



# Budget 2022–23

## Australia's plan for a stronger future

Keeping Australians safe

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# Keeping Australians safe

Protecting our nation, now and into the future.

We will continue to face challenges in 2022 – from COVID-19 to natural disasters, and events and tensions beyond our shores, including in Ukraine.

The Government has taken decisive action to respond to these global and national events while protecting against future shocks. The Government is increasing our capacity to respond to the ongoing challenges we are seeing from national security threats. The Government is fortifying and expanding our security resources.

The Government is also investing in more testing and treatments for COVID-19 and securing more vaccines as we prepare for winter.

The Government's track record is clear. The pandemic response kept Australians safe, helped keep businesses operating and kept employees connected to jobs.

→ **Australia's plan  
for a stronger  
future is keeping  
Australians safe by:**



  
**stopping** cyber,  
terrorist and  
criminal threats

  
**protecting**  
Australia's borders

  
**preparing** for  
winter and  
planning for future  
COVID-19 variants

→ **The Government has:**



  
delivered  
world-leading  
**health** and  
**economic** outcomes

  
reopened Australia  
safely thanks to  
investment in  
**vaccines** and the  
health system

  
maintained the  
connection of  
our workers  
to **jobs** at a  
world-leading level

  
**supported  
households  
through  
COVID-19**

A strong labour market and economic support during the pandemic has seen a substantial build up in household balance sheets, boosting economic resilience



  
**supported  
businesses  
through  
COVID-19**

Business investment has been supported by temporary business tax incentives and is expected to increase in coming years

# Keeping Australians safe



**\$343b**

in total direct economic and health support since the start of the pandemic



an additional

**18,500**

defence personnel by 2040

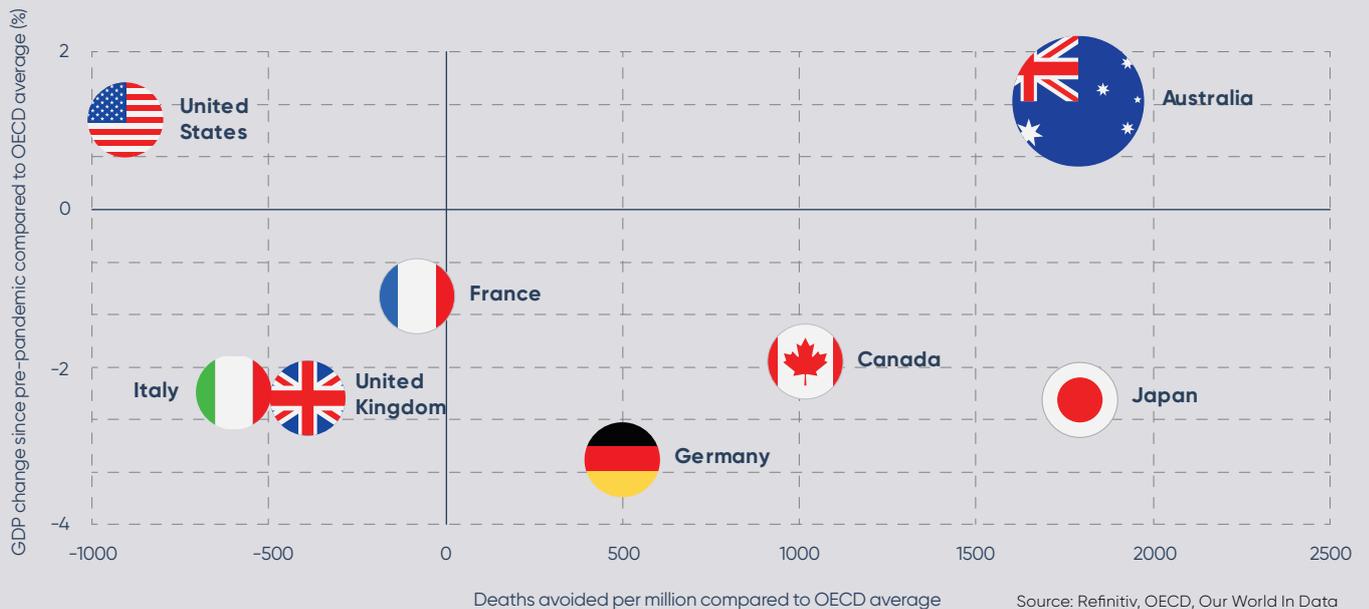


More than

**55.9m**

vaccine doses administered nationally

**GDP growth, and deaths avoided per million, compared to G7 nations**



**\$435.6m**

to thwart terrorist threats and serious crime



**\$9.9b**

for offensive and defensive cyber capabilities

Unemployment reached a **13 year low** of

**4.0%**

in February 2022, the equal lowest in 48 years, and the participation rate a record high

