

Part 2: Expense measures

Table 1: Expense measures since the 2002-03 MYEFO

| | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---|--------------|--------------|-------------|----------|
| | \$m | \$m | \$m | \$m |
| AGRICULTURE, FISHERIES AND FORESTRY | | | | |
| <i>Department of Agriculture, Fisheries and Forestry</i> | | | | |
| Additional Drought Assistance Measures | 7.3 | 4.8 | - | - |
| Aquaculture Industry Action Agenda | 2.5 | - | - | - |
| Aquaculture industry - reprioritisation of funding | -2.5 | - | - | - |
| Australia's Southern Ocean - surveillance and enforcement programme | 1.8 | - | - | - |
| Country Women's Association Emergency Aid Fund | - | - | - | - |
| Drought affected areas - interim support | 30.5 | 12.6 | - | - |
| Drought Assistance - Exceptional Circumstances Declarations | 204.6 | 108.6 | - | - |
| Farm Help - interim extension | - | - | - | - |
| Melbourne Airport - additional quarantine infrastructure | -3.9 | - | - | - |
| National Landcare Programme - continuation | - | - | - | - |
| Pest Animal Management Grants Programme | - | - | - | - |
| Red Imported Fire Ant - additional funding for eradication | 5.2 | - | -5.2 | - |
| Tasmanian Wheat Freight Shipping - continuation | - | - | - | - |
| Tuberculosis Freedom Assurance Programme - continuation | 1.0 | 0.6 | 0.2 | 0.1 |
| Tuberculosis Freedom Assurance Programme - reprioritisation of funding | -1.0 | -0.6 | -0.2 | -0.1 |
| Portfolio total | 245.5 | 126.0 | -5.2 | - |
| ATTORNEY-GENERAL'S | | | | |
| <i>Administrative Appeals Tribunal</i> | | | | |
| Administrative Appeals Tribunal | 7.7 | 8.0 | 8.3 | 8.6 |
| <i>Attorney-General's Department</i> | | | | |
| A Safer Australia - Attorney-General's Department and the Australian Security Intelligence Organisation - enhanced counter-terrorism training | 3.6 | 3.6 | 3.7 | 3.8 |
| A Safer Australia - armoured VIP limousines | 1.0 | 1.1 | 1.1 | 1.1 |
| A Safer Australia - continuous operation of the national crisis management Watch Office | 1.2 | 1.3 | 1.3 | 1.3 |
| A Safer Australia - enhanced Diplomatic and Australian Office Holder guarding services | 20.7 | - | - | - |
| A Safer Australia - National Security Hotline | 6.0 | - | - | - |
| A Safer Australia - upgrade of the Australian Secure Network communications infrastructure | 9.6 | 3.0 | 3.1 | 3.2 |
| Family Court of Western Australia - additional funding | 0.9 | 1.0 | 1.1 | 1.2 |
| Family Law Pathways - continuation of Children's Contact Services | 4.1 | 4.2 | 4.3 | 4.4 |
| Family Law Pathways - continued contribution to the Victorian Court Network | 0.1 | 0.1 | 0.1 | 0.1 |
| Family Law Pathways - measures to improve compliance with Family Court child contact orders | 0.5 | 0.5 | 0.5 | 0.5 |
| Family Law Pathways - online access to family law information and services | 1.3 | 1.3 | 1.4 | 1.4 |

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

| | 2003-04 \$m | 2004-05 \$m | 2005-06 \$m | 2006-07 \$m |
|---|----------------|----------------|----------------|----------------|
| ATTORNEY-GENERAL'S (continued) | | | | |
| Firearms policy development - continuation of funding | 0.9 | 0.9 | 1.0 | 1.0 |
| Handgun buyback programme | 55.9 | 10.1 | - | - |
| International Criminal Court - Australia's contribution | 3.3 | 1.4 | 1.4 | 1.4 |
| National Crime Prevention Programme - building safer communities | 4.0 | - | - | - |
| National Illicit Drugs Strategy - prevention of illicit drug manufacturing strategy | 1.1 | 1.1 | 1.0 | 1.1 |
| <i>Australian Crime Commission</i> | | | | |
| Australian Crime Commission - additional funding to target money laundering and fraud | 7.3 | 7.4 | 7.5 | 7.7 |
| National Illicit Drugs Strategy - enhanced technical capacity for the Australian Crime Commission and the Australian Federal Police | - | - | - | - |
| <i>Australian Customs Service</i> | | | | |
| A Safer Australia - increased use of x-ray facilities for shipping container inspections | 16.3 | 16.3 | 16.3 | - |
| Australia's Southern Ocean - surveillance and enforcement programme | 9.5 | - | - | - |
| Melbourne Airport - additional quarantine infrastructure | -3.9 | - | - | - |
| <i>Australian Federal Police</i> | | | | |
| A Safer Australia - enhanced checking of aviation security identification card holders | 0.8 | 0.2 | 0.2 | 0.2 |
| National Illicit Drugs Strategy - Australian Federal Police communications network | - | - | - | - |
| National Illicit Drugs Strategy - Australian Federal Police Law Enforcement Cooperation Programme | - | - | - | - |
| National Illicit Drugs Strategy - Australian Federal Police Overseas Liaison Network | - | - | - | - |
| National Illicit Drugs Strategy - enhanced technical capacity for the Australian Crime Commission and the Australian Federal Police | - | - | - | - |
| <i>Australian Institute of Criminology</i> | | | | |
| National Illicit Drugs Strategy - continued drug use monitoring by the Australian Institute of Criminology | 1.1 | 1.1 | 1.1 | 1.0 |
| <i>Australian Security Intelligence Organisation</i> | | | | |
| A Safer Australia - Attorney-General's Department and the Australian Security Intelligence Organisation - enhanced counter-terrorism training | 0.2 | 0.2 | 0.2 | 0.3 |
| A Safer Australia - enhanced checking of aviation security identification card holders | 0.7 | 0.6 | 0.6 | 0.6 |
| A Safer Australia - enhancing the counter-terrorism capabilities of the Australian Security Intelligence Organisation | 3.6 | 2.6 | 2.7 | 2.8 |

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

| | 2003-04 \$m | 2004-05 \$m | 2005-06 \$m | 2006-07 \$m |
|--|----------------|----------------|----------------|----------------|
| ATTORNEY-GENERAL'S (continued) | | | | |
| <i>Australian Transaction Reports and Analysis Centre</i> | | | | |
| A Safer Australia - additional funding for financial monitoring by the Australian Transaction Reports and Analysis Centre | 3.1 | - | - | - |
| National Illicit Drugs Strategy - enhanced financial intelligence to target illicit drug trafficking and related activities | 2.3 | - | - | - |
| National Illicit Drugs Strategy - financial intelligence intensive training and support for the Australian Transaction Reports and Analysis Centre | - | - | - | - |
| National Illicit Drugs Strategy - funding to the Australian Transaction Reports and Analysis Centre for the High-Risk Cash Dealer Strategy | - | - | - | - |
| <i>Federal Magistrates Service</i> | | | | |
| Federal Magistrates Services - additional magistrates | 1.0 | 1.1 | 1.1 | 1.2 |
| <i>Insolvency and Trustee Services Australia</i> | | | | |
| Proceeds of Crime legislation - additional funding for implementation | 0.5 | 0.7 | - | - |
| <i>Office of the Director of Public Prosecutions</i> | | | | |
| Identity fraud - improving and increasing the number of investigations | 2.0 | 3.0 | 3.0 | 3.0 |
| Proceeds of Crime legislation - additional funding for implementation | 1.9 | 2.9 | - | - |
| Portfolio total | 168.5 | 73.7 | 61.1 | 45.9 |
| COMMUNICATIONS, INFORMATION TECHNOLOGY AND THE ARTS | | | | |
| <i>Australian Broadcasting Authority</i> | | | | |
| NetAlert | -0.5 | -0.5 | -0.5 | - |
| <i>Australian Broadcasting Corporation</i> | | | | |
| Australian Broadcasting Corporation | - | - | - | - |
| Australian Broadcasting Corporation - continuation of funding for Radio Australia | 3.0 | 3.0 | 3.1 | - |
| <i>Australian Communications Authority</i> | | | | |
| Freephone and Local Rate telephone number auctions | 1.6 | 0.6 | 0.4 | 0.4 |
| Premium rate numbers - service provider rules | 0.3 | 0.1 | 0.1 | 0.1 |
| Submarine Telecommunications Cables - protection | 0.6 | 0.4 | 0.2 | 0.2 |

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

| | 2003-04 \$m | 2004-05 \$m | 2005-06 \$m | 2006-07 \$m |
|--|----------------|----------------|----------------|----------------|
| COMMUNICATIONS, INFORMATION TECHNOLOGY AND THE ARTS (continued) | | | | |
| <i>Australian Sports Commission</i> | | | | |
| Olympic and Paralympic Games in Athens 2004 | 1.0 | - | - | - |
| Tough On Drugs In Sport - drug testing | -0.4 | -0.4 | -0.4 | -0.4 |
| <i>Australian Sports Drug Agency</i> | | | | |
| Tough On Drugs In Sport - drug testing | 1.7 | 1.7 | 1.8 | 1.8 |
| <i>Department of Communications, Information Technology and the Arts</i> | | | | |
| Bundanon Trust | 0.2 | 0.4 | 0.8 | 1.0 |
| Communications, Information Technology and the Arts Portfolio - decreased resourcing in 2003-04 | -0.5 | - | - | - |
| Contemporary Visual Arts and Crafts Inquiry - Government response | 3.0 | 4.5 | 6.0 | 6.0 |
| Cultural Agencies Review | -0.4 | -0.4 | -0.6 | -0.6 |
| Film Finance Corporation | - | - | - | - |
| MacArthur Museum Project - Commonwealth contribution | 0.4 | - | - | - |
| National Institute of Dramatic Art - additional funding | 1.1 | 1.1 | 1.2 | 1.2 |
| NetAlert | 0.5 | 0.5 | 0.5 | 0.0 |
| Surf Life Saving Australia, Royal Life Saving Society Australia, Austswim and the Australian Ski Patrol Association - additional funding | 0.5 | 0.5 | - | - |
| <i>National Archives of Australia</i> | | | | |
| Cultural Agencies Review | -0.6 | -0.7 | -0.9 | -1.1 |
| <i>National Gallery of Australia</i> | | | | |
| Cultural Agencies Review | -0.2 | -0.3 | -0.3 | -0.4 |
| <i>National Museum of Australia</i> | | | | |
| Cultural Agencies Review | -0.1 | -0.1 | -0.1 | -0.1 |
| <i>National Office of the Information Economy</i> | | | | |
| Government Bookshop Network - closure | -4.9 | -7.6 | -7.5 | -7.4 |
| Tough On Drugs In Sport - drug testing | -0.4 | -0.4 | -0.4 | -0.4 |
| <i>Special Broadcasting Service Corporation</i> | | | | |
| Special Broadcasting Service Corporation | - | - | - | - |
| Special Broadcasting Service Corporation - exemption from the Efficiency Dividend | 0.8 | 1.7 | 2.6 | - |
| Special Broadcasting Service Corporation - overseas programme acquisition | 3.6 | 3.7 | 3.7 | - |
| Portfolio total | 10.2 | 7.9 | 9.6 | 0.3 |

