

Part 3: Capital measures

Table 1: Capital measures since the 2002-03 MYEFO

	2003-04 \$m	2004-05 \$m	2005-06 \$m	2006-07 \$m
ATTORNEY-GENERAL'S				
<i>Australian Customs Service</i>				
Australia's Southern Ocean - surveillance and enforcement programme	0.7	-	-	-
<i>Australian Security Intelligence Organisation</i>				
A Safer Australia - enhanced checking of aviation security identification card holders	1.9	-	-	-
A Safer Australia - enhancing the counter-terrorism capabilities of the Australian Security Intelligence Organisation	2.6	-	-	-
<i>Australian Transaction Reports and Analysis Centre</i>				
A Safer Australia - additional funding for financial monitoring by the Australian Transaction Reports and Analysis Centre	1.4	-	-	-
National Illicit Drugs Strategy - enhanced financial intelligence to target illicit drug trafficking and related activities	1.1	-	-	-
<i>Insolvency and Trustee Services Australia</i>				
Proceeds of Crime legislation - additional funding for implementation	0.1	-	-	-
Portfolio total	7.7	-	-	-
COMMUNICATIONS, INFORMATION TECHNOLOGY AND THE ARTS				
<i>Australian Communications Authority</i>				
Freephone and Local Rate telephone number auctions	nfp	nfp	nfp	nfp
CROSS PORTFOLIO				
<i>Cross Portfolio</i>				
Budget estimates - enhanced quality and timeliness	0.4	-	-	-
Capital Use Charge - discontinuation	-	-	-	-
Portfolio total	0.4	-	-	-
DEFENCE				
<i>Department of Defence</i>				
Retention of Russell Offices	-	-	-	-
Portfolio total	-	-	-	-
EDUCATION, SCIENCE AND TRAINING				
<i>Australian Institute of Marine Science</i>				
Our Universities - marine science institute	2.1	-	-	-
<i>Australian Nuclear Science and Technology Organisation</i>				
A Safer Australia - enhanced security for the Australian Nuclear Science and Technology Organisation	5.5	5.6	-	-
<i>Department of Education, Science and Training</i>				
Our Universities - Higher Education Loans Programme (HELP) - HECS-HELP, FEE-HELP and OS-HELP	-	-	-	-
Radioactive waste management facility	0.5	-	-	-
Portfolio total	8.1	5.6	-	-

Table 1: Capital measures since the 2002-03 MYEFO (continued)

	2003-04 \$m	2004-05 \$m	2005-06 \$m	2006-07 \$m
EMPLOYMENT AND WORKPLACE RELATIONS				
<i>Department of Employment and Workplace Relations</i>				
Commonwealth Unfair Dismissal Scheme - expanded coverage	0.1	0.2	-	-
Portfolio total	0.1	0.2	-	-
ENVIRONMENT AND HERITAGE				
<i>Bureau of Meteorology</i>				
Meteorological radars - replacement and upgrade	6.4	9.7	10.0	12.7
<i>Sydney Harbour Federation Trust</i>				
Sydney Harbour Federation Trust	9.0	16.5	20.5	21.0
Portfolio total	15.4	26.2	30.5	33.7
FAMILY AND COMMUNITY SERVICES				
<i>Centrelink</i>				
Assurance of Support Scheme - improved operation	0.4	-	-	-
Centrelink Service Delivery - enhanced information technology capability	24.1	23.2	33.5	24.9
Identity fraud - improving and increasing the number of investigations	1.2	0.3	-	-
Pharmaceutical Benefits Scheme - improved entitlement validation of concession cards	1.8	-	-	-
Support for Indigenous People - expansion of Centrelink's agent and access point network	0.2	-	-	-
Portfolio total	27.7	23.4	33.5	24.9
FINANCE AND ADMINISTRATION				
<i>Department of Finance and Administration</i>				
Christmas Island Permanent Immigration Reception and Processing Centre - completion of construction	49.0	50.2	23.3	-
Employment National - winding-up	-	-	-	-
Ministerial Communications Network - refurbishment and enhancement	5.0	5.1	3.0	-
Portfolio total	54.1	55.3	26.2	-
FOREIGN AFFAIRS AND TRADE				
<i>Australian Secret Intelligence Service</i>				
A Safer Australia - measures to further enhance the response to terrorism	3.5	-	-	-
Australian Secret Intelligence Service - enhanced output capabilities	0.5	-	-	-
<i>Australian Trade Commission</i>				
Iraq - reopening of an Australian office	0.5	-	-	-
<i>Department of Foreign Affairs and Trade</i>				
A Safer Australia - expansion of Australia's secure diplomatic communication network	9.9	-	-	-
A Safer Australia - research into passport biometrics	1.1	-	-	-
Geneva Chancery - defects rectification project	1.7	3.0	-	-
Iraq - reopening of an Australian office	3.2	0.1	-	-

Table 1: Capital measures since the 2002-03 MYEFO (continued)

