Department of Veterans' Affairs | -       | 10.0    | -       | -       | -       |
| Department of Defence           | -       | -       | -       | -       | -       |
| Total — Expense                 | -       | 10.0    | -       | -       | -       |
| <i>Related capital (\$m)</i>    |         |         |         |         |         |
| <i>Department of Defence</i>    | -       | -10.0   | -       | -       | -       |

The Government will provide an additional \$10.0 million in 2016-17 to support the travelling exhibition of Australia's involvement in the First World War and the Century of Service of Australia's armed forces in wars, conflicts and peacekeeping operations.

The cost of this measure will be offset by redirecting funding from existing resources within the Department of Defence.

**Support Services for Children of Veterans**

| Expense (\$m)                   | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|---------------------------------|---------|---------|---------|---------|---------|
| Department of Veterans' Affairs | -       | 0.7     | 1.4     | -       | -       |

The Government will provide \$2.1 million over two years from 2016-17 to the Australian Kookaburra Kids Foundation to provide services to the children of current and former Australian Defence Force members who have been affected by mental illness.

**Veteran Suicide Awareness and Prevention Programs — continuation of Operation Life**

| Expense (\$m)                   | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|---------------------------------|---------|---------|---------|---------|---------|
| Department of Veterans' Affairs | -       | 0.4     | 0.2     | 0.2     | 0.1     |

The Government will provide \$1.0 million over four years from 2016-17 to continue the Operation Life suicide awareness and prevention workshops for the veteran community. These workshops increase awareness of suicide risk and the importance of early intervention, with the aim of preventing suicide amongst veterans.

**Veterans' Review Board — case management system and alternative dispute resolution**

| Expense (\$m)                          | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|--|---------|---------|---------|---------|---------|
| Department of Veterans' Affairs        | -       | 1.2     | 0.3     | 0.3     | 0.3     |
| <i>Related capital (\$m)</i>           |         |         |         |         |         |
| <i>Department of Veterans' Affairs</i> |         |         |         |         |         |
| <i>Affairs</i>                         | -       | 0.7     | ..      | -       | -       |

The Government will provide \$2.7 million over four years from 2016-17 to implement a new case management system and to roll-out Alternative Dispute Resolution (ADR) processes for the Veterans' Review Board (VRB).

The national roll-out of ADR will enable appeals to the VRB to be resolved through a dispute resolution process without the need for a formal hearing, improving the timeliness and responsiveness of review finalisation.



**Table 3: Capital measures since the 2010-11 MYEFO<sup>(a)</sup> (continued)**

| Page |   | 2015-16<br>\$m | 2016-17<br>\$m | 2017-18<br>\$m | 2018-19<br>\$m | 2011-12<br>\$m |
|------|---|----------------|----------------|----------------|----------------|----------------|
|      | <b>COMMUNICATIONS AND THE ARTS<br/>(continued)</b>  |                |                |                |                |                |
|      | <b>CROSS PORTFOLIO</b>  |                |                |                |                |                |
|      | <i>Various Agencies</i>   |                |                |                |                |                |
| 71   | Public Sector Transformation and the Efficiency Dividend()  | -              | -              | -22.7          | -43.0          | -50.1          |
| 71   | Trans-Pacific Partnership – implementation()  | -              | 12.4           | -              | -              | -              |
|      | <b>Portfolio total</b>  | -              | <b>12.4</b>    | <b>-22.7</b>   | <b>-43.0</b>   | <b>-50.1</b>   |
|      | <b>DEFENCE</b>  |                |                |                |                |                |
|      | <i>Department of Defence</i>  |                |                |                |                |                |
| 169  | 2016 Defence White Paper – additional funding   | -              | -              | -              | -              | -              |
| 134  | Cyber Security – implementation of Australia's Cyber Security Strategy()  | -              | -23.5          | -34.0          | -32.6          | -32.0          |
| 157  | Spirit of ANZAC Centenary Experience Travelling Exhibition – additional funding()                                     | -              | -10.0          | -              | -              | -              |
|      | <b>Portfolio total</b>  | -              | <b>-33.5</b>   | <b>-34.0</b>   | <b>-32.6</b>   | <b>-32.0</b>   |
|      | <b>EDUCATION AND TRAINING</b>   |                |                |                |                |                |
|      | <i>Department of Education and Training</i>   |                |                |                |                |                |
| 75   | Adult Migrant English Program – focus on jobs and social cohesion outcomes()  | -              | 0.1            | -              | -              | -              |
| 79   | Quality Indicators for Learning and Teaching – improvements()   | -              | 1.5            | -              | -              | -              |
|      | <b>Portfolio total</b>  | -              | <b>1.6</b>     | -              | -              | -              |
|      | <b>EMPLOYMENT</b>   |                |                |                |                |                |
|      | <i>Department of Employment</i>   |                |                |                |                |                |
|      | Youth Employment Package  |                |                |                |                |                |
| 84   | – encouraging entrepreneurship and self-employment()  | -              | 0.9            | -              | -              | -              |
| 85   | – Youth Jobs PaTH (Prepare – Trial – Hire)()  | -              | 4.8            | -              | -              | -              |
| 86   | – Work for the Dole – reform()  | -              | 0.3            | -              | -              | -              |
|      | <b>Portfolio total</b>  | -              | <b>6.0</b>     | -              | -              | -              |
|      | <b>ENVIRONMENT</b>  |                |                |                |                |                |
|      | <i>Bureau of Meteorology</i>  |                |                |                |                |                |
| 88   | Bureau of Meteorology – improved data and services supporting supercomputer capability()                              | nfp            | nfp            | nfp            | nfp            | nfp            |
|      | <i>Clean Energy Finance Corporation</i>   |                |                |                |                |                |
| 89   | Clean and Renewable Energy Innovation – Clean Energy Finance Corporation and the Australian Renewable Energy Agency() | 0.1            | 0.5            | 0.5            | 1.0            | 1.0            |