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

| | 2003-04 \$m | 2004-05 \$m | 2005-06 \$m | 2006-07 \$m |
|--|----------------|----------------|----------------|----------------|
| CROSS PORTFOLIO | | | | |
| <i>Cross Portfolio</i> | | | | |
| Agency Banking Incentive Scheme - discontinuation | - | - | - | - |
| Budget estimates - enhanced quality and timeliness | 1.1 | 0.7 | 0.7 | 0.7 |
| Portfolio total | 1.1 | 0.7 | 0.7 | 0.7 |
| DEFENCE | | | | |
| <i>Department of Defence</i> | | | | |
| A Safer Australia - continued funding for enhanced protective security | 34.6 | 36.1 | - | - |
| Australian Defence Force personnel numbers - accelerated growth | 49.8 | 36.5 | 16.5 | - |
| Bougainville Peace Monitoring Group - continuation of the Australian Defence Force contribution to monitoring weapons disposal | - | - | - | - |
| Coastal surveillance - continuation of funding for increased activity | 17.8 | - | - | - |
| Iraq - funding for operations and rehabilitation activities | 197.9 | 25.8 | - | - |
| Logistics funding | 244.3 | 285.5 | 284.9 | 229.0 |
| Navy Personnel Retention initiatives | - | - | - | - |
| Special Operations Command | 21.6 | 35.8 | 49.2 | 50.2 |
| Special Purpose Aircraft Facilities at Canberra International Airport | 7.1 | 7.2 | 7.5 | 7.8 |
| Portfolio total | 573.1 | 426.9 | 358.1 | 287.0 |
| EDUCATION, SCIENCE AND TRAINING | | | | |
| <i>Australian Institute of Marine Science</i> | | | | |
| Our Universities - marine science institute | 2.9 | - | - | - |
| <i>Australian Nuclear Science and Technology Organisation</i> | | | | |
| A Safer Australia - enhanced security for the Australian Nuclear Science and Technology Organisation | 1.7 | 1.7 | 1.7 | 1.7 |
| <i>Commonwealth Scientific and Industrial Research Organisation</i> | | | | |
| Commonwealth Scientific and Industrial Research Organisation Flagship initiative | 20.0 | - | - | - |
| <i>Department of Education, Science and Training</i> | | | | |
| Additional Drought Assistance Measures | 3.4 | -1.9 | - | - |
| A Fairer Medicare - additional medical school places | 3.7 | 7.6 | 11.6 | 15.8 |
| Cooperative Research Centres Programme - additional funding for 2006-07 | - | - | - | 62.5 |
| Cross-portfolio Indigenous flexible funding arrangements | -0.4 | -0.4 | - | - |
| Education, Science and Training portfolio - reprioritisation | -2.0 | -0.3 | -0.3 | -0.3 |
| International Education - Endeavour Programme scholarships | 1.6 | 2.1 | 2.1 | 2.1 |
| International Education - increased profile of Australia's international education sector | 8.4 | 9.3 | 10.9 | 13.1 |

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

| | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|--|---------|---------|---------|---------|
| | \$m | \$m | \$m | \$m |
| EDUCATION, SCIENCE AND TRAINING (continued) | | | | |
| International Education - International Centres of Excellence | 7.9 | 13.3 | 10.2 | 4.1 |
| International Education - National Centre for Language Training | - | 2.3 | 2.3 | - |
| International Education - offshore quality assurance enhancements | 3.5 | 3.0 | 2.0 | 2.1 |
| International Education - onshore compliance enhancements | 1.6 | 1.1 | 1.2 | 1.2 |
| International Education - reprioritisation of funding from the Quality Outcomes Programme and Systemic Infrastructure Scheme | - | -2.3 | -2.3 | - |
| Mount Stromlo Observatory - reconstruction after the bushfires | 7.3 | - | - | - |
| National Competitive Grants Programme - additional funding for 2006-07 | - | - | - | 275.0 |
| National Illicit Drugs Strategy - National Schools Drug Education Strategy | 1.8 | - | - | - |
| National literacy and numeracy strategies and projects | - | - | - | - |
| New Apprenticeships Workforce Skills Development programme - consolidation of programme elements | -3.0 | -1.0 | -3.0 | -3.0 |
| Non-government schools - capital funding | - | - | - | - |
| Our Universities - Collaboration and Structural Reform Fund | - | 6.5 | 6.7 | 6.8 |
| Our Universities - Commonwealth Grants Scheme initiatives | - | 139.0 | 252.2 | 384.2 |
| Our Universities - disadvantaged students improved participation | 0.3 | 5.4 | 7.1 | 9.0 |
| Our Universities - Higher Education Contribution Scheme - increased flexibility | - | - | - | - |
| Our Universities - Higher Education Information Management System | 14.5 | 5.4 | 5.1 | 5.3 |
| Our Universities - Higher Education Loans Programme (HELP) - HECS-HELP, FEE-HELP and OS-HELP | - | -15.7 | -18.1 | -16.8 |
| Our Universities - Marcus Oldham College | 2.1 | - | - | - |
| Our Universities - marine science institute | -5.0 | - | - | - |
| Our Universities – national priority funding for additional student places and courses | 11.9 | 47.5 | 49.8 | 51.8 |
| Our Universities - quality assurance enhancement | - | 0.9 | 0.9 | 0.9 |
| Our Universities - regional universities loading | 27.9 | 30.3 | 31.5 | 32.9 |
| Our Universities - scholarships | 11.2 | 29.9 | 49.7 | 70.7 |
| Our Universities - teaching quality incentives | - | - | 79.3 | 108.9 |
| Our Universities - Workplace Productivity Programme | - | - | 27.3 | 27.9 |
| Pensioner Education Supplement – matching payments to study periods | -0.6 | -0.9 | -0.8 | -0.7 |

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

| | 2003-04 \$m | 2004-05 \$m | 2005-06 \$m | 2006-07 \$m |
|--|----------------|----------------|----------------|----------------|
| EDUCATION, SCIENCE AND TRAINING (continued) | | | | |
| Radioactive waste management facility | 1.7 | 0.2 | 0.2 | 0.2 |
| Strategic Assistance for Improving Student Outcomes Programme - increased funding | - | - | - | - |
| Student Financial Supplement Scheme - repeal | 5.3 | 12.7 | 10.7 | 8.8 |
| Transition (School to Work) Programmes | -1.5 | -0.7 | -0.7 | -1.2 |
| Vocational education and training - continued Commonwealth support | - | - | - | - |
| Portfolio total | 126.1 | 295.0 | 537.3 | 1063.2 |
| EMPLOYMENT AND WORKPLACE RELATIONS | | | | |
| <i>Department of Employment and Workplace Relations</i> | | | | |
| Australian Industrial Relations Commission and Australian Industrial Registry - relocation | 0.8 | 0.8 | 0.8 | 0.8 |
| Commonwealth Unfair Dismissal Scheme - expanded coverage | 1.1 | 5.1 | 5.1 | 5.2 |
| Cross-portfolio Indigenous flexible funding arrangements | -0.5 | -0.5 | - | - |
| Employee Share Ownership Development Unit | 0.4 | 0.4 | 0.4 | 0.4 |
| Employment Innovation Fund | - | - | - | - |
| Indigenous Capital Assistance Scheme | - | - | - | - |
| Job search training - early access for young job seekers | - | - | - | - |
| Royal Commission into the Building and Construction Industry - initial response | 17.0 | - | - | - |
| Workplace Relations Act – measures to ensure compliance and enforce relevant orders | - | - | - | - |
| Portfolio total | 18.8 | 5.8 | 6.4 | 6.5 |
| ENVIRONMENT AND HERITAGE | | | | |
| <i>Bureau of Meteorology</i> | | | | |
| Meteorological radars - replacement and upgrade | 1.7 | 2.0 | 3.0 | 3.7 |
| <i>Department of the Environment and Heritage</i> | | | | |
| Australian Biological Resources Study | - | - | - | - |
| Biodiversity Policy | -2.0 | -2.0 | -2.0 | -2.0 |
| Distinctively Australian | 1.3 | 3.2 | 4.0 | 4.8 |
| Environment Protection Policy | - | - | - | - |
| Great Barrier Reef Coastal Wetland Protection Programme | 1.0 | 2.0 | 2.0 | 2.0 |
| Shipping support for Australia's Antarctic Programme | - | - | - | - |
| Urban Environment Initiatives | - | - | - | - |
| World Class Weather Forecasting | - | - | - | - |
| <i>National Oceans Office</i> | | | | |
| National Oceans Office | - | - | - | - |
| <i>Sydney Harbour Federation Trust</i> | | | | |
| Sydney Harbour Federation Trust | 7.5 | 7.5 | 7.0 | 7.0 |
| Portfolio total | 9.6 | 12.8 | 14.0 | 15.5 |