	2003-04 \$m	2004-05 \$m	2005-06 \$m	2006-07 \$m
FOREIGN AFFAIRS AND TRADE (continued)				
New Delhi Chancery - construction of a new chancery and residential accommodation	-	-	0.9	6.3
Paris Chancery - refurbishment of Apartments	1.5	3.5	4.5	-
Washington Head of Mission Residence - refurbishment	0.7	5.2	-	-
Wellington Chancery - mid-life upgrade and refurbishment	0.1	4.7	1.7	-
Portfolio total	22.5	16.6	7.0	6.3
IMMIGRATION AND MULTICULTURAL AND INDIGENOUS AFFAIRS				
<i>Department of Immigration and Multicultural and Indigenous Affairs</i>				
A Safer Australia - border protection processing systems	4.0	1.7	1.3	0.9
A Safer Australia - relocation of operations in Manila	-	-	-	-
Christmas Island Permanent Immigration Reception and Processing Centre - completion of construction	-74.7	-	-	-
Immigration detention onshore - review of long-term strategy	5.6	-	-	-
International Education - Professional Development Visa	1.0	-	-	-
Iraq - reopening of an Australian office	-	-	-	-
Portfolio total	-64.0	1.7	1.3	0.9
PRIME MINISTER AND CABINET				
Commonwealth Ombudsman - equity injection	-	-	-	-
Portfolio total	-	-	-	-
TRANSPORT AND REGIONAL SERVICES				
<i>Department of Transport and Regional Services</i>				
A Safer Australia - aviation security information management system	0.3	-	-	-
A Safer Australia - enhanced maritime security arrangements	3.0	0.3	-	-
A Safer Australia - enhanced screening at Christmas Island and Cocos (Keeling) Islands airports	1.3	-	-	-
Australian Transport Safety Bureau - new safety functions	0.4	-	-	-
Christmas Island Permanent Immigration Reception and Processing Centre - completion of construction	7.3	-	-	-
Norfolk Island Airport - runway resurfacing	-	-	-	-
Regional office network	1.3	-	-	-
Portfolio total	13.7	0.3	-	-

Table 1: Capital measures since the 2002-03 MYEFO (continued)

	2003-04 \$m	2004-05 \$m	2005-06 \$m	2006-07 \$m
TREASURY				
<i>Department of the Treasury</i>				
Australian Reinsurance Pool Corporation - establishment cost	-	-	-	-
Royal Australian Mint - additional funding	2.1	2.2	2.7	2.5
Portfolio total	2.1	2.2	2.7	2.5
Depreciation expense(a)	-22.8	-20.7	-29.8	-40.3
Total capital measures	65.0	110.8	71.6	27.9

(a) Net capital investment is reduced by depreciation expenses.

(b) Loan transactions affect the Commonwealth's investments in financial assets, and for this reason are shown as having no impact on the fiscal balance

Table 2: Capital measures up to the 2002-03 MYEFO

	2003-04 \$m	2004-05 \$m	2005-06 \$m	2006-07 \$m
ATTORNEY-GENERAL'S				
<i>Australian Customs Service</i>				
Enhanced travel document screening system	-0.9	-1.9	-1.9	-1.9
<i>Australian Security Intelligence Organisation</i>				
Additional funding for the Australian Security Intelligence Organisation	-0.2	-0.2	-0.2	-0.2
Portfolio total	-1.1	-2.1	-2.1	-2.1
FAMILY AND COMMUNITY SERVICES				
<i>Department of Family and Community Services</i>				
Improved flexibility for family assistance payments	2.3	-0.5	-0.5	-0.5
Portfolio total	2.3	-0.5	-0.5	-0.5
FINANCE AND ADMINISTRATION				
<i>Department of Finance and Administration</i>				
Enhanced budget information system	11.2	3.9	-2.9	-2.9
Winding-up of Employment National	-	-	-	-
Portfolio total	11.2	3.9	-2.9	-2.9
FOREIGN AFFAIRS AND TRADE				
<i>Australian Secret Intelligence Service</i>				
Additional funding for the Australian Secret Intelligence Service	0.1	-0.1	-0.1	-0.1
<i>Department of Foreign Affairs and Trade</i>				
Enhanced physical security at Australia's overseas posts	-1.0	-1.0	-1.0	-1.0
Portfolio total	-0.9	-1.1	-1.1	-1.1
IMMIGRATION AND MULTICULTURAL AND INDIGENOUS AFFAIRS				
<i>Department of Immigration and Multicultural and Indigenous Affairs</i>				
Additional Airline Liaison Officers	-0.2	-0.2	-0.2	-0.2
Increase in the Parent Migration intake	-0.1	-0.1	-0.1	-0.1
Portfolio total	-0.3	-0.3	-0.3	-0.3
Total capital measures	11.1	-0.1	-6.9	-6.9

(a) Loan transactions affect the Commonwealth's investments in financial assets, and for this reason are shown as having no impact on the fiscal balance

ATTORNEY-GENERAL'S**A Safer Australia — additional funding for financial monitoring by the Australian Transaction Reports and Analysis Centre**

Capital (\$m)	2003-04	2004-05	2005-06	2006-07
Australian Transaction Reports and Analysis Centre	1.4	-	-	-

The Government will provide \$1.4 million in 2003-04 in capital for the fitout and purchase of information technology equipment required by the additional Australian Transaction Reports and Analysis Centre staff to be recruited under this measure.

See also the related expense measure titled *A Safer Australia – additional funding for financial monitoring by the Australian Transaction Reports and Analysis Centre* in the Attorney-General's portfolio.

A Safer Australia — enhanced checking of aviation security identification card holders

Capital (\$m)	2003-04	2004-05	2005-06	2006-07
Australian Security Intelligence Organisation	1.9	-	-	-

The Government will fund the Australian Security Intelligence Organisation \$1.9 million in 2003-04 to purchase additional vetting information technology systems to undertake additional background checks on staff who require an aviation security identification card. The checks will seek to ascertain if the applicants for and holders of cards are not involved in politically-motivated violence.