**66.4%**



**45**

new F35 aircraft received



up to **75**

M1A2 Abrams tanks



**12**

Arafura class offshore patrol vessels



More than

**509m**

RATs imported into Australia since 1 November 2021



**\$270b**

invested in defence capabilities over the decade to 2029–30



Households have accumulated an additional

**\$251.3b**

of deposits on their balance sheets since the start of the pandemic



Australia's economy is now

**3.4%**

larger than it was at the start of the pandemic

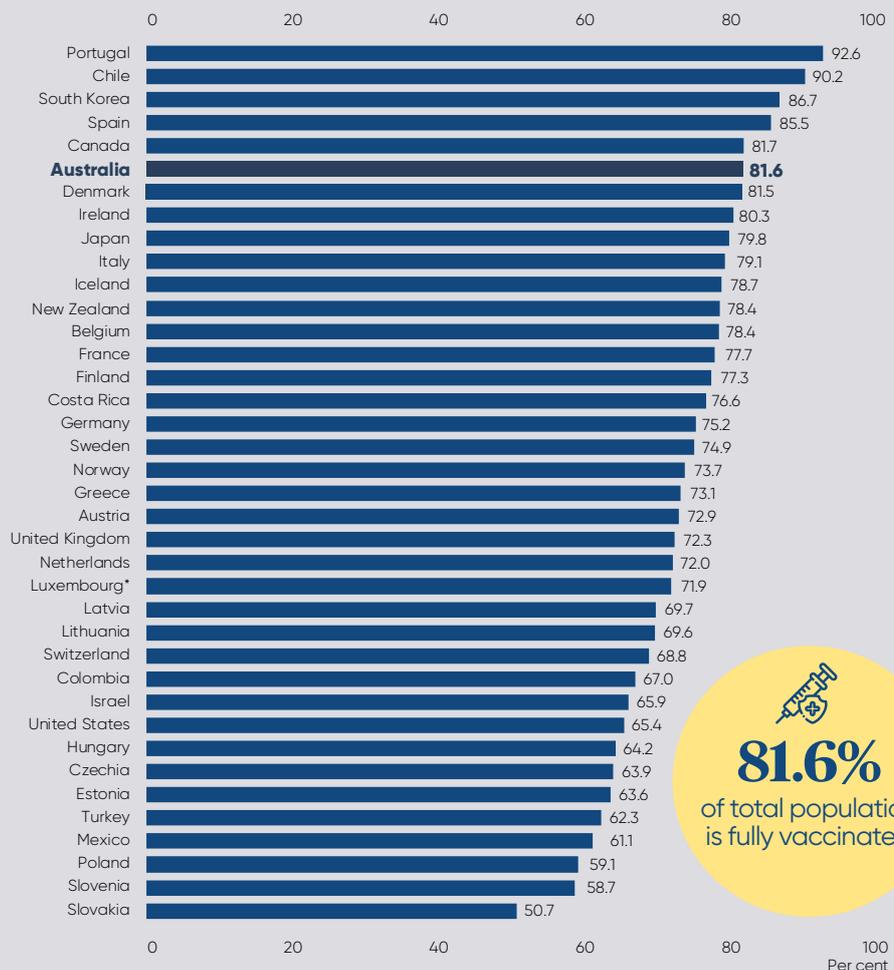


More than

**100m**

telehealth services have been provided to around **17 million Australians**

Full **vaccination coverage** by country



**81.6%**  
of total population is fully vaccinated

Source: Department of Health (Aus. doses), ABS (Aus. population), Our World in Data (intl. doses), UN (intl. population) Data downloaded: 24 March 2022 \*Data more than 2 weeks old





# Protecting Australians

**The Government is increasing our capacity to respond to the ever-growing challenges we are seeing from national security threats.**

**State-based actors threaten our economy and our strategic interests. Cyber criminals are stealing from Australians. A major cyber-attack involving Australia's critical infrastructure could cause significant consequences across our economy, security and sovereignty.**

**Building our alliances and bolstering our defence capabilities is critical to keeping Australians safe. The Government is fortifying and expanding our security resources as part of our plan for a stronger future.**

# An uncertain strategic environment

## Continuing to protect Australia during a significant shift in global and regional security

The rules-based international order has, for decades, supported peace and stability. Australia has benefited from this world order. This is now under threat.

The world has entered a period of escalating strategic competition. We are seeing this occur in our region and globally, particularly with an increasingly assertive China.

Russia has invaded Ukraine. Australia stands in solidarity with its allies in supporting Ukraine and condemning Russia for its unprovoked and unjustified attack on its neighbour.





Australia is providing more than \$150 million to support the people of Ukraine in cooperation with NATO

# Standing with Ukraine

## Working with allies to support Ukraine

Australia is working with NATO and our partners to provide military equipment, medical supplies and financial assistance to support the people of Ukraine.

The Government is providing \$156.5 million in assistance to Ukraine, including \$91.0 million in lethal and non-lethal military assistance and \$65.5 million in humanitarian and settlement assistance that will deliver lifesaving services and supplies, including the provision of shelter, food, medical care and water.

The Government will also allocate a three-year Temporary Humanitarian Concern Visa (subclass 786) to Ukrainians across 2021-22 and 2022-23.

In lockstep with our allies, the Government has sanctioned 488 Russian persons and 33 entities and institutions in response, including financial sanctions and travel bans. These sanctions impose a high cost on Russia.

# Strengthening Australia's defences

## Ensuring sufficient resourcing for Australian defence

The Government has delivered on its commitment to bring Defence funding back above 2 per cent of GDP. In the 2020 Defence Force Structure Plan, the Government significantly increased its commitment to defending Australia, committing \$575 billion in the decade to 2029–30.

The Government will also invest at least \$38 billion to add 18,500 personnel to the total Defence workforce by 2040.

In this Budget, the Government has committed to building a new submarine base on the east coast of Australia, as part of a more than \$10 billion investment in future submarine infrastructure. Up to \$4.3 billion will be invested in a large vessel dry berth in Western Australia.

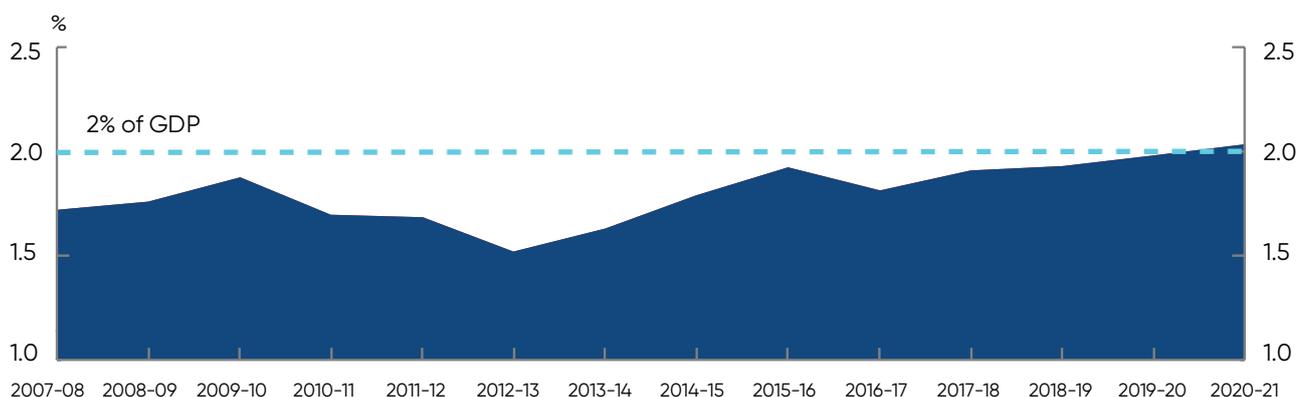
The Government is taking steps to secure additional land in Adelaide on which to build the Nuclear-Powered Submarine Construction Yard, in particular land adjacent to the existing Osborne North Shipyard.

This investment means Australia will be able to defend its interests over the coming decades as part of our plan for a stronger future.

### Preferred locations for the Future Naval base



### Defence funding as a share of GDP



## Enhanced capabilities to defend our interests

Since 2013, the Government has invested in capabilities that equip the Australian Defence Force and help defend Australia's interests.