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

| | 2003-04 \$m | 2004-05 \$m | 2005-06 \$m | 2006-07 \$m |
|--|----------------|----------------|----------------|----------------|
| FAMILY AND COMMUNITY SERVICES | | | | |
| <i>Department of Family and Community Services</i> | | | | |
| Assurance of Support Scheme - improved operation | 2.1 | -4.0 | -4.5 | -4.9 |
| Australians Working Together Measures - changed arrangements | 14.2 | 12.7 | 11.8 | 12.0 |
| Bali Terrorist Attacks - ex-gratia payments for the Victims and Family members of Victims | 0.5 | - | - | - |
| Centrelink Rural Call Centres - continuation of funding | - | - | - | - |
| Centrelink Service Delivery - enhanced information technology capability | 27.0 | 7.9 | -26.3 | -57.3 |
| Child Support Debt Collection - additional compliance activity | -2.3 | -2.4 | -2.4 | -2.5 |
| Child Support improvements - support for unemployed parents | .. | -0.1 | -0.1 | -0.1 |
| Community Development Employment Projects Programme - expansion of 1,000 additional places | -10.7 | -11.0 | -11.2 | -11.5 |
| Compliance reviews – expand data matching and asset reviews to identify incorrect payments | -27.5 | -61.7 | -66.7 | -68.2 |
| Compliance reviews - extend 2002-03 data matching pilot | -19.6 | -20.6 | -21.2 | -21.6 |
| Cross-portfolio Indigenous flexible funding arrangements | -0.5 | -0.5 | - | - |
| Disability employment assistance - improved viability of business services | 14.6 | 9.3 | -0.4 | -0.8 |
| Disability employment assistance - introduction of a case based funding model | 6.5 | 17.2 | 44.2 | 44.0 |
| Disability Support Pensions - enhanced reviews | -8.0 | -25.7 | -27.3 | -28.2 |
| Drought Assistance - Exceptional Circumstances Declarations | 6.1 | 3.7 | 0.6 | - |
| Holocaust payments - extension of means test exemptions | 0.2 | 0.1 | 0.1 | 0.1 |
| Household, Income and Labour Dynamics in Australia (HILDA) Survey – extended funding | 0.5 | 2.8 | 0.2 | - |
| Identity fraud - improving and increasing the number of investigations | -7.6 | -17.5 | -21.8 | -23.6 |
| Men and Family Relationships and Family Relationships Education Programmes - extended funding | 6.1 | 6.2 | 6.3 | 6.5 |
| National Illicit Drugs Strategy - strengthening and supporting families coping with illicit drug use | - | - | - | - |
| Notification arrangements for people departing Australia and consistent treatment of foreign debt recovery | 2.7 | -0.2 | -2.0 | -3.5 |
| Parenting Payment - enhanced profiling capacity to ensure correct payment | -3.4 | -8.3 | -8.6 | -9.0 |
| Pensioner Education Supplement – matching payments to study periods | -5.1 | -10.2 | -10.4 | -10.7 |
| Personal counselling services for drought-affected communities in rural regions | - | - | - | - |

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

| | 2003-04 \$m | 2004-05 \$m | 2005-06 \$m | 2006-07 \$m |
|---|----------------|----------------|----------------|----------------|
| FAMILY AND COMMUNITY SERVICES (continued) | | | | |
| Reconnect and Job Placement, Employment and Training | 1.5 | 1.6 | 1.8 | 2.0 |
| Research into emerging areas of risks to the social security system | 2.6 | - | - | - |
| Respite support for carers of young people - continuation of funding | - | - | - | - |
| Social Security Act 1991 - further legislative simplification | - | -0.8 | -0.7 | -0.7 |
| Social Security Agreement with Chile | - | - | - | - |
| Social Security Agreement with Malta - revised agreement | 0.3 | .. | -0.2 | -0.3 |
| Special Needs Subsidy Scheme – additional funding | 6.3 | 6.4 | 6.5 | 6.7 |
| Student Financial Supplement Scheme - repeal | 20.6 | 58.4 | 48.5 | 38.9 |
| Support for Indigenous people - continue funding for Centre for Aboriginal Economic and Policy Research | - | - | - | - |
| Support for Indigenous people - expansion of Centrelink's agent and access point network | 0.7 | 1.6 | 2.7 | 3.0 |
| Support for Indigenous people - longitudinal study of Indigenous children | 0.6 | 1.3 | 5.9 | 0.8 |
| Temporary overseas absence provisions - reduction to 13 weeks | 3.1 | 0.1 | -3.5 | -3.7 |
| Youth Allowance - ex-gratia payments to former recipients in South Australia | .. | - | - | - |
| Youth and student assistance - restructured reviews | -16.8 | -13.9 | -9.9 | -6.5 |
| Portfolio total | 14.7 | -47.6 | -88.6 | -139.2 |
| FINANCE AND ADMINISTRATION | | | | |
| <i>Commonwealth Grants Commission</i> | | | | |
| Commonwealth Grants Commission - additional funding | 0.1 | 0.1 | 0.1 | -0.1 |
| <i>Department of Finance and Administration</i> | | | | |
| Asset sales function - continuation of resourcing | 6.2 | - | - | - |
| Christmas Island Permanent Immigration Reception and Processing Centre - completion of construction | 2.5 | 7.2 | 3.9 | - |
| Ministerial Communications Network - refurbishment and enhancement | 0.2 | 0.1 | 0.1 | -0.2 |
| Portfolio total | 9.0 | 7.3 | 4.0 | -0.3 |
| FOREIGN AFFAIRS AND TRADE | | | | |
| <i>Australian Agency for International Development</i> | | | | |
| Bali - construction of a community eye treatment centre | - | - | - | - |
| Bali - creation of a Bali memorial medical and health scholarship programme | - | - | - | - |
| Bali - new intensive care centre at Sanglah Hospital | - | - | - | - |
| Iraq - humanitarian aid | - | - | - | - |
| <i>Australian Secret Intelligence Service</i> | | | | |
| A Safer Australia - measures to further enhance the response to terrorism | 4.9 | 4.6 | 4.7 | 4.8 |
| Australian Secret Intelligence Service - enhanced output capabilities | 1.9 | 2.0 | 2.0 | 2.1 |

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

| | 2003-04 \$m | 2004-05 \$m | 2005-06 \$m | 2006-07 \$m |
|--|----------------|----------------|----------------|----------------|
| FOREIGN AFFAIRS AND TRADE (continued) | | | | |
| <i>Australian Trade Commission</i> | | | | |
| Australian Trade Commission - realignment of overseas network | -0.2 | -0.5 | -0.5 | -0.5 |
| Iraq - reopening of an Australian office | 0.6 | 0.7 | 0.7 | 0.8 |
| <i>Department of Foreign Affairs and Trade</i> | | | | |
| A Safer Australia - enhanced travel advice dissemination | 2.5 | 2.3 | 2.4 | 2.5 |
| A Safer Australia - expansion of Australia's secure diplomatic communication network | -0.5 | - | - | - |
| A Safer Australia - research into passport biometrics | 1.9 | - | - | - |
| International Development Law Organisation grant | .. | 0.1 | 0.1 | 0.1 |
| International Relations Grants Programme | - | - | - | - |
| Iraq - reopening of an Australian office | 3.2 | 3.6 | 4.0 | 4.1 |
| Nauru - maintenance of a temporary Consulate-General | 1.7 | - | - | - |
| World Trade Organisation - informal meeting of Ministers | - | - | - | - |
| Portfolio total | 16.0 | 12.8 | 13.5 | 13.9 |
| HEALTH AND AGEING | | | | |
| <i>Department of Health and Ageing</i> | | | | |
| 100 extra aged care beds in regional health services - maintain funding | - | - | - | - |
| A Fairer Medicare - access to broadband technology | 4.1 | 5.1 | - | - |
| A Fairer Medicare - additional medical school places | 1.4 | 0.8 | 0.8 | 0.6 |
| A Fairer Medicare - encourage GP take up of HIC Online | 4.2 | 2.0 | 1.3 | 0.2 |
| A Fairer Medicare - GP incentive payments to bulk bill patients with concession cards | 46.8 | 80.0 | 103.1 | 115.6 |
| A Fairer Medicare - improved information and practice management | 1.8 | 1.9 | 1.4 | 1.0 |
| A Fairer Medicare - information for the public and medical professionals | 19.1 | - | - | - |
| A Fairer Medicare - more practice nurses and allied health workers for urban areas of workforce shortage | 15.0 | 15.7 | 16.4 | 17.1 |
| A Fairer Medicare - new GP training places | 12.9 | 37.5 | 63.0 | 76.0 |
| A Fairer Medicare - new Medicare safety net for patients with concession cards | 12.8 | 17.9 | 17.7 | 18.1 |
| A Fairer Medicare - new private health insurance safety net for out-of-hospital Medicare expenses | 16.3 | 24.2 | 23.5 | 24.4 |
| A Fairer Medicare - reducing up front costs for GP visits | 4.7 | 1.9 | 1.8 | 1.8 |
| Aged Care Assessment Teams | 2.5 | - | - | - |
| Australian Health Care Agreements | -108.9 | -172.0 | -264.6 | -372.9 |
| Australian Radiation Protection and Nuclear Safety Agency | 2.2 | 0.4 | 0.4 | 0.4 |
| Commonwealth Carelink | - | - | - | - |
| Commonwealth Hearing Services Programme - indexation of charges | -0.3 | -0.6 | -0.9 | -1.2 |