See also the related expense measure titled *A Safer Australia – enhanced checking of aviation security identification card holders* and the related revenue measure titled *A Safer Australia – cost recovery for enhanced checking of aviation security identification card holders* in the Attorney-General's portfolio.

A Safer Australia — enhancing the counter-terrorism capabilities of the Australian Security Intelligence Organisation

Capital (\$m)	2003-04	2004-05	2005-06	2006-07
Australian Security Intelligence Organisation	2.6	-	-	-

Additional funding of \$2.6 million will be provided to the Australian Security Intelligence Organisation in 2003-04 to sustain and enhance counter-terrorism capabilities.

See also the related expense measure titled *A Safer Australia – enhancing the counter-terrorism capabilities of the Australian Security Intelligence Organisation* in the Attorney-General's portfolio.

Australia's Southern Ocean — surveillance and enforcement programme

Capital (\$m)	2003-04	2004-05	2005-06	2006-07
Australian Customs Service	0.7	-	-	-

The Government will provide \$0.7 million in 2003-04 for the fitout and purchase of equipment required by the additional Australian Customs Service staff recruited to patrol the Heard and McDonald Islands exclusive economic zone.

See also the related expense measure titled *Australia's Southern Ocean – surveillance and enforcement programme* in the Attorney-General's portfolio.

National Illicit Drugs Strategy — enhanced financial intelligence to target illicit drug trafficking and related activities

Capital (\$m)	2003-04	2004-05	2005-06	2006-07
Australian Transaction Reports and Analysis Centre	1.1	-	-	-

The Government will provide \$1.1 million in 2003-04 for the fitout and purchase of equipment required by the additional Australian Transaction Reports and Analysis Centre staff to be recruited under this measure. The equipment will be purchased when the full complement of staff have been recruited.

See also the related expense measure titled *National Illicit Drugs Strategy – financial intelligence intensive training and support for the Australian Transaction Reports and Analysis Centre*, and *National Illicit Drugs Strategy – enhanced financial intelligence to*

target illicit drug trafficking and related activities in the National Illicit Drugs Strategy package located in the Health and Ageing portfolio.

Proceeds of Crime legislation — additional funding for implementation

Capital (\$m)	2003-04	2004-05	2005-06	2006-07
Insolvency and Trustee Service Australia	0.1	-	-	-

The Government will provide \$0.1 million for the fitout to accommodate the additional Insolvency and Trustee Service Australia staff to be recruited under this measure.

See also the related expense measure titled *Proceeds of Crime legislation – additional funding for implementation* in the Attorney-General's portfolio.

COMMUNICATIONS, INFORMATION TECHNOLOGY AND THE ARTS

Freephone and Local Rate telephone number auctions

Capital (\$m)	2003-04	2004-05	2005-06	2006-07
Australian Communications Authority	nfp	nfp	nfp	nfp

The Government will conduct internet-based auctions to allocate special business telephone numbers. The telephone numbers affected by this initiative include Freephone numbers (1800-*), Local Rate numbers (1300-* and 13-*) and phonewords phone numbers.

The new scheme will include preferential arrangements for charities.

Estimates of the proceeds associated with this measure are unable to be disclosed, as this would be likely to affect the outcomes of the auctions. Instead, estimates have been included in the Contingency Reserve, which aggregates the impact of sensitive measures.

See also the related expense measure titled *Freephone and Local Rate telephone number auctions* in the Communications, Information Technology and the Arts portfolio.

CROSS PORTFOLIO

Budget estimates — enhanced quality and timeliness

Capital (\$m)	2003-04	2004-05	2005-06	2006-07
All Agencies	0.4	-	-	-

The Government will provide funding of \$0.4 million in 2003-04 to the Employment and Workplace Relations portfolio for minor systems costs associated with improvements to the accuracy, responsiveness and effectiveness of the Commonwealth's budget estimates and framework system.

Provision has been made in the Contingency Reserve for funding for other agencies and bids from those agencies will be considered later in 2003.

See also the related expense measure titled *Budget estimates – enhanced quality and timeliness* in the Cross Portfolio section.

Capital Use Charge — discontinuation

Capital (\$m)	2003-04	2004-05	2005-06	2006-07
All Agencies	-	-	-	-

Following the Government's consideration of the Budget Estimates and Framework Review, the Government has decided that the Capital Use Charge will be discontinued from 1 July 2003.

DEFENCE

Retention of Russell Offices

Capital (\$m)	2003-04	2004-05	2005-06	2006-07
Department of Defence	-	-	-	-
Department of Finance and Administration	-	-	-	-

The Government has decided that the proposed sale and lease back of Russell Offices will not proceed. This will reduce expected proceeds for Defence assets sales in 2002-03.

As a consequence, the Department of Finance and Administration, which was charged with managing the sale, will return \$3.6 million of the funding set aside for this purpose. As this is a return of cash there is no impact on the fiscal balance.

EDUCATION, SCIENCE AND TRAINING

A Safer Australia — enhanced security for the Australian Nuclear Science and Technology Organisation

Capital (\$m)	2003-04	2004-05	2005-06	2006-07
Australian Nuclear Science and Technology Organisation	5.5	5.6	-	-

The Government will provide \$11.1 million over the next two years to enhance the security of the Australian Nuclear Science and Technology Organisation's main entrance.