- **\$3.5 billion** for armoured enhancements, including up to 75 M1A2 tanks and other armoured vehicles (image A)
- a **\$1 billion** contract for an initial 30 Self-Propelled Howitzers and 15 Armoured Ammunition Resupply Vehicles
- More than **\$15 billion** in approved expenditure for F-35A Lightning II aircraft, with 45 received to date (image B)
- 12 Arafura class Offshore Patrol Vessels, with 5 in construction and the first launched in December 2021, as part of **\$4.7 billion** in approved expenditure (image C)
- 14 Guardian class Patrol Boats delivered to Pacific Island countries and Timor-Leste under the **\$2 billion** Pacific Maritime Security Program
- Two Evolved Cape Class Patrol Boats launched and **\$344 million** in approved expenditure (image D)
- Three MQ-28A Ghost Bat aircraft being designed and built in Australia with **\$155 million** committed to the project (image E)

With these capabilities, Australia will be able to deter and respond to potential security challenges.

The Armoured Vehicle Centre of Excellence will be established at Avalon Airport in Greater Geelong

\$48 billion in defence funding in 2022-23





\$270 billion  
worth of defence  
capabilities to  
2029–30

## Building a sovereign defence industry and creating jobs

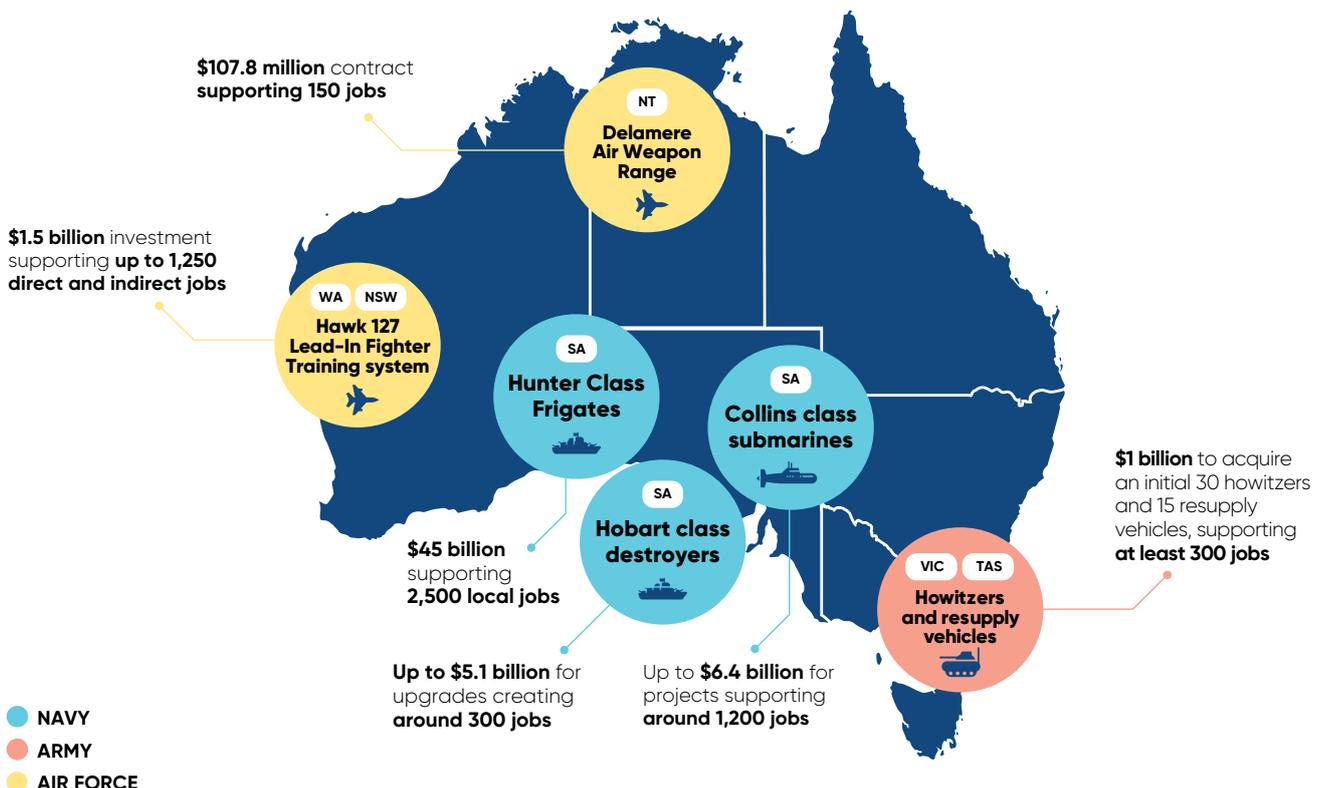
A strong, sustainable and secure defence industrial base is central to defending our national interests and is part of Australia's plan for a stronger future.

Building and maintaining a sovereign defence industrial base safeguards the Australian Defence Force's capability edge. It also means the Australian Defence Force can quickly integrate and respond to rapidly evolving technologies.

In addition to building these domestic capabilities, the Government is spending \$151.6 million to grow the defence industrial base and build a skilled workforce.

The Government's investment in the defence industry is creating jobs across the country, and building a skilled workforce that can adapt to, and change with, our priorities.

### Key defence capabilities and local jobs created



# Stopping cyber-attacks

## Securing the digital world for all Australians

The Government is taking action to mitigate the danger that cybercrime presents to Australians and our economy as part of our plan for a stronger future.

The Government's \$1.7 billion cybersecurity investment in 2020 represented Australia's largest ever commitment to keeping Australians secure online.

This Budget includes a further \$9.9 billion to deliver a Resilience, Effects, Defence, Space, Intelligence, Cyber and Enablers (REDSPICE) package. This will significantly enhance the offensive and defensive cyber and intelligence capabilities of the Australian Signals Directorate.

REDSPICE is the largest ever investment in Australia's intelligence and cyber capabilities and will double ASD's size, creating 1,900 new jobs over the next decade, bolstering the Government's commitment to Australia's Five Eyes and AUKUS partners while supporting a secure Indo Pacific region.

Cybercrime cost  
Australians more  
than \$33 billion  
in 2020-21

\$9.9 billion  
to enhance the  
Australian Signals  
Directorate's offensive  
and defensive cyber  
capabilities

# Building alliances and partnerships

## Developing the partnerships needed to protect Australian interests

As a middle power, Australia needs to work closely with others to protect and promote our interests. We do this through a range of valuable strategic partnerships.

The new AUKUS security partnership leverages over 75 years of working together with the United States and the United Kingdom to protect our shared values and promote security and prosperity. In addition to collaborating on nuclear-powered submarines, the partnership will focus on cyber capabilities, artificial intelligence, quantum technologies and additional undersea capabilities.

The Government has reinvigorated the Quad partnership with India, Japan and the United States.

The group is working together to ensure a free and open Indo-Pacific, and cooperating on issues from space to critical technology.

The long-standing information sharing arrangements with our Five Eyes allies, the United States, the United Kingdom, Canada and New Zealand are more important than ever.