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

| | 2003-04 \$m | 2004-05 \$m | 2005-06 \$m | 2006-07 \$m |
|--|----------------|----------------|----------------|----------------|
| HEALTH AND AGEING (continued) | | | | |
| Compliance reviews - expand data matching and asset reviews to identify incorrect payments | -2.1 | -4.6 | -5.0 | -5.3 |
| Compliance reviews - extend 2002-03 data matching | -1.4 | -1.5 | -1.7 | -1.8 |
| Cross-portfolio Indigenous flexible funding arrangements | -0.5 | -0.5 | - | - |
| Dementia and challenging behaviours initiative | - | - | - | - |
| Diagnostic imaging - new agreements | - | - | - | - |
| Drought Assistance - Exceptional Circumstances Declarations | 6.5 | 3.4 | - | - |
| Enhanced Divisional Quality Use of Medicines Programme - maintain funding | 10.9 | 17.0 | 19.2 | 21.6 |
| Focus on prevention - community awareness and infrastructure | 2.1 | 1.5 | 0.7 | - |
| Focus on prevention - primary care providers working together | 2.7 | 4.6 | 4.6 | 4.5 |
| Focus on prevention - priority setting mechanism | - | - | - | - |
| Food Standards Australia New Zealand - development of primary production and processing standards | 0.5 | 0.5 | 0.5 | 0.5 |
| Food Standards Australia New Zealand - increased funding | 0.2 | 0.2 | 0.2 | 0.2 |
| General Practice Education, Support and Community Linkages Programme - redirection of funding | -1.4 | -1.7 | -1.8 | -1.8 |
| GPs in rural and remote areas - retention payments | - | - | - | - |
| GP involvement in coordinated care planning | - | - | - | - |
| Health <i>Connect</i> - a national information network | 2.5 | 2.5 | - | - |
| Hepatitis C prevention and education - maintain funding | - | - | - | - |
| Identity fraud - improving and increasing the number of investigations | -0.2 | -0.5 | -0.6 | -0.7 |
| Improved Monitoring of Pharmaceutical Benefits Scheme Entitlements initiative | 14.8 | - | - | - |
| Lifetime Health Cover - terminate funding for the implementation | -1.5 | -1.5 | -1.6 | -1.8 |
| Medical Indemnity Insurance Framework - rural obstetricians | 3.8 | 2.3 | 2.1 | 2.1 |
| Medicare Easyclaim | - | - | - | - |
| Multidisciplinary case conferencing | - | - | - | - |
| National Blood Authority - establishment and new Commonwealth funding arrangements | -3.4 | -9.1 | -11.2 | -11.4 |
| National Breast Cancer Centre | - | - | - | - |
| National Health and Medical Research Council - regulation of research involving embryos and prohibition of human cloning | 3.3 | 3.3 | - | - |
| National Illicit Drugs Strategy - Australian Drug Information Network | 0.3 | 0.3 | 0.3 | 0.3 |
| National Illicit Drugs Strategy - cannabis cessation strategies | -0.3 | -0.3 | -0.3 | -0.3 |
| National Illicit Drugs Strategy - continuation of funding for the Illicit Drug Diversion Initiative | - | - | - | - |

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

| | 2003-04 \$m | 2004-05 \$m | 2005-06 \$m | 2006-07 \$m |
|---|----------------|----------------|----------------|----------------|
| HEALTH AND AGEING (continued) | | | | |
| National Illicit Drugs Strategy - maintain education, counselling and referral services through Needle and Syringe Programmes | - | - | - | - |
| National Illicit Drugs Strategy - National Comorbidity Initiative | 1.7 | 2.7 | - | - |
| National Illicit Drugs Strategy - Needle and Syringe Programme distribution of injecting equipment | - | - | - | - |
| National Illicit Drugs Strategy - psychostimulants initiative | 1.0 | 1.0 | - | - |
| National Illicit Drugs Strategy - redirection of funds from the Community Partnerships Initiative | -1.1 | -1.1 | -1.1 | -1.1 |
| National Illicit Drugs Strategy - reprioritising of funding for the retractable needles and syringes | -3.3 | -5.4 | - | - |
| National Illicit Drug Strategy - research fund | 0.7 | 0.7 | 0.7 | 0.7 |
| National Illicit Drug Strategy - rural and regional initiative | 1.0 | 1.0 | 1.0 | 1.0 |
| National Meningococcal C Campaign - additional funding | 1.3 | 0.4 | 0.4 | 0.4 |
| Office of the Gene Technology Regulator | 8.1 | 8.4 | - | - |
| Pathology - Quality and Outlays Agreement | - | - | - | - |
| Pharmaceutical Benefits Scheme - improved entitlement validation of concession cards | 11.6 | 2.8 | -14.0 | -32.7 |
| Pre-1 October 1997 nursing home residents - maintain funding | - | - | - | - |
| Preventing falls in older people | - | - | - | - |
| Private Health Insurance Ombudsman - maintain existing funding | - | - | - | - |
| Private Health Insurance Premium - further measures to contain future increases | -0.1 | -10.4 | -14.4 | -24.7 |
| Professional Services Review | - | - | - | - |
| Regional Health Services Programme | - | - | - | - |
| Regional medical schools | -2.5 | -2.5 | -2.5 | -2.5 |
| Rural medical students funding to assist with their studies | - | - | - | - |
| Rural Women's GP Service | - | - | - | - |
| Severe Acute Respiratory Syndrome | 1.7 | - | - | - |
| Sharing health care initiative | - | - | - | - |
| Support services for women with breast cancer | - | - | - | - |
| Trans-Tasman Therapeutic Products Agency - establishment | 5.4 | 2.6 | - | - |
| Voluntary annual health assessments for older Australians | - | - | - | - |
| <i>Health Insurance Commission</i> | | | | |
| Health Insurance Commission - additional funding | 40.0 | - | - | - |
| <i>National Blood Authority</i> | | | | |
| National Blood Authority - establishment and new Commonwealth funding arrangements | 4.4 | 3.1 | 2.9 | 2.9 |
| Portfolio total | 141.5 | 34.0 | -57.8 | -169.2 |

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

| | 2003-04 \$m | 2004-05 \$m | 2005-06 \$m | 2006-07 \$m |
|--|----------------|----------------|----------------|----------------|
| IMMIGRATION AND MULTICULTURAL AND INDIGENOUS AFFAIRS | | | | |
| <i>Aboriginal and Torres Strait Islander Commission</i> | | | | |
| Community Development Employment Projects Programme | | | | |
| - expansion of 1,000 additional places | 10.7 | 11.0 | 11.2 | 11.5 |
| Cross-portfolio Indigenous flexible funding arrangements | -1.0 | -1.0 | - | - |
| <i>Department of Immigration and Multicultural and Indigenous Affairs</i> | | | | |
| A Safer Australia - enhanced border protection processing systems | 4.9 | 1.6 | - | - |
| Assurance of Support Scheme - improved operation | -0.1 | -0.1 | -0.1 | -0.1 |
| Christmas Island Permanent Immigration Reception and Processing Centre - completion of construction | -0.3 | -0.3 | 3.3 | 2.6 |
| Community Settlement Services Scheme - update on funding | 0.9 | - | - | - |
| Cross-portfolio Indigenous flexible funding arrangements | 3.0 | 3.0 | - | - |
| Department of Immigration and Multicultural and Indigenous Affairs - review of funding arrangements | 97.8 | - | - | - |
| Humanitarian Programme 2003-04 - coordinating community support | - | - | - | - |
| Immigration detention onshore - review of long-term strategy | -7.1 | -9.6 | -9.7 | -9.9 |
| International Education - electronic initiatives | 0.5 | - | - | - |
| International Education - increased profile of Australia's international education sector | 2.6 | - | - | - |
| International Education - onshore compliance enhancements | 0.9 | - | - | - |
| International Education - Professional Development Visa | 1.9 | - | - | - |
| International Education - Student Guardian Visa | 0.6 | - | - | - |
| International Education - working holiday maker arrangements | 0.1 | - | - | - |
| Iraq - reopening of an Australian office | 0.5 | 0.5 | 0.5 | 0.5 |
| Multicultural policy development and implementation - extension of funding | 1.1 | 1.1 | 1.1 | - |
| Reconciliation Place - Stage Two | 1.1 | - | - | - |
| Portfolio total | 118.2 | 6.3 | 6.3 | 4.7 |

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

| | 2003-04 \$m | 2004-05 \$m | 2005-06 \$m | 2006-07 \$m |
|--|----------------|----------------|----------------|----------------|
| INDUSTRY, TOURISM AND RESOURCES | | | | |
| <i>Department of Industry, Tourism and Resources</i> | | | | |
| Additional Drought Assistance Measures | 39.0 | 23.0 | - | - |
| Automotive assistance package post-2005 | 0.5 | 0.9 | 141.6 | 572.3 |
| Fuel tax reform - ethanol production grants | 27.0 | 45.0 | 61.0 | 62.0 |
| Geoscience Australia - Core Petroleum Programme | 8.7 | 8.9 | 9.1 | 9.3 |
| Geoscience Australia - seismic data acquisition and preservation | 2.5 | 5.0 | 7.5 | 10.0 |
| ISONET/SAMP - extension of funding | - | 1.0 | - | - |
| National Measurement Institute - establishment | - | - | - | - |
| Pharmaceuticals Partnerships Program | - | 15.0 | 18.7 | 30.0 |
| R&D Start - extension of funding for 2006-07 | - | - | - | 41.0 |
| R&D Start - programme flexibility | - | - | - | - |
| Tourism promotion in the Australian Capital Territory | - | - | - | - |
| Portfolio total | 77.7 | 98.8 | 237.9 | 724.6 |
| PARLIAMENTARY DEPARTMENTS | | | | |
| <i>Department of the House of Representatives</i> | | | | |
| A Safer Australia - enhanced Parliament House security | 3.4 | 3.1 | 3.1 | 3.2 |
| Citizenship Visit Programme - increase in funding | 0.1 | 0.1 | 0.1 | 0.1 |
| Parliamentary Departments - efficiency measures | - | -1.2 | -1.3 | -1.3 |
| <i>Department of the Parliamentary Library</i> | | | | |
| Parliamentary Departments - efficiency measures | - | -1.2 | -1.3 | -1.3 |
| <i>Department of the Parliamentary Reporting Staff</i> | | | | |
| Parliamentary Departments - efficiency measures | - | -1.2 | -1.3 | -1.3 |
| <i>Department of the Senate</i> | | | | |
| A Safer Australia - enhanced Parliament House security | 3.4 | 3.1 | 3.1 | 3.2 |
| Citizenship Visit Programme - increase in funding | 0.1 | 0.1 | 0.1 | 0.1 |
| Parliamentary Departments - efficiency measures | - | -1.2 | -1.3 | -1.3 |
| <i>Joint House Department</i> | | | | |
| Parliamentary Departments - efficiency measures | - | -1.2 | -1.3 | -1.3 |
| Portfolio total | 6.9 | 0.2 | 0.2 | 0.2 |
| PRIME MINISTER AND CABINET | | | | |
| <i>Department of the Prime Minister and Cabinet</i> | | | | |
| A Safer Australia - national security public awareness campaign | - | - | - | - |
| Australian Honours and Awards System - administration | 0.4 | 0.4 | 0.4 | 0.4 |