Additional security devices will also be installed across the facility, including the site of the current research reactor. This initiative will significantly enhance security as a response to the current heightened security environment.

See also the related expense measure titled *A Safer Australia – enhanced security for the Australian Nuclear Science and Technology Organisation* in *A Safer Australia* package in the Attorney-General's portfolio.

Our Universities - Higher Education Loans Programme (HELP) — HECS-HELP, FEE-HELP and OS-HELP

Capital (\$m)	2003-04	2004-05	2005-06	2006-07
Department of Education, Science and Training	-	-	-	-

From 2005, the Government will introduce two new income-contingent loan schemes to complement the Higher Education Contribution Scheme (HECS-HELP) — FEE-HELP for full fee-paying students and OS-HELP for Australians studying abroad as part of their course.

FEE-HELP will be an income-contingent loan facility provided for students to meet their undergraduate or postgraduate fees in full fee-paying courses in public or eligible private institutions. It will absorb the current Postgraduate Education Loans Scheme (PELS), Open Learning Deferred Payment Scheme (OLDPS) and Bridging for Overseas-Trained Professionals Loan Scheme (BOTPLS). A loan will be provided up to the amount of the full tuition fee for the course being undertaken, with students able to borrow up to \$50,000 in total through FEE-HELP.

OS-HELP will be an income-contingent loan facility to assist students undertaking a full-time undergraduate course in Commonwealth-supported places at public higher

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education institutions to study abroad for one or two semesters. It will provide a total of 2,500 loans in 2005 of up to \$10,000 each, increasing to a total of 10,000 loans each year by 2008.

It is expected that the cash value of loans to students under HECS-HELP, FEE-HELP and OS-HELP will amount to an additional \$800 million over the period to 2007-08. Under accepted accounting practice, the amount loaned to students is treated as a financial asset and therefore does not impact on the fiscal balance.

See also the related revenue and expense measures titled *Our Universities – Higher Education Loans Programme (HELP) – HECS-HELP, FEE-HELP and OS-HELP*, and the expense measure titled *Our Universities – Higher Education Contribution Scheme – increased flexibility* in the Education, Science and Training portfolio.

Our Universities — marine science institute

Capital (\$m)	2003-04	2004-05	2005-06	2006-07
Australian Institute of Marine Science	2.1	-	-	-

A single world-class marine science institute will be established in Townsville by formally affiliating two key research and education institutions, the Australian Institute of Marine Science and James Cook University. This will enable an expansion of the current programme of tropical marine research and research training.

To support this affiliation, \$5 million will be transferred in 2003-04 from the Cooperative Research Centres Programme in the Education, Science and Training portfolio to the Australian Institute of Marine Science. This funding will come from uncommitted programme funds and will not affect existing or future research grants under the Cooperative Research Centres Programme.

Of this funding, \$2.9 million will be used to facilitate the affiliation and \$2.1 million will be used to finalise the capital refurbishment of the Australian Institute of Marine Science's research facilities.

See also the related expense measure titled *Our Universities – marine science institute* in the *Our Universities* package within the Education, Science and Training portfolio.

Radioactive waste management facility

Capital (\$m)	2003-04	2004-05	2005-06	2006-07
Department of Education, Science and Training	0.5	-	-	-

The Government will provide an equity injection of \$0.5 million in 2003-04 to the Education, Science and Training portfolio to build a national radioactive waste management repository.

This purpose-built waste management facility will hold waste generated by the Australian Nuclear Science and Technology Organisation and the Commonwealth Scientific and Industrial Research Organisation and the Defence portfolio.

The facility will also hold waste generated by non-Commonwealth agencies.

See the related expense measures titled *Radioactive waste management facility* and *Education, Science and Training portfolio – reprioritisation*, and the related revenue measure titled *Radioactive waste management facility – collection and disposal charges* in the Education, Science and Training portfolio.

EMPLOYMENT AND WORKPLACE RELATIONS

Commonwealth Unfair Dismissal Scheme — expanded coverage

Capital (\$m)	2003-04	2004-05	2005-06	2006-07
Department of Employment and Workplace Relations	0.1	0.2	-	-

The Australian Industrial Relations Commission will fund the purchase of computer equipment and related costs as part of the expansion of the coverage of the Commonwealth Unfair Dismissal Scheme. This capital investment amounts to \$0.3 million over two years.

See also the related expense measure titled *Commonwealth Unfair Dismissal Scheme – expanded coverage* in the Employment and Workplace Relations portfolio.

ENVIRONMENT AND HERITAGE

Meteorological radars — replacement and upgrade

Capital (\$m)	2003-04	2004-05	2005-06	2006-07
Bureau of Meteorology	6.4	9.7	10.0	12.7

The Government will provide \$48.4 million over five years (including \$9.6 million in 2007-08) to enable the Bureau of Meteorology to purchase fifteen new meteorological radars as replacements for its oldest radars assets, and a further six selected radars with enhanced Doppler capability. This asset replacement programme will enable the Bureau to maintain and enhance its meteorological forecasting capacity. Replacement of radars will occur at Williamstown in New South Wales, East Sale in Victoria, Townsville, Mackay, Gladstone, Mt Kanighan, and Charleville in Queensland; Learmonth, Port Hedland, Broome, Perth, and Carnarvon in Western Australia; Mt Gambier in South Australia; and Darwin and Tennant Creek in the Northern Territory. Doppler radars will be installed at Sydney and Tamworth in New South Wales, Melbourne and Yarrawonga in Victoria, Brisbane in Queensland and Adelaide in South Australia.