The Government is deepening relationships in the region. The Association of South-East Asian Nations (ASEAN) is at the centre of the Indo-Pacific. Through a new Comprehensive Strategic Partnership, Australia and ASEAN will deepen cooperation on economic and security priorities, health, and climate change.

### AUKUS



### Five Eyes



### Quad



### ASEAN





# Protecting Australia's borders

## Safeguarding Australia's borders and combating people smuggling activities in our region

Through Operation Sovereign Borders, the Government is protecting Australia's borders, combating people smuggling in our region, and preventing people from risking their lives at sea. The Government is committed to funding an additional \$136.7 million to maintain the Australian Border Force's maritime surveillance and response capability.

The Government will commit a further \$35.2 million to support Indonesia with its irregular migrant population.

This funding continues the Government's commitment to maintaining strong borders. This commitment has ensured that there have been no successful illegal maritime arrivals since 2014 and is part of our plan for a stronger future.

# Countering terrorist and criminal threats

## Safeguarding the community from terrorism and transnational, serious and organised crime

The Government continues to strengthen our nation's defences against terrorism and serious crimes. Since August 2014, the Government has invested an additional \$2.3 billion to counter terrorism as part of our plan for a stronger future.

The Government is investing a further \$66.9 million to protect Australians from convicted terrorist offenders. An additional \$19.8 million will establish a national register to monitor high-risk terrorist offenders after they have completed their custodial sentences. This Budget also provides an additional \$61.7 million to counter violent extremism.

The Government is providing \$170.4 million to equip Australian law enforcement and security agencies with the tools they need to thwart transnational, serious and organised crime. A further \$116.8 million will boost the Australian Criminal Intelligence Commission's capacity to identify and disrupt serious criminal activity.

Since August 2014, the Government has invested an additional \$2.3 billion to counter terrorism



# Enhancing social cohesion

## Sustaining investment in social cohesion

### Safer Communities Fund

The Government is investing an additional \$50 million dollars over two years through Round 6 of the Safer Communities Fund. Since 2016–17, the Government has made over \$215 million available under the Safer Communities Fund to councils and community organisations for crime prevention initiatives. This includes reducing crime, violence and anti-social behaviour, and other security risks driven by racial or religious intolerance.

**The Safer Communities Fund provides funding specifically aimed at organisations working with youth at high-risk of becoming engaged in the criminal justice system.**

### Further funding for Youth Transition Support services

The Government will provide \$9.2 million in 2022–23 to extend existing Youth Transition Support services for 12 months to 30 June 2023 to continue the provision of services to young humanitarian entrants and vulnerable migrants to increase engagement in education and community sport and assist in transition to employment. This builds on the \$60.4 million already spent since program commencement in 2016.

Youth Transition Support has helped over 16,560 individuals since its inception in 2016

An additional \$50 million for the Safer Communities Fund



## Improving English language outcomes

The Government is improving the business model for the Adult Migrant English Program (AMEP) to support better English language outcomes for eligible migrants and humanitarian entrants. This builds on reforms made to the AMEP in 2021, including removing the 510-hour limit on a person's entitlement to free English tuition, raising the standard of language proficiency migrants are encouraged to achieve in the program, and improving flexible learning options such as offering virtual classes.

## Measuring cohesion

The inaugural Australian Cohesion Index is the result of a new partnership between the Government and the Scanlon Foundation Research Institute. It is part of the Government's \$62.8 million investment in social cohesion from 2020–21 to strengthen Australia's social cohesion and community resilience in the COVID-19 recovery period. This builds on the \$71 million package of social cohesion measures announced in 2019–20.



English language proficiency in Australia is a key contributor to better educational and employment outcomes and social participation levels





# **Australia's strong and decisive response to COVID-19**

**Through the biggest shock since the Great Depression, the Government's strong and decisive response has enabled Australia to achieve world leading health and economic outcomes.**

**Vaccination has enabled Australia to reopen safely, and is now the primary tool for managing the health impacts of the virus. The Government is prepared for winter, is ready to respond to future variants, and has a plan to secure our economic future.**

**Our world leading health response coupled with our economic plan means Australians can look forward to a stronger future.**

# A robust response to COVID-19

## The Government acted decisively to save lives and livelihoods

The Government acted decisively to save lives and livelihoods with \$343 billion in direct health and economic support.

As the COVID-19 situation has evolved, the Government has responded to the changing epidemiology of new variants, while progressing safely through the National Plan to Transition Australia's COVID-19 Response.

In this Budget, the Government is providing an additional \$6.0 billion in direct health support in response to the evolving COVID-19 pandemic. This includes funding for the Winter Response Plan.

**The Government's unprecedented \$343 billion in direct health and economic support has kept Australians safe, and the economy secure.**

### Recovery and response support since the onset of the pandemic (as at 2022–23 Budget)

Securing the Recovery	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	TOTAL
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
<b>Economic Response</b>								
As at 2021-22 MYEFO	50,439	136,350	71,338	32,889	13,413	8,902	-	313,747
Included in the 2022-23 Budget	-	-	159	62	29	0	0	250
<b>TOTAL – Economic Response</b>	<b>50,439</b>	<b>136,350</b>	<b>71,497</b>	<b>32,951</b>	<b>13,442</b>	<b>8,902</b>	<b>0</b>	<b>313,997</b>
<b>Total direct economic support since the onset of the pandemic</b>								<b>\$314 billion</b>
								15.2 per cent of GDP
<b>Health Response</b>								
As at 2021-22 MYEFO	6,273	9,584	6,613	538	8	7	-	23,023
Included in the 2022-23 Budget	-	-	3,142	2,799	13	3	3	5,960
<b>TOTAL – Health Response</b>	<b>6,273</b>	<b>9,584</b>	<b>9,755</b>	<b>3,337</b>	<b>21</b>	<b>10</b>	<b>3</b>	<b>28,983</b>
<b>Total direct health support since the onset of the pandemic</b>								<b>\$29 billion (a)</b>
<b>Total direct economic and health support since the onset of the pandemic</b>								<b>\$343 billion</b>
								16.6% of GDP

(a) The \$29 billion in COVID-19 health response does not include the full impacts of health funding committed. Some funding, including for Covid-19 vaccines and treatments, is 'not for publication' due to commercial sensitivities.

# Australia's world-leading outcomes

Our community and economy have been resilient

## Health outcomes

Australia has achieved excellent health outcomes with the third lowest death rate from COVID-19 in the OECD. This has been achieved through a strong health response, with over 95 per cent of all Australians aged 16 and over fully vaccinated.

Australia has also made significant progress in the vaccination of children aged 5 and over.

While other health systems around the world collapsed, the Government's agile health response ensured that Australia's health systems endured the pandemic.