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

| | 2003-04 \$m | 2004-05 \$m | 2005-06 \$m | 2006-07 \$m |
|--|----------------|----------------|----------------|----------------|
| PRIME MINISTER AND CABINET (continued) | | | | |
| Policy advice and the coordination of government | | | | |
| policy - increased capacity | 4.2 | 3.6 | 3.6 | 3.7 |
| Women's Programme - funding | 7.6 | 2.5 | - | - |
| <i>Office of National Assessments</i> | | | | |
| A Safer Australia - enhanced analytical and technological capabilities for the Office of National Assessments | 3.2 | 2.3 | 2.3 | 2.3 |
| <i>Office of the Commonwealth Ombudsman</i> | | | | |
| Commonwealth Ombudsman - maintaining services | 0.8 | 0.8 | 0.5 | 0.5 |
| Portfolio total | 16.2 | 9.6 | 6.8 | 6.9 |
| TRANSPORT AND REGIONAL SERVICES | | | | |
| <i>Civil Aviation Safety Authority</i> | | | | |
| Civil Aviation Safety Authority - supplementary funding to cover the shortfall in aviation fuel excise revenue | 6.5 | - | - | - |
| <i>Department of Transport and Regional Services</i> | | | | |
| A Safer Australia - aviation security information management system | 0.2 | 0.3 | 0.3 | 0.3 |
| A Safer Australia - enhanced maritime security arrangements | 4.9 | 7.3 | - | - |
| A Safer Australia - enhanced screening at Christmas Island and Cocos (Keeling) Islands airports | 0.5 | 0.4 | 0.4 | 0.4 |
| Airservices Australia - extension of the Location Specific Pricing Subsidy | 7.0 | - | - | - |
| Auslink development and national transport regulation | 3.8 | 2.5 | 2.6 | 2.6 |
| Australian Capital Territory sawmills | - | - | - | - |
| Australian Transport Safety Bureau - new safety functions | 3.2 | 3.3 | 3.3 | 3.4 |
| Bushfire - aerial firefighting assistance | 5.5 | - | - | - |
| Bushfire Appeals - contributions to New South Wales, Victoria and the Australian Capital Territory | - | - | - | - |
| Christmas Island Permanent Immigration Reception and Processing Centre - completion of construction | 0.8 | 0.8 | 0.8 | 0.8 |
| Cross-portfolio Indigenous flexible funding arrangements | -0.1 | -0.1 | - | - |
| Disaster Mitigation Australia Package | 6.2 | 13.2 | 6.9 | 6.7 |
| Melbourne Airport - additional quarantine infrastructure | 7.7 | - | - | - |
| National Airspace Reforms - supplementary funding | 2.1 | - | - | - |
| National Highway and Roads of National Importance Programme - additional funding | - | - | 25.0 | - |
| Regional office network | 0.9 | 0.9 | 0.9 | 1.0 |
| Regional Partnerships | - | - | - | - |
| Sydney Airport Noise Amelioration Programme | 9.9 | 6.3 | 0.6 | 0.1 |
| Weipa electricity generation compensation package | 2.2 | 2.2 | 2.2 | 2.2 |
| Portfolio total | 61.5 | 37.2 | 43.0 | 17.5 |

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

| | 2003-04 \$m | 2004-05 \$m | 2005-06 \$m | 2006-07 \$m |
|---|----------------|----------------|----------------|----------------|
| TREASURY | | | | |
| <i>Australian Competition and Consumer Commission</i> | | | | |
| Australian Competition and Consumer Commission - cessation of cost recovery for airport regulation | -0.9 | - | - | - |
| Australian Competition and Consumer Commission - implementation of the Wilkinson Report | 1.5 | 0.6 | 0.2 | - |
| Australian Competition and Consumer Commission - monitoring medical indemnity insurance premiums | 0.5 | 0.5 | - | - |
| Australian Competition and Consumer Commission - telecommunications competition regulation | 5.8 | 5.6 | 5.7 | 5.8 |
| <i>Australian Prudential Regulation Authority</i> | | | | |
| Australian Prudential Regulation Authority - strengthened capabilities in prudential regulation | 5.9 | 5.2 | 5.3 | 5.5 |
| <i>Australian Securities and Investments Commission</i> | | | | |
| Australian Securities and Investments Commission - corporate disclosure initiatives | 3.0 | 3.0 | 3.1 | 3.2 |
| Australian Securities and Investments Commission - corporate insolvency initiative | 3.0 | 3.0 | 3.1 | 3.2 |
| Australian Securities and Investments Commission - funding for the HIH investigations taskforce | 17.5 | 10.7 | - | - |
| Superannuation Complaints Tribunal - additional funding | 2.1 | 1.3 | 1.4 | 1.5 |
| <i>Australian Taxation Office</i> | | | | |
| Fuel tax reform - biodiesel production grants | 15.0 | 44.0 | 76.0 | 99.0 |
| Measures for a Better Environment - cleaner fuel - incentive to switch to low sulphur fuels | - | - | 1.0 | 41.0 |
| Measures for a Better Environment - cleaner fuel - ultra low sulphur diesel excise differential - compensation for the agricultural sector | 10.0 | 13.0 | 4.0 | - |
| Measures for a Better Environment - cleaner fuel - Energy Grants (Credits) Scheme - inclusion of liquefied natural gas and biodiesel | 3.0 | 5.0 | 5.0 | 5.0 |
| Commonwealth Ombudsman - maintaining services | -0.3 | -0.3 | - | - |
| Fuel tax reform - fuel tax framework | - | - | - | - |
| Student Financial Supplement Scheme - repeal | 0.2 | 0.1 | 0.1 | 0.1 |
| <i>Department of the Treasury</i> | | | | |
| Financial Reporting Council - funding to support expanded role | 1.0 | 1.0 | 1.0 | 1.0 |
| Languages Other Than English courses provided by ethnic schools - variation in Budget Balancing Assistance as a result of making courses GST-free | 1.8 | 0.7 | 0.7 | 0.6 |
| <i>Productivity Commission</i> | | | | |
| Productivity Commission - reporting on key indicators of Indigenous disadvantage | 0.6 | 0.6 | 0.6 | 0.6 |
| Portfolio total | 69.5 | 94.0 | 107.2 | 166.5 |

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

| | 2003-04 \$m | 2004-05 \$m | 2005-06 \$m | 2006-07 \$m |
|---|----------------|----------------|----------------|----------------|
| VETERANS' AFFAIRS | | | | |
| <i>Department of Veterans' Affairs</i> | | | | |
| A Fairer Medicare - veteran access fee for Local Medical Officers | 15.6 | 14.7 | 15.3 | 16.0 |
| Commemorative activities - increase funding | 3.9 | 1.3 | 1.3 | 1.3 |
| Commonwealth Hearing Services Programme - indexation of charges | 0.1 | 0.1 | 0.2 | 0.3 |
| Community Care Grants Programme - maintain funding | 1.5 | 1.5 | 1.6 | 1.6 |
| Enhanced compliance programme | 0.9 | -1.3 | -4.9 | -7.1 |
| Holocaust payments - extension of means test exemptions | .. | .. | .. | .. |
| Pre-1 October 1997 nursing home residents - maintain funding | - | - | - | - |
| Portfolio total | 22.1 | 16.4 | 13.5 | 12.1 |
| Depreciation expense(a) | 22.8 | 20.7 | 29.8 | 40.3 |
| Total expense measures | 1,728.9 | 1,238.3 | 1,298.0 | 2,097.1 |

(a) Aggregate depreciation expenses in relation to capital measures.

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

| | 2003-04 \$m | 2004-05 \$m | 2005-06 \$m | 2006-07 \$m |
|---|----------------|----------------|----------------|----------------|
| AGRICULTURE, FISHERIES AND FORESTRY | | | | |
| <i>Department of Agriculture, Fisheries and Forestry</i> | | | | |
| Banana Black Sigatoka Fungal Disease Programme | - | - | - | - |
| Combating illegal fishing in Australia's sub-Antarctic waters | - | - | - | - |
| Establishment of an egg industry service provider company | -0.5 | -0.5 | -0.5 | -0.5 |
| Exceptional Circumstances - Bourke and Brewarrina Farmhand drought appeal | 2.6 | 0.7 | - | - |
| Interim income support for drought affected farmers in Bourke and Brewarrina regions of New South Wales and the Peak Downs region of Queensland | - | - | - | - |
| Marketing campaign for Meat and Livestock Australia | - | - | - | - |
| Repriorisation of funding from the Forest Industry Structural Adjustment Package | - | - | - | - |
| Review of aggregate sawlog licence volumes in Victoria | 0.9 | 0.4 | - | - |
| Sugar Package - exit assistance | 10.0 | 10.0 | 7.5 | - |
| Sugar Package - income support and administration costs | 11.5 | 0.5 | 0.5 | 0.2 |
| Sugar Package - Industry Guidance Group and Regional Action Groups | 2.5 | 2.5 | 2.5 | - |
| Sugar Package - regional projects | 10.0 | 10.0 | 10.0 | - |
| Sugar Package - replanting interest rate subsidy | 3.5 | - | - | - |
| Sugar Package - viability tests and business plans | 2.5 | - | - | - |
| Portfolio total | 43.0 | 23.6 | 20.0 | -0.3 |
| ATTORNEY-GENERAL'S | | | | |
| <i>Australian Customs Service</i> | | | | |
| Enhanced travel document screening system | 2.3 | 2.5 | 2.5 | 2.5 |
| <i>Australian Security Intelligence Organisation</i> | | | | |
| Additional funding for the Australian Security Intelligence Organisation | 6.1 | 6.2 | 6.2 | 6.4 |
| Supplementation for the Australian Security Intelligence Organisation | - | - | - | - |
| <i>Attorney-General's Department</i> | | | | |
| Interim Taskforce for the Building and Construction Industry | - | - | - | - |
| Upgrade of Law Courts Building in Sydney | - | - | - | - |
| Portfolio total | 8.3 | 8.7 | 8.7 | 8.9 |
| COMMUNICATIONS, INFORMATION TECHNOLOGY AND THE ARTS | | | | |
| <i>Australian Communications Authority</i> | | | | |
| Increased regulatory oversight of Australia Post | 4.4 | 2.5 | 2.6 | 2.6 |
| <i>Department of Communications, Information Technology and the Arts</i> | | | | |
| Regional Equalisation Plan funding for Imparja Television | - | - | - | - |
| Portfolio total | 4.4 | 2.5 | 2.6 | 2.6 |