See also the related expense measure titled *Meteorological radars – replacement and upgrade* in the Environment and Heritage Portfolio.

Sydney Harbour Federation Trust

Capital (\$m)	2003-04	2004-05	2005-06	2006-07
Sydney Harbour Federation Trust	9.0	16.5	20.5	21.0

This measure represents the expected capital works programme for the Sydney Harbour Federation Trust over the period 2003-04 to 2006-07.

The implementation of the Trust's business masterplan for the remediation and rehabilitation of the Trust's properties will be funded from a Commonwealth contribution of \$115.5 million over eight years commencing in 2003-04, and internal funding sources including asset sales of ex-Defence housing and rentals. The business masterplan will facilitate the protection and conservation of the environmental and heritage values of Trust lands and will enhance public access to the Trust's unique sites.

See also the related expense measure titled *Sydney Harbour Federation Trust* and the related revenue measure titled *Sydney Harbour Federation Trust – rent* in the Environment and Heritage portfolio.

FAMILY AND COMMUNITY SERVICES

Assurance of Support Scheme — improved operation

Capital (\$m)	2003-04	2004-05	2005-06	2006-07
Centrelink	0.4	-	-	-

The Government will provide funding of \$0.4 million in 2003-04 to Centrelink for internally developed software to improve the operation of the Assurance of Support Scheme and simplify arrangements for people who provide an Assurance of Support.

See also the related expense measure titled *Assurance of Support Scheme – improved operation* in the Family and Community Services portfolio.

Centrelink Service Delivery — enhanced information technology capability

Capital (\$m)	2003-04	2004-05	2005-06	2006-07
Centrelink	24.1	23.2	33.5	24.9

The Government will provide funding of \$120.7 million over five years, including \$15 million in 2007-08, to Centrelink for the purchase of hardware and the development of software to improve information technology reliability and extend their capability to deliver services online to customers, community organisations, business and government.

See also the related expense measure titled *Centrelink Service Delivery – enhanced information technology capability* in the Family and Community Services portfolio.

Identity fraud — improving and increasing the number of investigations

Capital (\$m)	2003-04	2004-05	2005-06	2006-07
Centrelink	1.2	0.3	-	-

The Government will provide \$1.5 million over two years to Centrelink for internally developed software and additional storage capacity needed to support the increase in investigations into identity fraud. The measure will involve greater use of external and internal data sources to detect fraud.

See also the related expense measure titled *Identity fraud – improving and increasing the number of investigations* in the Family and Community Services portfolio.

Pharmaceutical Benefits Scheme — improved entitlement validation of concession cards

Capital (\$m)	2003-04	2004-05	2005-06	2006-07
Centrelink	1.8	-	-	-

The Government will provide funding of \$1.8 million to Centrelink in 2003-04 for the purchase of information technology equipment and the internal development of software. This expenditure will facilitate the monitoring of concessional pharmaceutical benefits entitlements by operating a real-time check on a person's concessional status through pharmacies, the Health Insurance Commission and Centrelink.

See also the related expense measure titled *Pharmaceutical Benefits Scheme – improved entitlement validation of concession cards* in the Health and Ageing portfolio.

Support for Indigenous people — expansion of Centrelink's agent and access point network

Capital (\$m)	2003-04	2004-05	2005-06	2006-07
Centrelink	0.2	-	-	-

The Government will provide funding of \$0.2 million in 2003-04 to purchase equipment for 50 new Centrelink access points in rural and remote Australia.

This initiative will improve Centrelink's services to Indigenous families and communities located in rural and remote Australia.

See also the related expense measure titled *Support for Indigenous people – expansion of Centrelink's agent and access point network* in the Family and Community Services portfolio.

FINANCE AND ADMINISTRATION

Christmas Island Permanent Immigration Reception and Processing Centre — completion of construction

Capital (\$m)	2003-04	2004-05	2005-06	2006-07
Department of Transport and Regional Services	7.3	-	-	-
Department of Immigration and Multicultural and Indigenous Affairs	-74.7	-	-	-
Department of Finance and Administration	49.0	50.2	23.3	-

The Government will provide additional funding of \$55.2 million over four years for the construction of the Christmas Island Permanent Immigration Reception and Processing Centre (the Centre). The Government has decided that the contract will be re-tendered and the project will be managed by the Department of Finance and Administration.

This will involve a capital allocation of \$184.2 million to Finance and \$7.3 million to Transport and Regional Services. The capital allocation to Finance includes a transfer of \$136.4 million from the Department of Immigration and Multicultural and Indigenous Affairs, including transfer of \$61.7 million in 2002-03.

The success of the Government's policy on unauthorised boat arrivals has resulted in no new unauthorised boat arrivals since December 2001. This has afforded the opportunity to review the size and scope of the proposed centre, and takes into account greater detention security and fire suppression and compliance requirements. The need for fast tracking the project is no longer necessary.

The facility will be scaled down from a 1,200 person purpose-designed and built centre to an 800 place facility, with 426 purpose-designed and built places and the balance being designed to provide basic contingency capacity. The re-tendered project will involve a more traditional delivery methodology including the tender of a detailed design and a fixed price construction contract.