## Economic outcomes

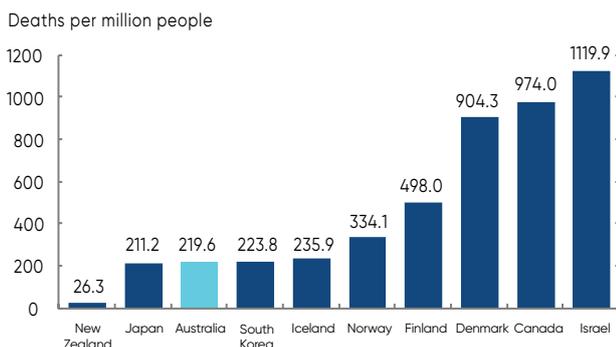
The Australian economy has proved remarkably resilient. In the December quarter, the Australian economy grew by 3.4 per cent, the equal-best quarter growth rate in 46 years.

Australia's economy outperformed all major advanced economies, including the United States, the United Kingdom, Japan, Canada, Germany, Italy and France.

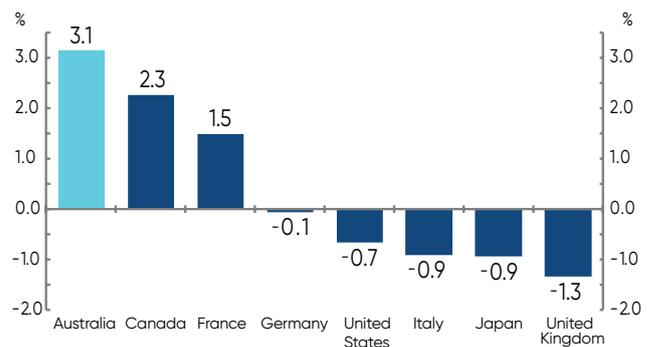
Australian jobs have returned to their pre-pandemic level faster than in any major advanced economy. There are now more Australians employed than ever before.

The unemployment rate is forecast to fall to 3¾ per cent in the September quarter of 2022 and remain at that level until the end of 2024–25.

**Top ten countries with the lowest cumulative COVID-19 mortality per million people in the OECD**



**Employment relative to pre-pandemic level, Australia and G7**



# Timeline of COVID-19 in Australia

2020		25 January 2020	<b>First case of COVID-19 in Australia</b>
		1 February 2020	<b>Closure of international borders for non-Australians arriving from China</b>
		11 March 2020	<b>First COVID-19 health response package</b>
		12 March 2020	<b>First economic package</b>
		15 March 2020	<b>Isolation requirements for international arrivals introduced</b>
		22 March 2020	<b>Second economic package</b>
		23 March 2020	<b>National lockdown – closure of non-essential businesses</b>
		30 March 2020	<b>Third economic package - JobKeeper announced</b>
		April 2020	<b>Boosting Cash Flow for Employers payments are provided to eligible small and medium sized businesses and not-for-profit entities</b>
		May–July 2020	<b>States gradually ease restrictions</b>
		Late June 2020	<b>Restrictions introduced for a number of Melbourne postcodes</b>
		21 July 2020	<b>JobKeeper extended</b>
		6 October 2020	<b>2020–21 Budget released</b>
		22 November 2020	<b>Melbourne moves to last step restrictions</b>
		17 December 2020	<b>MYEFO released</b>
2021		22 February 2021	<b>First COVID-19 vaccine is administered</b>

2021		28 March 2021	<b>JobKeeper ends</b>
		7 May 2021	<b>Public Health England designates Delta as a variant of concern</b>
		3 June 2021	<b>COVID-19 Disaster Payment introduced</b>
		6 August 2021	<b>National Plan to Transition Australia's COVID-19 response published</b>
		20 October 2021	<b>Reached target to move to phase B of the National Reopening plan of 70 per cent of people aged 16+ being double vaccinated</b>
		1 November 2021	<b>Removed travel exemptions for fully vaccinated Australians and permanent residents</b>
		6 November 2021	<b>Reached target to move to phase C of the National Reopening plan of 80 per cent of people aged 16+ being double vaccinated</b>
		8 November 2021	<b>Booster vaccination rollout program officially commences</b>
		26 November 2021	<b>Omicron classified as a variant of concern by the World Health Organisation</b>
		15 December 2021	<b>Opened borders to fully vaccinated international skilled and student cohorts, humanitarian, working holiday maker and provisional family visa holders</b>
2022		10 January 2022	<b>COVID-19 vaccination program for children aged 5 to 11 years commences</b>
		21 February 2022	<b>International border reopens to all vaccinated travellers</b>
		Today	<b>The Government is prepared for winter and new variants as we learn to live with COVID-19</b>





# Protecting Australians' health

Throughout the pandemic the Government has been focused on safeguarding the health of Australians.

The Government took decisive action to protect the health of Australians during the COVID-19 pandemic, committing \$42 billion to bolster the health system.

This investment, combined with the Government's successful overall health response, has seen fewer deaths per million people from COVID-19 than the USA and the UK.

# Ensuring a world-class health system

Record investment since 2013  
has supported Australia's  
world-class health system



Over **100 million**  
telehealth services  
through Medicare



Over **161 million** units  
of PPE distributed  
to aged care



Around **260,000** Australians  
have already benefitted from  
the doubling of mental health  
sessions through Medicare



**\$11.6 billion** in total  
to states and territories  
for the COVID-19  
health response



More than **95 million**  
RATs purchased, prioritised  
for vulnerable populations



Over **2.7 million**  
consultations in GP  
led respiratory clinics



Over **31 million**  
PCR tests funded  
through Medicare



**\$4.1 billion** committed to  
COVID-19 vaccine rollout  
since the pandemic began

# Australia's safe reopening thanks to investment in vaccines

Australia's investment in vaccines allowed us to reopen safely in line with our National Plan to Transition Australia's COVID-19 Response

Vaccines protect the community against serious illness from COVID-19.

Australia has achieved one of the highest vaccination rates in the world.

Over two-thirds of eligible Australians have received a booster or third dose. Over 51.8 per cent of children aged 5 to 11 years have already had one dose.

Australia's evidence-based reopening strategy focused on keeping Australians safe, with key milestones of our National Plan to Transition Australia's COVID-19 Response linked to vaccination levels in the community.

Australia's high vaccination rates enabled the staged reopening of Australia's border to selected visa holders, including students, on 15 December 2021 and to remaining visa categories, including tourists, on 21 February 2022.

To prepare for future pandemics and COVID-19 variants, the Government has secured an agreement with Moderna to establish an mRNA vaccine manufacturing facility in Australia that will be capable of producing up to 100 million doses a year.