Table 2: Expense measures up to the 2002-03 MYEFO (continued)

| | 2003-04 \$m | 2004-05 \$m | 2005-06 \$m | 2006-07 \$m |
|---|----------------|----------------|----------------|----------------|
| EDUCATION, SCIENCE AND TRAINING | | | | |
| <i>Department of Education, Science and Training</i> | | | | |
| Increase in the Parent Migration intake | 0.8 | 0.9 | 1.1 | 1.4 |
| Review of the New Apprenticeships Incentives Programme - amendments to the Living Away from Home Allowance | 5.1 | 5.2 | 5.3 | 5.4 |
| Review of the New Apprenticeships Incentives Programme - better targeting of the incentive for employing women in non-traditional occupations | -0.4 | -1.0 | -1.0 | -1.0 |
| Review of the New Apprenticeships Incentives Programme - discontinue the Special Assistance Programme | -0.1 | -0.1 | -0.1 | -0.1 |
| Review of the New Apprenticeships Incentives Programme - extension of the Disabled Apprenticeship Wage Support subsidy | 0.9 | 1.8 | 1.8 | 1.8 |
| Review of the New Apprenticeships Incentives Programme - marketing of New Apprenticeships | 7.0 | - | - | - |
| Review of the New Apprenticeships Incentives Programme - new payment arrangements for Group Training Organisations | 0.4 | 1.1 | 1.8 | 4.9 |
| Review of the New Apprenticeships Incentives Programme - redistribution of rural and regional skills shortage progression payment | 4.8 | 11.8 | 8.6 | 6.3 |
| Review of the New Apprenticeships Incentives Programme - removal and redistribution of the progression payment | -0.5 | -15.0 | -31.1 | -33.7 |
| Review of the New Apprenticeships Incentives Programme - special incentive for mature aged workers | 1.0 | 2.5 | 3.0 | 3.1 |
| Support for the General Sir John Monash Awards | 0.9 | 1.7 | 2.5 | - |
| Portfolio total | 19.9 | 9.0 | -8.0 | -11.7 |
| EMPLOYMENT AND WORKPLACE RELATIONS | | | | |
| <i>Department of Employment and Workplace Relations</i> | | | | |
| Increase in the Parent Migration intake | 0.7 | 1.9 | 2.8 | 3.3 |
| Interim Taskforce for the Building and Construction Industry | - | - | - | - |
| Portfolio total | 0.7 | 1.9 | 2.8 | 3.3 |
| FAMILY AND COMMUNITY SERVICES | | | | |
| <i>Department of Family and Community Services</i> | | | | |
| Commonwealth State Housing Agreement - Offer to States and Territories | - | 20.9 | 32.8 | 44.9 |
| Exceptional Circumstances - Bourke and Brewarrina | 0.1 | .. | - | - |
| Ex-gratia payments for victims and family members of victims of the Bali terrorist attacks | 0.3 | - | - | - |
| Extension of the Carer Payment | 1.3 | 1.4 | 1.4 | 1.5 |
| Family Law legislation amendment | .. | .. | .. | .. |
| Funding for the Red Cross Appeal for victims of the Bali terrorist attacks | - | - | - | - |

Table 2: Expense measures up to the 2002-03 MYEFO (continued)

| | 2003-04 \$m | 2004-05 \$m | 2005-06 \$m | 2006-07 \$m |
|--|----------------|----------------|----------------|----------------|
| FAMILY AND COMMUNITY SERVICES (continued) | | | | |
| Improved flexibility for family assistance payments | 13.6 | 15.3 | 13.3 | 12.7 |
| Increase in the Parent Migration intake | 2.3 | 8.0 | 14.4 | 19.7 |
| Increased funding to the third Commonwealth-State-Territory Disability Agreement | 20.3 | 25.7 | 31.2 | 36.8 |
| International Social Security Agreement with Belgium | - | 0.5 | .. | -0.2 |
| Recognising and improving the work capacity of people with a disability | 4.7 | 54.0 | 103.4 | 103.4 |
| Portfolio total | 42.6 | 125.8 | 196.6 | 218.8 |
| FINANCE AND ADMINISTRATION | | | | |
| <i>Department of Finance and Administration</i> | | | | |
| Additional funding for the administration of electorate and ministerial offices | 6.2 | 8.0 | 8.2 | 8.4 |
| Enhanced budget advisory capacity | 9.0 | 11.8 | 12.1 | 12.4 |
| Enhanced budget information system | 5.5 | 6.5 | 4.3 | 2.9 |
| Funding for the review of corporate governance of Statutory Authorities and Office Holders | - | - | - | - |
| Government assistance to research organisations associated with major political parties | 0.1 | 0.1 | 0.1 | 0.1 |
| Increased funding for electorate office relief | 2.7 | 2.8 | 2.9 | 3.0 |
| Portfolio total | 23.4 | 29.3 | 27.6 | 26.8 |
| FOREIGN AFFAIRS AND TRADE | | | | |
| <i>Australian Agency for International Development</i> | | | | |
| Increasing counter-terrorism capability in Indonesia | - | - | - | - |
| <i>Australian Secret Intelligence Service</i> | | | | |
| Additional funding for the Australian Secret Intelligence Service | 6.5 | 6.1 | 6.1 | 6.1 |
| <i>Department of Foreign Affairs and Trade</i> | | | | |
| Enhanced physical security at Australia's overseas posts | 3.9 | 3.9 | 3.9 | 3.9 |
| Ex-gratia payments for victims and family members of victims of the Bali terrorist attacks | - | - | - | - |
| Solomon Islands International Peace Monitoring Team | - | - | - | - |
| Portfolio total | 10.3 | 10.0 | 10.0 | 10.0 |
| HEALTH AND AGEING | | | | |
| <i>Department of Health and Ageing</i> | | | | |
| Additional funding for the Hunter Regional After Hours Service | - | - | - | - |
| Exceptional Circumstances - Bourke and Brewarrina | 0.1 | .. | - | - |
| Ex-gratia payments for victims and family members of victims of the Bali terrorist attacks | 6.9 | 4.5 | 0.7 | - |
| Extension of the Pharmaceutical Benefits Scheme listing for Glivec | 22.1 | 24.4 | 26.3 | 0.2 |
| Improved monitoring of pharmaceutical benefits entitlements | - | - | - | - |
| Increase in the Parent Migration intake | 8.3 | 21.0 | 34.8 | 34.8 |
| Listing of Singulair on the Pharmaceutical Benefits Scheme | 14.1 | 17.9 | 20.6 | 20.8 |
| Listing of Spiriva on the Pharmaceutical Benefits Scheme | 18.5 | 31.0 | 37.9 | 43.6 |

Table 2: Expense measures up to the 2002-03 MYEFO (continued)

| | 2003-04 \$m | 2004-05 \$m | 2005-06 \$m | 2006-07 \$m |
|--|----------------|----------------|----------------|----------------|
| HEALTH AND AGEING (continued) | | | | |
| Medical indemnity insurance - | | | | |
| Incurred-But-Not-Reported scheme | * | * | * | * |
| Medical Indemnity Insurance Assistance Package | 64.4 | 63.7 | 63.5 | 63.5 |
| Meningococcal C Vaccination Programme | 71.3 | 61.7 | 38.9 | 24.8 |
| Options to contain future private health insurance premium increases | -4.0 | -7.5 | -11.4 | -15.7 |
| Recognising and improving the work capacity of people with a disability | .. | 0.6 | 1.1 | 1.1 |
| Research involving embryos and prohibition of human cloning | - | - | - | - |
| United Medical Protection (UMP)/Australasian Medical Insurance Ltd (AMIL) Guarantee | * | * | * | * |
| Portfolio total | 201.6 | 217.3 | 212.4 | 173.2 |
| IMMIGRATION AND MULTICULTURAL AND INDIGENOUS AFFAIRS | | | | |
| <i>Department of Immigration and Multicultural and Indigenous Affairs</i> | | | | |
| Additional Airline Liaison Officers | 2.5 | 2.5 | 2.5 | 2.5 |
| Increase in the Parent Migration intake | 2.6 | 4.8 | 7.1 | 8.9 |
| Regulation of the migration advice industry | 2.3 | 2.8 | 3.4 | 3.4 |
| Supplementary funding for the Community Settlement Services Scheme | 0.2 | - | - | - |
| Portfolio total | 7.6 | 10.1 | 13.0 | 14.8 |
| INDUSTRY, TOURISM AND RESOURCES | | | | |
| <i>Department of Industry, Tourism and Resources</i> | | | | |
| Enhanced Printing Industry Competitiveness Scheme | 8.9 | - | - | - |
| Ethanol production subsidy | 7.2 | - | - | - |
| Support for shale oil demonstration plants | - | - | - | - |
| Uncapped Automotive Competitiveness and Investment Scheme credits for utility vehicles | - | - | - | - |
| Portfolio total | 16.1 | - | - | - |
| TRANSPORT AND REGIONAL SERVICES | | | | |
| <i>Department of Transport and Regional Services</i> | | | | |
| Additional funding for Year of the Outback | - | - | - | - |
| Development of AusLink | - | - | - | - |
| National Aerial Firefighting Strategy | - | - | - | - |
| War risk indemnities for the aviation industry | 0.3 | - | - | - |
| Portfolio total | 0.3 | - | - | - |