The funding provided to Finance will cover the costs of constructing the centre, including the costs of consultants and contractors and Finance staff managing the project. These costs are included in the capital component of the project as all managerial oversight costs are capitalised in this type of project. The Department of Transport and Regional Services has been provided with funding to construct the services infrastructure and housing for the staff who will run the centre. The

Department of Immigration and Multicultural and Indigenous Affairs will manage the Centre when it is completed.

See also the related expense measure titled *Christmas Island Permanent Immigration Reception and Processing Centre – completion of construction* in the Finance and Administration portfolio.

Employment National — winding-up

Capital (\$m)	2003-04	2004-05	2005-06	2006-07
Department of Finance and Administration	-	-	-	-

The Government announced on 14 May 2002 that the marketable parts of Employment National Limited could be sold with the remainder to be wound-up from 30 June 2003. The Government will provide additional equity funding of up to \$6 million in 2003-04 to Employment National to ensure that it has sufficient resources to meet its obligations during the wind-up process. Funds will be drawn upon as required with any surplus funds returned to the Commonwealth.

This measure will have no impact on fiscal balance as equity injections to agencies outside the General Government Sector only affect the composition of the Commonwealth's investment in financial assets.

Ministerial Communications Network — refurbishment and enhancement

Capital (\$m)	2003-04	2004-05	2005-06	2006-07
Department of Finance and Administration	5.0	5.1	3.0	-

The Government will provide \$13.1 million over three years to refurbish and enhance the Ministerial Communications Network. A secure, reliable and up-to-date communications network is essential to the effective functioning of the Executive Government, particularly in the current heightened security environment.

The existing communications network has been found by an independent review to be unreliable and prone to failure.

The new network will provide better quality services and deliver a more robust, high speed and secure communications network to the Ministers, their staff, agencies and the Cabinet Office.

See also related expense measure titled *Ministerial Communications Network – refurbishment and enhancement* in the Finance and Administration portfolio.

FOREIGN AFFAIRS AND TRADE

A Safer Australia — expansion of Australia's secure diplomatic communication network

Capital (\$m)	2003-04	2004-05	2005-06	2006-07
Department of Foreign Affairs and Trade	9.9	-	-	-

The Government will provide \$9.4 million in 2003-04 (\$9.9 million capital funding offset by a \$0.5 million expense saving) to fund infrastructure and support costs for an expansion of Australia's secure diplomatic communications network to cover an additional 23 locations (to a total of 97 locations) in Australia and overseas. The additional locations are in Australia, the Pacific, Asia, Europe, the Middle East, and Africa.

The Secure Australian Telecommunications and Information Network supports secure messaging, office automation and network services between Australia (covering 15 Commonwealth agencies) and Australian Government posts overseas.

See also the related expense measure titled *A Safer Australia – expansion of Australia's secure diplomatic communication network* in the *A Safer Australia* package in the Attorney-General's portfolio.

A Safer Australia — measures to further enhance the response to terrorism

Capital (\$m)	2003-04	2004-05	2005-06	2006-07
Australian Secret Intelligence Service	3.5	-	-	-

The Government will provide funding of \$3.5 million to the Australian Secret Intelligence Service in 2003-04 to sustain and further enhance Australia's response to terrorism.

See also the related expense measure titled *A Safer Australia – measures to further enhance the response to terrorism* in the *A Safer Australia* package in the Attorney-General's portfolio.

A Safer Australia — research into passport biometrics

Capital (\$m)	2003-04	2004-05	2005-06	2006-07
Department of Foreign Affairs and Trade	1.1	-	-	-

As part of the Government's *A Safer Australia* package, the Government will fund \$3.0 million in 2003-04 (including \$1.9 million expense funding) for the continuation of research into a biometric identifier for the Australian passport. The introduction of a biometric identifier has the capacity to strengthen border protection through more robust identity verification processes and to reduce the risk of passport fraud.

See also related expense measure titled *A Safer Australia – research into passport biometrics* in the *A Safer Australia* package in the Attorney-General's portfolio.

Australian Secret Intelligence Service — enhanced output capabilities

Capital (\$m)	2003-04	2004-05	2005-06	2006-07
Australian Secret Intelligence Service	0.5	-	-	-

The Government will fund the Australian Secret Intelligence Service \$0.5 million in 2003-04 to support a whole-of-government approach to addressing national security issues.

See also the related expense measure titled *Australian Secret Intelligence Service – enhanced output capabilities* in the Foreign Affairs and Trade portfolio.

Geneva Chancery — defects rectification project

Capital (\$m)	2003-04	2004-05	2005-06	2006-07
Department of Foreign Affairs and Trade	1.7	3.0	-	-

The Government has agreed to expenditure of \$1.7 million in 2003-04 and \$3.0 million in 2004-05 to rectify defects at the Geneva Chancery, Switzerland. The chancery opened in 1998 and has been subject to architectural and mechanical defects since project completion.

The project will be funded from reserves held in the Overseas Property Special Account in the Department of Foreign Affairs and Trade.

Iraq — reopening of an Australian office

Capital (\$m)	2003-04	2004-05	2005-06	2006-07
Department of Foreign Affairs and Trade	3.2	0.1	-	-
Department of Immigration and Multicultural and Indigenous Affairs	-	-	-	-
Australian Trade Commission	0.5	-	-	-

The Government has decided to re-establish Australia's diplomatic presence in Baghdad, Iraq at a cost of \$3.8 million over four years from 2003-04 to 2006-07. This funding will be used on the fitout of the office and other minor capital expenses. An additional \$21 million expense funding will also be provided.