**Table 3: Capital measures since the 2010-11 MYEFO<sup>(a)</sup> (continued)**

| Page |  | 2015-16<br>\$m | 2016-17<br>\$m | 2017-18<br>\$m | 2018-19<br>\$m | 2019-20<br>\$m |
|------|--|----------------|----------------|----------------|----------------|----------------|
|      | <b>ENVIRONMENT (continued)</b>   |                |                |                |                |                |
|      | <i>Department of the Environment</i>   |                |                |                |                |                |
| 87   | Antarctic Traverse and Year-Round Aviation Access()  | -              | -              | -              | -              | -              |
| 90   | Commonwealth Environmental Water Office()  | -              | 0.2            | -              | -              | -0.2           |
| 90   | Commonwealth Marine Reserves – implementation()  | -              | -              | -              | -              | -              |
| 92   | Regulatory Workflow Systems – improvements()   | -              | -              | -              | -              | -              |
|      | <i>Director of National Parks</i>  |                |                |                |                |                |
| 90   | Commonwealth Marine Reserves – implementation()  | -              | -              | -              | -              | -              |
|      | <b>Portfolio total</b>   | <b>0.1</b>     | <b>0.7</b>     | <b>0.5</b>     | <b>1.0</b>     | <b>0.8</b>     |
|      | <b>FINANCE</b>   |                |                |                |                |                |
|      | <i>Department of Finance</i>   |                |                |                |                |                |
| 87   | Antarctic Traverse and Year-Round Aviation Access()  | -              | -              | -              | -              | -              |
| 172  | Delivery of Inland Rail  | -              | -              | -              | -              | -              |
| 171  | Onshore Immigration Detention Network – enhancement  | -              | 10.7           | 7.0            | ..             | -              |
| 25   | Superannuation Reform Package – introduce a \$1.6 million superannuation transfer balance cap(c) | -              | -              | -              | -              | -              |
|      | <b>Portfolio total</b>   | <b>-</b>       | <b>10.7</b>    | <b>7.0</b>     | <b>..</b>      | <b>-</b>       |
|      | <b>FOREIGN AFFAIRS AND TRADE</b>   |                |                |                |                |                |
|      | <i>Australian Trade and Investment Commission</i>  |                |                |                |                |                |
| 100  | Re-opening Australia's Australian Trade and Investment Commission Office in Tehran, Iran()       | -              | 0.2            | -              | -              | -              |
|      | <i>Department of Foreign Affairs and Trade</i>   |                |                |                |                |                |
| 97   | Expanding Australia's Diplomatic Representation()  | -              | 3.7            | 6.2            | -              | -              |
|      | <b>Portfolio total</b>   | <b>-</b>       | <b>3.9</b>     | <b>6.2</b>     | <b>-</b>       | <b>-</b>       |
|      | <b>HEALTH</b>  |                |                |                |                |                |
|      | <i>Department of Health</i>  |                |                |                |                |                |
| 106  | Improving the Regulation of Therapeutic Goods in Australia()                                     | -              | 6.2            | 3.0            | 0.3            | -              |
|      | <b>Portfolio total</b>   | <b>-</b>       | <b>6.2</b>     | <b>3.0</b>     | <b>0.3</b>     | <b>-</b>       |