Table 2: Expense measures up to the 2002-03 MYEFO (continued)

| | 2003-04 \$m | 2004-05 \$m | 2005-06 \$m | 2006-07 \$m |
|--|----------------|----------------|----------------|----------------|
| TREASURY | | | | |
| <i>Australian Competition and Consumer Commission</i> | | | | |
| Increased regulatory oversight of Australia Post | 0.9 | 0.6 | 0.6 | 0.6 |
| Medical Indemnity Insurance Assistance Package | - | - | - | - |
| <i>Department of the Treasury</i> | | | | |
| Additional funding for the Review of the Trade Practices Act 1974 | - | - | - | - |
| Funding for Principles Based Review of the Law of Negligence | - | - | - | - |
| Terrorism insurance – commercial cover | - | - | - | - |
| Variation in Budget Balancing Assistance – application of GST to compulsory third party insurance | 9.2 | 2.6 | 3.0 | 2.8 |
| Variation in Budget Balancing Assistance – Government response to the Report of the Inquiry into the Definition of Charities and Related Organisations | - | 0.7 | 0.8 | 0.7 |
| Portfolio total | 10.1 | 3.9 | 4.4 | 4.1 |
| VETERANS' AFFAIRS | | | | |
| <i>Department of Veterans' Affairs</i> | | | | |
| Kokoda Track | - | - | - | - |
| Listing of Singulair on the Pharmaceutical Benefits Scheme | 0.5 | 0.6 | 0.7 | 0.7 |
| Listing of Spiriva on the Pharmaceutical Benefits Scheme | 3.2 | 5.3 | 6.5 | 7.4 |
| Portfolio total | 3.7 | 5.9 | 7.2 | 8.2 |
| Decisions taken but not yet announced | 0.9 | 0.6 | 0.7 | 0.8 |
| Total expense measures | 393.0 | 448.5 | 497.9 | 459.3 |

AGRICULTURE, FISHERIES AND FORESTRY

Drought assistance

Table 3: Commonwealth drought assistance: Summary of measures

| | 2002-03 | 2003-04 | 2004-05 | 2005-06 | 2006-07 | Total |
|---|--------------|--------------|--------------|------------|---------|--------------|
| | \$m | \$m | \$m | \$m | \$m | \$m |
| Measures announced from 2001-02 | | | | | | |
| Budget to 2002-03 MYEFO | 45.5 | 9.7 | 0.8 | - | - | 56.0 |
| Expense measures | | | | | | |
| Additional drought assistance measures | 94.6 | 49.7 | 25.9 | - | - | 170.2 |
| Country Women's Association Emergency Aid Fund | 1.0 | - | - | - | - | 1.0 |
| Drought affected areas - interim support | 35.8 | 30.5 | 12.6 | - | - | 78.9 |
| Drought assistance - Exceptional Circumstances Declarations | 99.2 | 217.2 | 115.7 | 0.6 | - | 432.7 |
| Pest Animal Management Grants Programme | 1.0 | - | - | - | - | 1.0 |
| Personal counselling services for drought-affected communities in rural regions | 2.0 | - | - | - | - | 2.0 |
| Total additional expenditure | 233.6 | 297.4 | 154.2 | 0.6 | - | 685.8 |
| Total Drought Assistance | 279.1 | 307.1 | 155.0 | 0.6 | - | 741.8 |

Additional drought assistance measures

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---|---------|---------|---------|---------|
| Department of Agriculture, Fisheries and Forestry | 7.3 | 4.8 | - | - |
| Department of Industry, Tourism and Resources | 39.0 | 23.0 | - | - |
| Department of Education, Science and Training | 3.4 | -1.9 | - | - |

The Government announced on 9 December 2002 the provision of one-off drought relief measures costing \$368 million over three years (including \$193.2 million in 2002-03). The measures were designed to provide financial support to farmers, small business and communities hardest hit by the drought, in advance of a large number of Exceptional Circumstance (EC) applications from State Governments.

Assessment of regions' EC eligibility has been more prompt than forecast due to the speed with which the States and the Commonwealth's National Rural Advisory Council have prepared and processed applications. As a result, eligible drought affected farmers have been able to access EC income support and interest rate assistance sooner than anticipated, reducing demand for this package. Consequently,

Budget Measures 2003-04

the forward estimates for drought assistance have been reduced to \$170.2 million, including \$94.6 million in 2002-03.

Country Women's Association Emergency Aid Fund

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|--|---------|---------|---------|---------|
| Department of Agriculture, Fisheries and Forestry | - | - | - | - |

The Government announced on 27 November 2002 that it would provide \$1 million in 2002-03 to state branches of the Country Women's Association to assist their work in helping and supporting farmers and their families during the current drought.

Drought affected areas — interim support

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|--|---------|---------|---------|---------|
| Department of Agriculture, Fisheries and Forestry | 30.5 | 12.6 | - | - |

The Government announced during the period November 2002 to April 2003 the provision of interim income support and interest rate relief to farmers in drought-affected regions across New South Wales, Victoria, Queensland, Western Australia and South Australia, in advance of State Government applications for Exceptional Circumstances (EC) assistance in those regions being assessed by the Commonwealth. The Government's additional drought assistance package announced on 9 December 2002, also provides short-term financial support in this case to individual farmers in areas suffering a 1 in 20 year rainfall deficiency over the nine months March 2002 to November 2002.

Once a fully completed application for a particular region is received by the Commonwealth and is deemed to show a prima facie case for EC declaration, interim income support is made available to eligible farmers on conditions equivalent to the Exceptional Circumstances Relief Payment. Interest rate relief on new and additional borrowings over two years is also made available to eligible farmers.

Access to interim income support is available for up to six months while the EC application is assessed. Should the Government declare EC in a region, interim income support ceases and standard EC assistance arrangements commence.

Total funding for this interim support is \$78.9 million, including \$35.8 million in 2002-03. This funding includes \$5.6 million over two years (including \$5.5 million in 2002-03) for Centrelink to administer this measure.

Drought Assistance — Exceptional Circumstances Declarations

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---|---------|---------|---------|---------|
| Department of Agriculture, Fisheries and Forestry | 204.6 | 108.6 | - | - |
| Department of Family and Community Services | 6.1 | 3.7 | 0.6 | - |
| Department of Health and Ageing | 6.5 | 3.4 | - | - |

The Government will provide up to \$432.7 million over four years (including \$99.2 million in 2002-03) for Exceptional Circumstances (EC) assistance to farmers in regions across New South Wales, Victoria, Queensland and South Australia. The Minister for Agriculture, Fisheries and Forestry announced the declaration of EC in these regions during the period November 2002 to April 2003. This amount may increase subject to the receipt of additional applications for assistance.

EC drought assistance is a cross-portfolio measure between the Departments of Agriculture, Fisheries and Forestry, Health and Ageing, and Family and Community Services. Eligible recipients are provided with a health care concession card under the Health and Ageing component and Youth Allowance under the Family and Community Services component.

Funding for the Department of Agriculture, Fisheries and Forestry includes \$5.6 million over three years for Centrelink to administer elements of EC assistance.

EC assistance comprises interest rate subsidies and income support to assist viable farm businesses and farm families adversely affected by exceptional climatic events, including drought.

Pest Animal Management Grants Programme

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---|---------|---------|---------|---------|
| Department of Agriculture, Fisheries and Forestry | - | - | - | - |

The Government announced on 27 November 2002 that it would provide \$1 million in 2002-03 to farmers for the control of animal pests such as kangaroos, feral pigs, feral goats and rabbits during the current drought.

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Personal counselling services for drought-affected communities in rural regions

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---|---------|---------|---------|---------|
| Department of Family and Community Services | - | - | - | - |

The Government provided up to \$2 million in 2002-03 for personal counselling services in drought affected rural areas. Face-to-face and telephone counselling services will be provided to approximately 6,000 people through Centrelink and the Family Relationships Service Programme located in rural areas.

Other measures in the Agriculture, Fisheries and Forestry portfolio

Aquaculture Industry Action Agenda

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---|---------|---------|---------|---------|
| Department of Agriculture, Fisheries and Forestry | 2.5 | - | - | - |

The Government will provide \$2.5 million in 2003-04 towards the implementation of the Aquaculture Industry Action Agenda.

Initiatives under the Action Agenda include promoting and developing an efficient regulatory environment and research and development activities to ensure an innovative, sustainable, competitive and forward-looking industry able to attract new investment and find new markets.

See also the related expense measure titled *Aquaculture industry – reprioritisation of funding* in the Agriculture, Fisheries and Forestry portfolio.

Aquaculture industry — reprioritisation of funding

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---|---------|---------|---------|---------|
| Department of Agriculture, Fisheries and Forestry | -2.5 | - | - | - |

The Government will reallocate \$2.5 million in 2003-04 from the Skilling Farmers for the Future Programme to the Aquaculture Industry Action Agenda to assist industry diversification and income generation in rural and remote Australia.

The revised level of funding will more accurately reflect estimated demand under the FarmBis programme, and will not affect existing agreements with the States.

See also the related expense measure titled *Aquaculture Industry Action Agenda* in the Agriculture, Fisheries and Forestry portfolio.

Farm Help — interim extension

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---|---------|---------|---------|---------|
| Department of Agriculture, Fisheries and Forestry | - | - | - | - |

The Government will extend the closing date for applications for assistance under the Farm Help programme from 30 November 2003 to 30 June 2004. Funding for the extension has been allocated to the Contingency Reserve.

Farm Help assists farmers to restructure and improve the operation and management of their farms, and to help explore future options or re-establish themselves outside of farming.