The office will include representatives from the Departments of Foreign Affairs and Trade, Immigration and Multicultural and Indigenous Affairs and the Australian Trade Commission to enable Australia to advance its commercial, immigration and humanitarian interests in post-conflict Iraq.

See also the related expense measure titled *Iraq – reopening of an Australian office* in the Foreign Affairs and Trade portfolio.

New Delhi Chancery — construction of a new chancery and residential accommodation

Capital (\$m)	2003-04	2004-05	2005-06	2006-07
Department of Foreign Affairs and Trade	-	-	0.9	6.3

The Government has agreed to additional expenditure of \$0.9 million in 2005-06 and \$6.3 million in 2006-07 for the construction of Australia's new chancery in New Delhi, India. This will increase the total funding for the project from \$17.4 million to \$24.6 million.

The increased scope of the project relates to enhanced physical security for the chancery, including the construction of a secure basement carpark and secure temporary accommodation during construction.

The funding for the chancery will be met from reserves held in the Overseas Property Special Account in the Department of Foreign Affairs and Trade.

Paris Chancery — refurbishment of apartments

Capital (\$m)	2003-04	2004-05	2005-06	2006-07
Department of Foreign Affairs and Trade	1.5	3.5	4.5	-

The Government will provide \$9.5 million over three years (2003-04 to 2005-06) for the refurbishment of 29 apartments in the Paris Embassy apartment complex. Current facilities are considered to be at the end of their useful life.

This refurbishment will be funded from reserves held in the Overseas Property Special Account in the Department of Foreign Affairs and Trade.

Washington Head of Mission Residence — refurbishment

Capital (\$m)	2003-04	2004-05	2005-06	2006-07
Department of Foreign Affairs and Trade	0.7	5.2	-	-

The Government will provide \$5.9 million over two years to undertake a major refurbishment of the Washington Head of Mission Residence in 2003-04 and 2004-05. This will enable compliance and workplace health and safety issues in the kitchen and elsewhere to be addressed as a matter of priority.

The refurbishment will be funded from reserves held in the Overseas Property Special Account in the Department of Foreign Affairs and Trade.

Wellington Chancery — mid-life upgrade and refurbishment

Capital (\$m)	2003-04	2004-05	2005-06	2006-07
Department of Foreign Affairs and Trade	0.1	4.7	1.7	-

The Government will provide \$6.5 million over three years (2003-04 to 2005-06) to undertake a mid-life refurbishment of the Wellington Chancery, New Zealand. The chancery building is 25 years old and requires a major mid-life building services upgrade to enable the High Commission to continue in these premises.

This upgrade will be funded from reserves held in the Overseas Property Special Account in the Department of Foreign Affairs and Trade.

IMMIGRATION AND MULTICULTURAL AND INDIGENOUS AFFAIRS

A Safer Australia — enhanced border protection processing systems

Capital (\$m)	2003-04	2004-05	2005-06	2006-07
Department of Immigration and Multicultural and Indigenous Affairs	4.0	1.7	1.3	0.9

The Government will provide \$7.9 million in capital over four years to enhance and develop systems to more accurately verify the identity of persons of concern, such as terrorists and other international criminals, thereby reducing the risk of unlawful entry to Australia. The measure includes funding for scoping the development and implementation of a common information technology platform to integrate Department of Immigration and Multicultural and Indigenous Affairs operations both within and outside Australia.

See also the related expense measure titled *A Safer Australia – enhanced border protection processing systems* in the *A Safer Australia* package in the Attorney-General's portfolio.

A Safer Australia - relocation of operations in Manila

Capital (\$m)	2003-04	2004-05	2005-06	2006-07
Department of Immigration and Multicultural and Indigenous Affairs	-	-	-	-

The Government will provide funding of \$2.5 million in 2002-03 to the Department of Immigration and Multicultural and Indigenous Affairs to relocate Australian Government operations in Manila. This funding will be used to meet the costs associated with the fitout of the new premises and the termination of the lease agreement on the previous accommodation. The decision to relocate operations to a more secure environment was made due to a significant and credible terrorist threat.

Immigration detention onshore — review of long-term strategy

Capital (\$m)	2003-04	2004-05	2005-06	2006-07
Department of Immigration and Multicultural and Indigenous Affairs	5.6	-	-	-

The Government will provide \$5.6 million in capital in 2003-04 to enhance fire compliance and detainee management options at the Baxter immigration detention facility (near Port Augusta), and to support alternative detention arrangements for women and children, through the provision of an alternative detention facility near the Baxter detention facility. The alternative detention facility will be modelled on the residential housing facility trialed at Woomera over the past 18 months.

See also the related expense measure titled *Immigration detention onshore – review of long-term strategy* in the Immigration and Multicultural and Indigenous Affairs portfolio.

International Education — Professional Development Visa

Capital (\$m)	2003-04	2004-05	2005-06	2006-07
Department of Immigration and Multicultural and Indigenous Affairs	1.0	-	-	-

The Government will provide \$1.0 million in 2003-04 for the development and implementation of information technology systems, including an e-visa lodgement process, to support the introduction of the sponsored Professional Development Visa.

The new visa is designed to open up niche markets for the Australian international education industry and for organisations that provide tailored workshops for groups of professionals and government employees.