**Table 3: Capital measures since the 2010-11 MYEFO<sup>(a)</sup> (continued)**

| Page |   | 2015-16<br>\$m | 2016-17<br>\$m | 2017-18<br>\$m | 2018-19<br>\$m | 2019-20<br>\$m |
|------|---|----------------|----------------|----------------|----------------|----------------|
|      | <b>IMMIGRATION AND BORDER PROTECTION</b>                                |                |                |                |                |                |
|      | <i>Department of Immigration and Border Protection</i>                  |                |                |                |                |                |
| 121  | A Streamlined Pathway to Permanent Residence for New Zealand Citizens() | -              | 1.1            | 0.2            | -              | -              |
| 122  | Australian Trusted Trader Programme()                                   | -              | 4.8            | 2.5            | -0.1           | -0.9           |
| 170  | Onshore Immigration Detention Network – enhancement                     | -              | 56.8           | 5.6            | nfp            | -              |
|      | <b>Portfolio total</b>  | -              | <b>62.7</b>    | <b>8.3</b>     | <b>-0.1</b>    | <b>-0.9</b>    |
|      | <b>INDUSTRY, INNOVATION AND SCIENCE</b>                                 |                |                |                |                |                |
|      | <i>Department of Industry, Innovation and Science</i>                   |                |                |                |                |                |
| 127  | Country of Origin Labelling – information and compliance()              | -              | -              | -              | -              | -              |
|      | <i>Geoscience Australia</i>   |                |                |                |                |                |
| 129  | National Resources Development Strategy – exploring for the future()    | -              | 3.4            | -              | -              | -              |
|      | <b>Portfolio total</b>  | -              | <b>3.4</b>     | -              | -              | -              |
|      | <b>INFRASTRUCTURE AND REGIONAL DEVELOPMENT</b>                          |                |                |                |                |                |
|      | <i>Department of Infrastructure and Regional Development</i>            |                |                |                |                |                |
| 171  | Delivery of Inland Rail   | -              | -              | -              | -              | -              |
| 132  | Western Sydney Airport – further preparatory works()                    | -              | 11.1           | 10.6           | -              | -              |
|      | <b>Portfolio total</b>  | -              | <b>11.1</b>    | <b>10.6</b>    | -              | -              |
|      | <b>PARLIAMENT</b>   |                |                |                |                |                |
|      | <i>Department of Parliamentary Services</i>                             |                |                |                |                |                |
| 133  | Parliamentary Departments – additional funding()                        | -              | -              | -              | -              | -              |
|      | <i>Department of the Senate</i>   |                |                |                |                |                |
| 133  | Parliamentary Departments – additional funding()                        | -              | 0.4            | 0.4            | -              | -              |
|      | <b>Portfolio total</b>  | -              | <b>0.4</b>     | <b>0.4</b>     | -              | -              |
|      | <b>SOCIAL SERVICES</b>  |                |                |                |                |                |
|      | <i>Department of Human Services</i>                                     |                |                |                |                |                |
| 102  | Child and Adult Public Dental Scheme()                                  | -              | ..             | ..             | ..             | ..             |
| 105  | Healthier Medicare – trial of health care homes()                       | 0.1            | 1.5            | -              | -              | -              |
| 137  | myGov operations()  | -              | 1.5            | 1.5            | 1.5            | 1.5            |
|      | <i>Department of Social Services</i>                                    |                |                |                |                |                |
| 142  | Investment Approach to Welfare – Try, Test and Learn Fund()             | -              | 0.7            | 0.5            | 0.9            | 0.9            |
|      | <b>Portfolio total</b>  | <b>0.1</b>     | <b>3.6</b>     | <b>1.9</b>     | <b>2.3</b>     | <b>2.3</b>     |