# ➔ **Australia is prepared for winter**

**As we learn to live with COVID-19 the Government is planning ahead for the winter months where we are likely to see an increase in Omicron and influenza.**

**The Winter Response Plan focuses on protecting people at high-risk of severe illness, while supporting the economy. To do this, the Government is investing an additional \$6.0 billion for the COVID-19 health response to help keep Australians safe while ensuring the supply of essential goods and services.**

# Preparing for winter

As part of the Government's additional \$6.0 billion in COVID-19 health expenditure, the Government is planning for winter and future variants.

## Key strategies



### 1. Maximising COVID-19 and influenza vaccination coverage

Actions include:

- Over 250 million COVID-19 vaccines purchased, helping to ensure all eligible individuals maintain an up-to-date vaccination status.
- Extending the vaccine rollout to 30 December 2022.
- Securing around 9.5 million influenza doses to cover all vulnerable populations.



### 5. Treatments

Ensuring access to safe and effective treatments.

Actions include:

- Ensuring Australia has sufficient supply of COVID-19 treatments to manage different stages of disease.
- Increasing accessibility of COVID-19 treatments to vulnerable Australians through the Pharmaceutical Benefits Scheme.



### 1. Transitioning from prevention of transmission to prevention and treatment of severe disease.



### 2. Protecting vulnerable populations

- Focusing PCR testing strategies on vulnerable populations.
- Australians most at risk of severe illness will be able to receive a fourth COVID-19 vaccine heading into winter.
- Over 25 million free RATs supplied to more than 4 million eligible Australians under the Concessional Program.
- Facilitating access to COVID-19 services and increasing vaccination rates for remote and Indigenous communities.



### 6. Business and supply chains

Supporting business to minimise COVID-19 impacts on supply chains. Actions include:

- Encouraging businesses to update their Business Continuity Management planning and Work Health and Safety risk assessments.
- Ensuring COVID-19 tests are tax deductible and FBT free for employers.
- Prioritising keeping schools and early learning settings open, to minimise educational and economic impacts.

**2** Extending COVID-19 vaccination rollout and supporting annual influenza vaccinations.



**3. Residential aged care and disability**

Protecting those who are at risk in Residential Aged Care and with a disability. Actions include:

- Over 161 million units of PPE distributed to residential aged care facilities.
- Maximising vaccination coverage among residents and workers, including via in-reach programs. Supporting aged care workforce and capability.
- Investing in 5.5 million RATs for high-risk residential disability care settings and funding RATs for eligible NDIS participants to access services.

**3** Focusing testing strategies on vulnerable populations for both COVID-19 and influenza.



**4. Health system resilience**

Reinforcing health system capacity to manage evolving demands. Actions include:

- Providing an extra \$984.0 million through the COVID-19 National Partnership Agreement to support Australia's public health response, including funding to assist states to catch up on elective surgeries.
- \$248.1 million for GP-led Respiratory Clinics and \$23.4 million to extend healthdirect to alleviate pressure on acute care systems.



**7. Public communication**

Providing regular, targeted, consistent and up-to-date information and advice. Actions include:

- Investing in COVID-19 and influenza information communications.
- Providing more information on prevalence of COVID-19, informed by the COVID-19 Surveillance Plan.
- Providing COVID-19 messaging, including on the importance of protective health behaviours.



**8. Individuals**

Individuals have a critical role to play in living with COVID-19

- Individuals should stay up to date with COVID-19 and influenza vaccinations, maintain hand hygiene, and take a RAT if experiencing symptoms
- If you are feeling unwell, you should stay home until symptoms improve.

# A new approach to testing and treatments

## Vaccines remain our best line of defence against COVID-19

The Government is investing \$1.0 billion to extend the COVID-19 vaccine rollout program, ensuring all Australians can access a booster.

### Vaccines are available for all Australians aged over 5 years

To further protect vulnerable Australians, the Government has secured a range of safe and effective treatments to prevent or reduce the severity of COVID-19.

From 1 March 2022, an oral treatment for COVID-19 can also be accessed by vulnerable Australians at risk of severe disease through the Pharmaceutical Benefits Scheme.

'The more people that are vaccinated, that's our way of protecting each other and ourselves'

*Paul Kelly,  
Chief Medical Officer*

## A plan to manage co-circulating COVID-19 and influenza

The Australian Government is preparing for the challenges that winter may present. Alongside the COVID-19 response, the influenza vaccination program will be prioritised for those in vulnerable settings.

To protect Australians against severe disease from COVID-19, the Government has secured a portfolio of COVID-19 treatments totalling over one million courses. To facilitate access to treatments and medical care, the Government is investing \$546.0 million to extend Medicare subsidies for pathology testing.

The RAT Concessional scheme, available to 6.6 million eligible concession card holders, will also be extended so vulnerable Australians can access more tests through winter.



**Roger** is a 80-year-old great-grandfather. He accessed a free RAT through the Government's concessional RAT program to test for COVID-19 after developing symptoms. As Roger is considered at high-risk of developing severe disease, because of his age and an underlying medical condition, he had a telehealth consultation with his GP who verified his positive RAT test and prescribed him the COVID-19 oral treatment Lagevrio® (molnupiravir). As the treatment is listed on the Pharmaceutical Benefits Scheme, Roger is able to arrange the script to be filled at his local community pharmacy and delivered to his home by the pharmacy. For the next 5 days Roger takes Lagevrio® at home and is able to recover without requiring further care or hospitalisation.

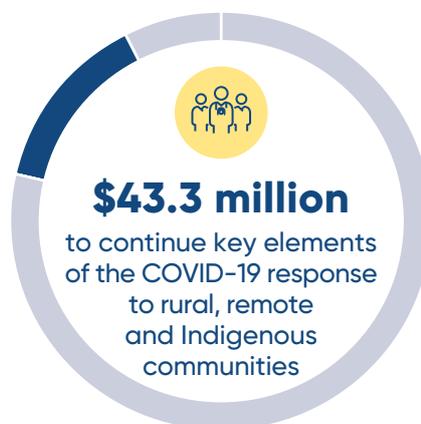
# Ensuring health system resilience

## Bolstering health system capacity for the current and future pandemics

To support public hospitals and increase the capacity of the health system, the Government is providing an additional \$984.0 million to states and territories. This brings the Government's total support for the state health response to COVID-19 and vaccine rollout to \$11.6 billion.

The Government is also investing in primary care to take pressure off hospitals and ensure Australians have access to the health care they need.

Governments are also working together to ensure we have appropriate surveillance to help identify new variants and monitoring of COVID-19 and influenza.





Since the beginning of the pandemic, the Government has distributed over 161.4 million units of PPE and over 26.2 million RATs to aged care facilities

All residential aged care facilities have received an in-reach booster clinic

5.5 million RATs secured for residential disability care settings

# Protecting vulnerable people

## Ensuring all Australians can protect themselves against COVID-19

To facilitate access to medical care and monitor outbreaks in vulnerable populations, the Government is extending access to a range of tests.