These new arrangements will allow education providers more flexible entry arrangements for clients in exchange for comprehensive sponsorship obligations and sanctions for breaches of visa conditions. These initiatives are intended to support the integrity of the visa regime, while providing a responsive, high-quality service to Australian business.

See also the related revenue and expense measures titled *International Education – Professional Development Visa* in the *International Education Package* in the Education, Science and Training portfolio.

PRIME MINISTER AND CABINET

Commonwealth Ombudsman — equity injection

Capital (\$m)	2003-04	2004-05	2005-06	2006-07
Office of the Commonwealth Ombudsman	-	-	-	-

The Government is providing a one-off equity injection of \$0.4 million in 2003-04 to the Office of the Commonwealth Ombudsman to enable it to meet its unfunded employee liabilities. This will have no fiscal impact as there will be no increase in expenses in 2003-04.

TRANSPORT AND REGIONAL SERVICES

A Safer Australia — aviation security information management system

Capital (\$m)	2003-04	2004-05	2005-06	2006-07
Department of Transport and Regional Services	0.3	-	-	-

The Government will provide capital funding of \$0.3 million in 2003-04 for the installation of an aviation security information management system. This system will improve the processing and analysis of data collected at higher security levels and dissemination of intelligence to stakeholders.

See also the related expense measure titled *A Safer Australia – aviation security information management system* in the *A Safer Australia* package located in the Attorney-General's portfolio.

A Safer Australia — enhanced maritime security arrangements

Capital (\$m)	2003-04	2004-05	2005-06	2006-07
Department of Transport and Regional Services	3.0	0.3	-	-

The Government will provide \$3.3 million over two years to meet regional office accommodation fitout costs and information technology capital costs in implementing the International Maritime Organisation's new International Ship and Port Facility Security Code.

See also the related expense measure titled *A Safer Australia – enhanced maritime security arrangements* in the *A Safer Australia* package in the Attorney-General's portfolio.

A Safer Australia — enhanced screening at Christmas Island and Cocos (Keeling) Islands airports

Capital (\$m)	2003-04	2004-05	2005-06	2006-07
Department of Transport and Regional Services	1.3	-	-	-

The Government will provide capital funding of \$1.3 million in 2003-04 for passenger and checked baggage screening at the Christmas Island and the Cocos (Keeling) Islands Airports.

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This measure will improve aviation security at these two Commonwealth-owned airports through the introduction of explosive trace detection and threat image projection equipment for screening passengers. One hundred per cent international checked baggage screening will also be introduced at the Christmas Island Airport.

See also the related expense measure titled *A Safer Australia – enhanced screening at Christmas Island and Cocos (Keeling) Islands airports* in the *A Safer Australia* package in the Attorney-General's portfolio.

Australian Transport Safety Bureau — new safety functions

Capital (\$m)	2003-04	2004-05	2005-06	2006-07
Department of Transport and Regional Services	0.4	-	-	-

The Government will provide funding of \$0.4 million in 2003-04 to the Australian Transport Safety Bureau for the establishment of a rail database and a marine confidential reporting system.

See also the related expense measure titled *Australian Transport Safety Bureau – new safety functions* in the Transport and Regional Services portfolio.

Norfolk Island Airport — runway resurfacing

Capital (\$m)	2003-04	2004-05	2005-06	2006-07
Department of Transport and Regional Services	-	-	-	-

In 2002-03 the Commonwealth provided for a loan of up to \$5.8 million to the Government of Norfolk Island to fund the resurfacing of the Norfolk Island Airport's runway. The loan is to be repaid over a ten-year period. The runway should be resurfaced within the next 12 months to assist the continued safety of aircraft takeoff and landings.

Regional office network

Capital (\$m)	2003-04	2004-05	2005-06	2006-07
Department of Transport and Regional Services	1.3	-	-	-

The Government will provide funding of \$1.3 million in 2003-04 to meet property and information technology costs for the Department of Transport and Regional Services' network of regional offices.

See also the related expense measure titled *Regional office network* in the Transport and Regional Services portfolio.

TREASURY

Australian Reinsurance Pool Corporation — establishment cost

Capital (\$m)	2003-04	2004-05	2005-06	2006-07
Department of the Treasury	-	-	-	-

The Government has announced a scheme for the provision of temporary terrorism risk reinsurance cover until market coverage resumes. The scheme will commence on 1 July 2003 and will be managed by a statutory authority to be established for that purpose, the Australian Reinsurance Pool Corporation. The cost of the authority will be met by the scheme once it has commenced operation.

The Government will provide up to \$5 million to the Department of the Treasury in 2003-04 to meet establishment costs. The authority will repay this amount in full in the same financial year and so the injection will have no overall impact on the budget.

Royal Australian Mint — additional funding

Capital (\$m)	2003-04	2004-05	2005-06	2006-07
Department of the Treasury	2.1	2.2	2.7	2.5

The Government will provide additional funding of \$13.5 million over four years to Department of the Treasury for the Royal Australian Mint. Of this amount, \$9.5 million over four years will allow the Mint to undertake a staged capital replacement programme of its antiquated coin producing equipment.

The remaining \$4 million in 2003-04 is a one-off equity injection to meet periodic fluctuations in the Mint's working capital requirements. It is expected that the working capital will be replenished when revenue becomes available and therefore the equity injection will have no impact on the underlying cash or fiscal balance.