**Table 3: Capital measures since the 2010-11 MYEFO<sup>(a)</sup> (continued)**

| Page |  | 2015-16<br>\$m | 2016-17<br>\$m | 2017-18<br>\$m | 2018-19<br>\$m | 2019-20<br>\$m |
|------|--|----------------|----------------|----------------|----------------|----------------|
|      | <b>TREASURY</b>  |                |                |                |                |                |
|      | <i>Australian Prudential Regulation Authority</i>  |                |                |                |                |                |
| 172  | Australian Prudential Regulation Authority – modernising data capabilities                                 | -              | 2.8            | 3.7            | 3.2            | -              |
|      | <i>Australian Securities and Investments Commission</i>  |                |                |                |                |                |
| 147  | Asia Region Funds Passport()   | -              | 2.9            | -              | -              | -              |
|      | Australian Securities and Investments Commission   |                |                |                |                |                |
| 148  | – improving outcomes in financial services()   | -              | 14.9           | 18.8           | 5.5            | -              |
| 172  | – industry charging arrangements   | -              | -              | -              | -              | -              |
| 153  | Superannuation Complaints Tribunal – sustaining and modernising functions()                                | -              | 2.7            | -              | -              | -              |
| 39   | Ten Year Enterprise Tax Plan – implementing a new suite of collective investment vehicles()                | -              | 1.9            | 1.6            | ..             | -              |
|      | <i>Australian Taxation Office</i>  |                |                |                |                |                |
| 19   | Applying GST to low value goods imported by consumers()  | -              | 0.1            | -              | -              | -              |
|      | Superannuation Reform Package  |                |                |                |                |                |
| 28   | – introducing a Low Income Superannuation Tax Offset (LISTO)()   | -              | -              | 1.8            | -              | -              |
| 28   | – reforming the taxation of concessional superannuation contributions()                                    | -              | 2.8            | -              | -              | -              |
| 39   | Ten Year Enterprise Tax Plan – implementing a new suite of collective investment vehicles()                | -              | 2.0            | -              | -              | -              |
|      | <b>Portfolio total</b>   | -              | <b>30.1</b>    | <b>25.9</b>    | <b>8.7</b>     | -              |
|      | <b>VETERANS' AFFAIRS</b>   |                |                |                |                |                |
|      | <i>Department of Veterans' Affairs</i>   |                |                |                |                |                |
| 154  | Department of Veterans' Affairs – improving processing systems()   | -              | 16.0           | 2.8            | -              | -              |
| 155  | Incapacity Payments – improved support for veterans()  | -              | 0.1            | -              | -              | -              |
| 155  | Mental Health Treatment for Current and Former Members of the Australian Defence Force – improved access() | -              | 1.4            | 0.4            | ..             | -              |

**Table 3: Capital measures since the 2010-11 MYEFO<sup>(a)</sup> (continued)**

| Page |  | 2015-16     | 2016-17      | 2017-18     | 2018-19       | 2019-20      |
|------|--|-------------|--------------|-------------|---------------|--------------|
|      |  | \$m         | \$m          | \$m         | \$m           | \$m          |
|      | <b>VETERANS' AFFAIRS (continued)</b>   |             |              |             |               |              |
| 143  | National Disability Insurance Scheme Savings Fund()                                  | -           | 0.4          | -           | -             | -            |
| 156  | New Veteran Public Hospital Pricing Agreements()                                     | -           | nfp          | -           | -             | -            |
| 158  | Veterans' Review Board – case management system and alternative dispute resolution() | -           | 0.7          | ..          | -             | -            |
|      | <b>Portfolio total</b>   | -           | <b>18.6</b>  | <b>3.2</b>  | <b>..</b>     | <b>-</b>     |
|      | <b>Decisions taken but not yet announced</b>   | <b>2.7</b>  | <b>0.2</b>   | <b>0.8</b>  | <b>-49.1</b>  | <b>5.3</b>   |
|      | <b>Depreciation expense</b>  | <b>-0.1</b> | <b>-2.1</b>  | <b>-5.1</b> | <b>-8.7</b>   | <b>-9.9</b>  |
|      | <b>Total capital measures(d)</b>   | <b>7.0</b>  | <b>216.5</b> | <b>12.4</b> | <b>-116.5</b> | <b>-81.4</b> |

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

.. Not zero, but rounded to zero.

- Nil.

nfp not for publication.

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

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

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

(d) Measures may not add due to rounding.