Medicare funded PCR testing will be extended to 30 September 2022, at a cost of \$546.0 million. We are prioritising multiplex PCR testing for vulnerable people, so we can test for COVID-19 and the flu at the same time, supporting access to targeted treatments.

The Government has purchased more than 95 million RATs, with distribution prioritised to vulnerable populations. Already 26.2 million RATs have been distributed to aged care facilities.

To assist Australians with a disability, the Government has invested in 5.5 million RATs for high-risk residential disability settings. Eligible NDIS participants can also purchase RATs from their NDIS plan to assist their access to funded services.

The Government is extending the RAT Concessional scheme to 31 July 2022. So far over 25 million free RATs have been received by more than 4 million concession card holders.

The Government is also extending supports to Aboriginal and Torres Strait Islander communities, who are vulnerable to severe illness from COVID-19. This includes \$43.3 million to facilitate access to COVID-19 services and vaccinations.

# Ensuring readiness in residential aged care and disability

## Delivering vaccines in residential aged care

Vaccination and booster in-reach programs continue to be rolled out to residential aged care and disability facilities for residents and workers.

The Government is investing further in the training of nurses in residential aged care facilities, with \$88.0 million over four years to support nurses to become authorised nurse immunisers and to establish grants for infection prevention and control training.

Funding of \$22.1 million is being provided to maintain a dedicated inreach COVID-19 PCR testing capability in aged care facilities.

## Supporting the workforce

The Government has worked with the states and territories to ensure joint arrangements across jurisdictions to support facilities with outbreaks.

As at 18 March 2022, workforce surge staff have filled 86,306 shifts in aged care services impacted by COVID-19. The Government has also deployed Defence personnel to support staff shortages in residential aged care facilities.

The Government has committed a further \$215.3 million to support aged care workers with bonuses of up to \$800.

ADF support surge in February saw 200 personnel available in each state and territory for tasking



More than **509 million**

RATs imported into Australia since 1 November 2021

A cumulative 149 aged care facilities have been supported by the ADF so far



**26.2 million**

RATs already distributed to aged care facilities

All residential aged care facilities have now received an in-reach booster clinic



**5.5 million**

RATs for high risk residential disability care settings







# Australia's economic recovery

Since the onset of the COVID-19 pandemic, the Government has committed an unprecedented \$314 billion in direct economic support.

The Government's response supported individuals and businesses, protecting jobs and stimulating the economy.

The Government's response saved lives and livelihoods and has seen the unemployment rate drop to 4.0 per cent – the equal lowest in 48 years.

The Government's decisive action kept many Australians in work and avoided costly labour market scarring as occurred in past recessions.

The resilience of our businesses and community – backed by our record level of economic support – has allowed the economy to rebound strongly ahead of the likes of the US, the UK, Canada, Germany, France, Japan and Italy.

# The Government supported households through COVID-19

Unprecedented economic support saved lives and livelihoods. Without intervention, Treasury estimated unemployment could have been 5 percentage points higher, potentially reaching 15 per cent during the worst of the downturn.



The **Coronavirus Supplement** provided over \$20 billion in additional financial assistance to over 3 million Australians affected by the economic impacts of COVID-19.



Through the **Personal Income Tax Plan**, the Government has provided an estimated \$40 billion in tax relief to over 11 million individuals since the start of the pandemic.



The **COVID-19 Disaster payment** provided \$12.9 billion in support to around 2.4 million Australians who lost work or income due to health restrictions.



The **Pandemic Leave Disaster Payment** has provided over \$1 billion of support to people who had to isolate to help stop the spread of the virus.



**JobKeeper** supported around 4 million individuals, keeping employees connected to their employer during the first year of the pandemic, and reducing total employment losses by at least 700,000 at the peak of the crisis (April–July 2020).



The Government provided four **Economic Support Payments** to social security, veteran, and other income support recipients totalling \$11.8 billion in support. 7.3 million people received at least one of the first two payments of \$750, and around 5 million people were supported by the third and fourth payments of \$250.



## Support for families during the pandemic

The Government took action to ensure the Early Childhood Education and Care sector remained accessible for families.

The Government listed child care and schools as essential services and co-funded, with states and territories, the provision of RATs to schools and child care centres. This support minimised disruption to attendance and helped children to continue to learn.

These measures ensured that many parents were able to maintain their employment during COVID-19. Women's participation, in particular, has rebounded strongly with around 250,000 more women employed than pre-COVID-19.

### Child Care

approximately **\$280 million** in further business continuity payments to 6,400 services



grants of up to **\$150,000** through the Community Child Care Fund



providing unlimited allowable absences for 2021-22



relaxing gap fee requirements



co-funding the provision of RATs to child care centres



# Government support enabled businesses to survive

The Government responded decisively, supporting business investment, cash flow and jobs

The Government's response included



\$89  
billion

**JobKeeper:** The \$89 billion JobKeeper Payment supported around one-third of all Australian businesses, allowing them to adapt and recover.



\$35.9  
billion

**Boosting Cash Flow for Employers:** has provided around \$35.9 billion to date to over 820,000 small and medium sized businesses and not-for-profit entities to support them keep operating, pay their bills and retain staff.



3.6  
million

**Temporary full expensing:** created incentives for around 3.6 million businesses to invest in themselves by supporting cashflow.



\$10.4  
billion

**SME Guarantee Scheme & SME Recovery Loan Scheme:** as at 28 February 2022 has assisted SMEs to access around 90,000 Scheme backed loans worth around \$10.4 billion.



## The Runner's Hub

The viability of Melissa's specialist running and training small business was severely tested during lockdowns. A business designed to be conducted outside in a group environment needed to be taken online.



Melissa sought the help of her local Digital Solutions provider to take her business's online presence to the next level and to streamline business processes. An independent, low-cost, professional sounding board was just what Melissa needed to crank the digital dial. Expanding her business online proved so successful that Melissa has continued to do it even after the lockdowns ended and face-to-face groups resumed.

## Digital Solutions Program

Through an expansion of its Digital Solutions Program in 2020–21 and 2021–22, the Government helped more small business than ever to undergo a digital transformation, helping them to thrive despite the challenging business conditions brought by the pandemic.

With additional investments of \$19.8 million, the program is supporting an extra 20,000 small businesses with low cost, high quality, independent advice on a range of digital solutions designed to meet their business's needs. Advice is available on websites and selling online, social media and digital marketing, using small business software, and online security and data privacy.



20,000  
businesses

### Expansion of the Digital Solutions

**Program:** supported an extra 20,000 small businesses with low-cost, high-quality advice on going digital.



\$45  
billion

**Building Australia:** Over the course of the pandemic, the Government has committed over \$45 billion in infrastructure projects across Australia. With the measures in this Budget, the Government has made over \$200 billion in infrastructure commitments since 2013.