## **AGRICULTURE AND WATER RESOURCES**

### **Biosecurity — technology improvements**

| Capital (\$m)  | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|--|---------|---------|---------|---------|---------|
| Department of Agriculture and Water Resources        | -       | -       | nfp     | nfp     | nfp     |
| <i>Related expense (\$m)</i>                         |         |         |         |         |         |
| <i>Department of Agriculture and Water Resources</i> | -       | -       | nfp     | nfp     | nfp     |

The Government will upgrade the Department of Agriculture and Water Resources' Information and Communication Technology systems, to improve the quality and quantity of data used for biosecurity decision-making.

The expenditure for this measure is not for publication (nfp) due to commercial-in-confidence considerations.

## ATTORNEY-GENERAL'S

### Australian Federal Police Data Centre Transition Project — Phase Two

| Capital (\$m)                    | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|----------------------------------|---------|---------|---------|---------|---------|
| Australian Federal Police        | -       | -       | -       | -       | -       |
| <i>Related expense (\$m)</i>     |         |         |         |         |         |
| <i>Australian Federal Police</i> | -       | -       | -       | -       | -       |

The Government will provide \$32.6 million over three years (including \$12.4 million in capital funding from 2016-17 to 2018-19) for the second phase of the Australian Federal Police's (AFP) new data centre strategy. The second phase will complete the transition of the AFP's data centre activities to align with the whole-of-government Data Centre Policy.

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

This measure builds on the 2015-16 Budget measure titled *Australian Federal Police Data Centre Transition Project*.

### Australian Federal Police Unified Operational Communications — Phase One

| Capital (\$m)                    | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|----------------------------------|---------|---------|---------|---------|---------|
| Australian Federal Police        | -       | -       | -       | -       | -       |
| <i>Related expense (\$m)</i>     |         |         |         |         |         |
| <i>Australian Federal Police</i> | -       | -       | -       | -       | -       |

The Government will provide \$15.4 million over four years (including \$11.1 million in capital funding from 2016-17 to 2019-20) for the first phase of the Australian Federal Police's (AFP) new Unified Operational Communications system. The new system will replace the AFP's existing radio capabilities.

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

**Biometrics Identification Services**

| Capital (\$m)                | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|------------------------------|---------|---------|---------|---------|---------|
| CrimTrac Agency              | 1.2     | 19.0    | -       | -       | -       |
| <i>Related expense (\$m)</i> |         |         |         |         |         |
| CrimTrac Agency              | -       | 4.9     | 3.8     | -       | -       |

The Government will provide an additional \$28.9 million over three years from 2015-16 for CrimTrac to establish a Biometrics Identification Services (BIS) system. The BIS will replace CrimTrac's National Automated Fingerprint Identification System with an updated system with both fingerprint and biometric matching capability. The BIS will cost a total of \$52.0 million to 2019-20, including operating costs.

Funding for this measure will be met from CrimTrac's Special Account. The remaining funding will come from CrimTrac's existing resources.

This measure builds on the 2015-16 Budget measure titled *Biometrics Identification Services*.

**Enhanced Network Connectivity**

| Capital (\$m)   | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|-----------------|---------|---------|---------|---------|---------|
| CrimTrac Agency | 3.0     | 3.8     | -       | -       | -       |

The Government will provide \$6.8 million over two years from 2015-16 for CrimTrac to undertake a network infrastructure refresh and replace obsolete hardware housed in police partner agency data centres.

Funding for this measure will be met from the CrimTrac special account.

## **COMMUNICATIONS AND THE ARTS**

### **Australian Communications and Media Authority — efficiencies**

| Capital (\$m)                                 | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|---|---------|---------|---------|---------|---------|
| Australian Communications and Media Authority | -       | -       | -       | -       | -       |

The Government will achieve efficiencies of \$1.0 million over four years from 2015-16 from the Australian Communications and Media Authority's departmental capital funding.

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

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

**DEFENCE****2016 Defence White Paper — additional funding**

| Capital (\$m)         | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|-----------------------|---------|---------|---------|---------|---------|
| Department of Defence | -       | -       | -       | -       | -       |

The Government will provide an additional \$29.9 billion over 10 years from 2016-17 to 2025-26, to deliver the plans outlined in the *2016 Defence White Paper* (the White Paper). Defence funding will reach two per cent of Gross Domestic Product (GDP) by 2020-21 based on current economic projections, delivering on the Government's election commitment to increase Defence spending to two per cent of GDP within a decade.

The White Paper is an affordable, achievable, and sustainable plan. It is accompanied by the *2016 Integrated Investment Program* and the *2016 Defence Industry Policy Statement*. Together, these plans will give Defence and Australian industry certainty and predictability in financial and capability planning.

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

Further information can be found in the White Paper and accompanying joint press release of 25 February 2016 issued by the Prime Minister and the Minister for Defence.

## IMMIGRATION AND BORDER PROTECTION

### Onshore Immigration Detention Network — enhancement

| Capital (\$m)                                   | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|---|---------|---------|---------|---------|---------|
| Department of Immigration and Border Protection | -       | 56.8    | 5.6     | -       | -       |
| Department of Finance                           | -       | 10.7    | 7.0     | ..      | -       |
| Total — Capital                                 | -       | 67.6    | 12.6    | ..      | -       |

The Government will provide \$80.1 million over three years from 2016-17 in capital funding to enhance the immigration detention network.

The changes to the network will include:

- improving security at the Yongah Hill and Villawood Immigration Detention Centres and Melbourne Immigration Transit Accommodation (ITA); and
- building accommodation adjacent to the Melbourne ITA for families of detainees, to enable them to have regular contact with the detainee.

This measure builds on the 2015-16 MYEFO measure titled *Management of the Onshore Immigration Detention Network*.

See also the related savings measure titled *Onshore Immigration Detention Network – consolidation* in the Immigration and Border Protection portfolio.

## INFRASTRUCTURE AND REGIONAL DEVELOPMENT

### Delivery of Inland Rail

| Capital (\$m)  | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|--|---------|---------|---------|---------|---------|
| Department of Infrastructure and Regional Development        | -       | -       | -       | -       | -       |
| Department of Finance  | -       | -       | -       | -       | -       |
| <b>Total — Capital</b>                                       | -       | -       | -       | -       | -       |
| <i>Related expense (\$m)</i>                                 |         |         |         |         |         |
| <i>Department of Finance</i>                                 | -       | 3.8     | -       | -       | -       |
| <i>Department of Infrastructure and Regional Development</i> | -       | -       | -       | -       | -       |
| <b>Total — Expense</b>                                       | -       | 3.8     | -       | -       | -       |

The Government will provide up to \$593.7 million in additional equity over three years from 2017-18 to the Australian Rail Track Corporation (ARTC) to progress the Inland Rail project including land acquisition, the continuation of pre-construction, and due diligence activities. The funding will be subject to an equity funding agreement to be developed between the Commonwealth and ARTC. This will bring the Government's commitment to the project to a total of \$893.7 million.

This measure includes \$3.8 million funding for market testing to examine opportunities to optimise private sector involvement in delivering and financing Inland Rail.

## TREASURY

### Australian Prudential Regulation Authority — modernising data capabilities

| Capital (\$m)                              | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|--|---------|---------|---------|---------|---------|
| Australian Prudential Regulation Authority | -       | 2.8     | 3.7     | 3.2     | -       |
| <i>Related revenue (\$m)</i>               |         |         |         |         |         |
| Australian Prudential Regulation Authority | -       | 2.4     | 3.1     | 2.3     | 3.3     |
| <i>Related expense (\$m)</i>               |         |         |         |         |         |
| Australian Prudential Regulation Authority | -       | 2.4     | 2.8     | 1.1     | 1.4     |

The Government will provide \$9.7 million over three years from 2016-17 to modernise the Australian Prudential Regulation Authority's (APRA) data collection and dissemination systems. The cost of this element of the measure will be met from within the existing resources of APRA.

The Government will also provide \$11.2 million over four years from 2016-17 to support the maintenance and operation of the new systems, including \$3.4 million in amortisation that has no underlying cash or fiscal impact. The cost of this element of the measure will be offset by an \$11.2 million increase over four years from 2016-17 in the Financial Institutions Supervisory Levies collected by APRA.

### Australian Securities and Investments Commission — industry charging arrangements

| Capital (\$m)                                    | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|--|---------|---------|---------|---------|---------|
| Australian Securities and Investments Commission | -       | -       | -       | -       | -       |
| <i>Related expense (\$m)</i>                     |         |         |         |         |         |
| Australian Securities and Investments Commission | -       | -       | -       | -       | -       |

The Government will provide \$6.2 million in 2016-17 to build a levy calculator and modify billing and time recording systems in preparation for the implementation of industry charging arrangements for the Australian Securities and Investments Commission (ASIC) from 2017-18.

The Government has made a provision of \$144.5 million over three years from 2017-18 pending the development of industry charging arrangements for ASIC.

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