\$7.1  
billion

**COVID-19 business support payments:** providing an estimated \$7.1 billion during 2021–22 for primarily small- and medium-sized businesses affected by restrictions. Matched by the states, the total support available to businesses is approximately \$14.4 billion.



70 Visa  
changes

**Visa flexibility:** The Government has made over 70 changes to migration and visa settings in response to COVID-19 and to assist with economic recovery.

# Backing hard hit sectors during the pandemic

The shift from economy wide support to more targeted assistance

## Additional support for hard hit sectors

The Government provided additional support for sectors that were hardest hit by COVID-19. This support kept planes in the air, ensured essential freight, safeguarded jobs in the tourism and arts sectors, and kick-started the recovery in the housing sector.

## Consumer Travel Support Program

The Government has delivered two rounds of targeted support for travel agents and tour arrangement service providers through the Consumer Travel Support Program. This Budget includes \$75.5 million for a third and final round of the program to help these businesses rebuild and drive the tourism sector recovery.

### The Government has supported hard hit sectors



Consumer Travel Support Program  
**\$258 million**



Creative Economy Support Package  
**\$500 million**



Support to the Aviation Sector over **\$5.3 billion**



Job-ready Graduates Package increased total funding for higher education to **\$20 billion** in 2021



HomeBuilder over **\$2 billion** paid to date



Research Commercialisation Action Plan a **\$2.2 billion** investment in collaboration

## Aviation Recovery Framework

Throughout COVID-19, we committed over \$5.3 billion in direct support to the aviation industry, keeping freight moving, regions connected, and maintaining the capability of the aviation sector. Our Aviation Recovery Framework sets out the plan to help Australia's aviation industry emerge bigger, better and stronger on the other side of the pandemic.

## HomeBuilder

HomeBuilder has successfully supported our residential construction sector through the COVID-19 pandemic. Around 76,000 new homes have been built and 15,000 homes renovated under the program to date.

## Creative Economy Support Package

Throughout the pandemic we supported the arts through the Creative Economy Support Package, which is now at \$500 million. This Budget, an extra \$20 million for the Restart Investment to Sustain and Expand (RISE) Fund will help activate more events and support jobs.

## Job-ready Graduates Package and Research Commercialisation Action Plan

The Government has provided extensive support for students, universities and researchers throughout the pandemic. The Job-ready Graduates Package increased total funding for higher education to a record level of \$20 billion in 2021. The university sector is also supported by the Government's Research Commercialisation Action Plan. This is a \$2.2 billion investment in collaboration between industry and universities to promote a stronger economy in the wake of the pandemic.





# ➔ **Australia's economic transition**

**The fundamentals are now in place for a strong and sustained economic recovery**

**The Australian economy has weathered every storm the pandemic has thrown at us. Through periods of lockdown, intermittent restrictions, or the recent Omicron wave, the community has adapted and become more resilient.**

**The economy is now sitting above pre-pandemic levels and ahead of the US, the UK, Canada, Germany, France, Japan and Italy.**

**It is this underlying strength and resilience of Australia's economy that now enables us to transition to the second phase of our fiscal strategy.**

**The time for large scale economy-wide emergency support has passed.**

**The Budget is Australia's plan for a stronger future.**

# A COVID-19 resilient economy

## Our economic recovery plan is working

Australia's plan for a stronger future is focused on delivering a strong economy – one that provides more jobs for Australians and is more productive.

Working to a clear economic plan to create jobs and to avoid the scarring impact on the labour market, the unemployment rate has now reached 4.0 per cent, the equal lowest level in 48 years, and the participation rate reached a record high of 66.4 per cent. Business conditions continue to recover, and we have seen over one million arrivals to Australia since November 2021, including 130,000 international students.

With a strong recovery and low unemployment rate, the Government's economic support is tapering down and private sector demand is now leading the way.

Significant monetary and fiscal support remains in the system, while household and business balance sheets are in a strong position.

### Unemployment rate



# Resilient business and supply chains

Now is the time for the private sector – which has already taken up the baton – to lead the way

Australia is resilient, but that doesn't happen by chance. Resilience is the result of continued investment, monitoring, planning and adaptability by the Government and by business.

Australia is now transitioning to living with COVID-19.

We are returning to normalised settings where a strong private sector is our first line of defence against supply chain vulnerabilities and is best placed to manage risk and deal with COVID-19 related volatility.

We are better placed than ever to deal with COVID-19. It is time for business to lead the way in living with COVID-19, and continue to embed resilience into their business continuity plans.



**In addition to preparing the health system for winter and future variants, the Government is:**



Encouraging business to prepare and protect workforces through updated Business Continuity Management planning and Work Health and Safety risk assessments.



Prioritising keeping schools and early learning settings open, to minimise educational and economic impacts.



Encouraging business to prepare for possible supply chain challenges by recovering backlogs, building up stock levels and diversifying suppliers.



Ensuring COVID-19 testing expenses are tax deductible for individuals and fringe benefits tax is not incurred by businesses, where purchased for work-related purposes.



Updating guidance on safe work practices through Safe Work Australia



Continuing to support essential sectors' pandemic resilience planning through the National Coordination Mechanism.

# Australia's international response to COVID-19

Australia's ongoing assistance is key to addressing the health and economic challenges facing our region

## Vaccine delivery, access, rollout and certification

Australia is committed to helping countries in our region access safe and effective vaccines to protect their populations, assist with economic recovery and promote stability.

We are sharing Australian doses. We are also partnering with UNICEF to procure additional doses for partner countries.

The Australian Government is investing \$55.5 million over two years for a secure, internationally recognised COVID-19 vaccination certificate.

This builds on the \$523.2 million previously committed to the Regional COVID-19 Vaccine Access and Health Security Initiative. It provides end-to-end support for vaccine rollouts in the Pacific and Southeast Asia and adds to Australia's landmark \$100 million contribution to the Quad Vaccine Partnership.

## Bilateral financial assistance

Australia is committed to working with bilateral partners in a coordinated international response to the global impact of COVID-19. As our neighbours and close partners, the stability, resilience and economic prosperity of Indonesia and Papua New Guinea (PNG) are of fundamental importance to Australia and the Indo-Pacific region.



Two loans  
(\$558 million in 2020  
and \$650 million in 2021)  
to PNG to support a budget  
financing shortfall, economic  
reform activity and the  
response to the ongoing  
economic impact of  
COVID-19

\$1.5 billion  
over 15 years to  
Indonesia to manage  
fiscal pressures arising  
from COVID-19



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# Budget

## 2022–23

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