National Landcare Programme — continuation

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---|---------|---------|---------|---------|
| Department of Agriculture, Fisheries and Forestry | - | - | - | - |

The Government will provide funding of \$122.2 million over three years to continue the National Landcare Programme to improve natural resource management by governments, industry, the community and landholders.

Funding of \$38.3 million will be provided in 2003-04, \$41.5 million in 2004-05 and \$42.4 million in 2005-06. Provision for this funding has already been included in the forward estimates.

Red Imported Fire Ant — additional funding for eradication

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---|---------|---------|---------|---------|
| Department of Agriculture, Fisheries and Forestry | 5.2 | - | -5.2 | - |

The Government will provide an additional \$5.2 million in 2003-04 to intensify and expand the existing Red Imported Fire Ant Eradication Programme. The Commonwealth's contribution is 50 per cent of the total additional cost, in line with cost-sharing agreements for plant/animal pest and disease eradication between the Commonwealth and State and Territory governments.

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This measure will be funded by bringing forward \$5.2 million from the existing Red Imported Fire Ant Eradication Programme forward estimates for 2005-06. Intensification of the Eradication Programme in 2003-04 may obviate the need for funding in the later years.

Tasmanian Wheat Freight Shipping — continuation

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|--|---------|---------|---------|---------|
| Department of Agriculture, Fisheries and Forestry | - | - | - | - |

The Government will continue to fund this programme to meet the cost disadvantage of shipping wheat across Bass Strait. This measure will involve funding of \$1.2 million in 2003-04 and \$1.2 million in 2004-05 at which time a review will occur to consider future funding. Provision for this funding has already been included in the forward estimates.

Tuberculosis Freedom Assurance Programme — continuation

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|--|---------|---------|---------|---------|
| Department of Agriculture, Fisheries and Forestry | 1.0 | 0.6 | 0.2 | 0.1 |

The Government will provide \$1.9 million over four years to continue surveillance efforts to ensure that Australian cattle remain free of tuberculosis. Protecting Australia's tuberculosis-free status is important to maintain access to valuable export markets. This is a cooperative programme involving Commonwealth, State and Territory governments and the cattle industry.

See also the related expense measure titled *Tuberculosis Freedom Assurance Programme – reprioritisation of funding* in the Agriculture, Fisheries and Forestry portfolio.

Tuberculosis Freedom Assurance Programme — reprioritisation of funding

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|--|---------|---------|---------|---------|
| Department of Agriculture, Fisheries and Forestry | -1.0 | -0.6 | -0.2 | -0.1 |

The Government will reallocate \$1.9 million over four years from the Skilling Farmers for the Future, Agricultural Development Partnerships, and Other Exotic Disease Preparedness programmes to the Tuberculosis Freedom Assurance Programme.

Part 2: Expense measures

The revised level of funding will more accurately reflect estimated demand under the three programmes and will not affect existing programme activities or agreements with the States.

See also the related expense measure titled *Tuberculosis Freedom Assurance Programme – continuation* in the Agriculture, Fisheries and Forestry portfolio.

ATTORNEY-GENERAL'S

A Safer Australia — continuing to build Australia's Domestic Security Capabilities

The Government is determined to respond in a comprehensive way to the threat of terrorist acts. Last Budget the Government announced measures worth over \$1.3 billion to upgrade Australia's domestic security, concentrating on aviation security, the identification of security threats, and increased capacity to respond to security threats. Additional funding of \$103 million was announced at MYEFO 2002-03 following the Bali bombings.

Following further assessment of the extant risks and opportunities, the Government is implementing an additional package of measures totalling \$411 million over five years (2002-03 to 2006-07) to enhance Australia's domestic security arrangements. Government funding of \$351 million will be supplemented by \$60 million in cost recovery measures. This brings the total spent on domestic security since the events of 11 September 2001 to more than \$1.8 billion.

The physical security of high-risk targets such as Parliament House, defence facilities and the Lucas Heights reactor are to be strengthened. Key security communications systems such as the Department of Foreign Affairs and Trade's secure communications network (SATIN) and the information exchange system for Australian law enforcement agencies (ASNET) will be upgraded.

The guarding of holders of public office, embassies, and visiting dignitaries will be improved. Australia's security organisations will be better resourced to sustain and enhance their capacity to respond to terrorist threats. Shipping containers are to be more intensively examined using state of the art x-ray technology, and their national and international movements will be monitored to allow suspect containers to be more easily located. New technologies for biometric identifiers on passports will be further developed and tested as possible future ways to help ensure that passports more securely establish the identity of those presenting themselves at entry points.

In addition, measures are being taken under the Defence portfolio that will contribute to enhancing domestic security and expanding counter-terrorist capability (see the measure titled *Special Operations Command* in the Defence portfolio).

Table 4: A Safer Australia: Summary of measures

| | 2003-04 | 2004-05 | 2005-06 | 2006-07 | Total |
|---|-------------|-------------|-------------|-------------|--------------|
| | \$m | \$m | \$m | \$m | \$m |
| EXPENSE MEASURES | | | | | |
| Safeguarding Infrastructure | | | | | |
| Attorney-General's | | | | | |
| <i>Attorney-General's Department</i> | | | | | |
| Upgrade of the Australian Secure Network communications infrastructure | 9.6 | 3.0 | 3.1 | 3.2 | 18.9 |
| <i>Australian Customs Service</i> | | | | | |
| Increased use of x-ray facilities for shipping container inspections | 16.3 | 16.3 | 16.3 | - | 48.9 |
| Education, Science and Training | | | | | |
| <i>Australian Nuclear Science and Technology Organisation</i> | | | | | |
| Enhanced security for the Australian Nuclear Science and Technology Organisation | 1.7 | 1.7 | 1.7 | 1.7 | 6.8 |
| Foreign Affairs and Trade | | | | | |
| <i>Department of Foreign Affairs and Trade</i> | | | | | |
| Expansion of Australia's secure diplomatic communication network | -0.5 | - | - | - | -0.5 |
| Parliamentary Departments | | | | | |
| <i>Department of the House of Representatives</i> | | | | | |
| Enhanced Parliament House security | 3.4 | 3.1 | 3.1 | 3.2 | 12.8 |
| <i>Department of the Senate</i> | | | | | |
| Enhanced Parliament House security | 3.4 | 3.1 | 3.1 | 3.2 | 12.8 |
| Transport and Regional Services | | | | | |
| <i>Department of Transport and Regional Services</i> | | | | | |
| Aviation security information management system | 0.2 | 0.3 | 0.3 | 0.3 | 1.1 |
| Enhanced maritime security arrangements | 4.9 | 7.3 | - | - | 12.2 |
| Enhanced screening at Christmas Island and Cocos (Keeling) Islands Airports | 0.5 | 0.4 | 0.4 | 0.4 | 1.7 |
| Sub total | 39.5 | 35.2 | 28.0 | 12.0 | 114.7 |
| Protective Guarding | | | | | |
| Attorney-General's | | | | | |
| <i>Attorney-General's Department</i> | | | | | |
| Attorney-General's Department and the Australian Security Intelligence Organisation - enhanced counter-terrorism training | 3.6 | 3.6 | 3.7 | 3.8 | 14.7 |
| Enhanced Diplomatic and Australian Office Holder guarding services | 20.7 | - | - | - | 20.7 |
| Armoured VIP limousines | 1.0 | 1.1 | 1.1 | 1.1 | 4.3 |
| <i>Australian Security Intelligence Organisation</i> | | | | | |
| Attorney General's Department and the Australian Security Intelligence Organisation - enhanced counter-terrorism training | 0.2 | 0.2 | 0.2 | 0.3 | 0.9 |
| Defence | | | | | |
| <i>Department of Defence</i> | | | | | |
| Continued funding for enhanced protective security | 34.6 | 36.1 | - | - | 70.7 |
| Sub total | 60.1 | 41.0 | 5.0 | 5.2 | 111.3 |

Table 4: A Safer Australia: Summary of measures (continued)

| | 2003-04 | 2004-05 | 2005-06 | 2006-07 | Total |
|---|--------------|-------------|-------------|-------------|--------------|
| | \$m | \$m | \$m | \$m | \$m |
| Enhancing Intelligence | | | | | |
| Attorney General's | | | | | |
| <i>Attorney-General's Department</i> | | | | | |
| Continuous operation of the national crisis management Watch Office | 1.2 | 1.3 | 1.3 | 1.3 | 5.1 |
| National Security Hotline | 6.0 | - | - | - | 6.0 |
| <i>Australian Federal Police</i> | | | | | |
| Enhanced checking of aviation security identification card holders | 0.8 | 0.2 | 0.2 | 0.2 | 1.4 |
| <i>Australian Security Intelligence Organisation</i> | | | | | |
| Enhanced checking of aviation security identification card holders | 0.7 | 0.6 | 0.6 | 0.6 | 2.5 |
| Enhancing the counter-terrorism capabilities of the Australian Security Intelligence Organisation | 3.6 | 2.6 | 2.7 | 2.8 | 11.7 |
| <i>Australian Transaction Reports and Analysis Centre</i> | | | | | |
| Additional funding for financial monitoring by the Australian Transaction Reports and Analysis Centre | 3.1 | - | - | - | 3.1 |
| Foreign Affairs and Trade | | | | | |
| <i>Australian Secret Intelligence Service</i> | | | | | |
| Measures to further enhance the response to terrorism | 4.9 | 4.6 | 4.7 | 4.8 | 19.0 |
| <i>Department of Foreign Affairs and Trade</i> | | | | | |
| Enhanced travel advice dissemination | 2.5 | 2.3 | 2.4 | 2.5 | 9.7 |
| Research into passport biometrics | 1.9 | - | - | - | 1.9 |
| Immigration and Multicultural and Indigenous Affairs | | | | | |
| <i>Department of Immigration and Multicultural and Indigenous Affairs</i> | | | | | |
| Relocation of operations in Manila | - | - | - | - | - |
| Enhanced border protection processing systems | 4.9 | 1.6 | - | - | 6.5 |
| Department of Immigration and Multicultural and Indigenous Affairs - increased funding for security related activities(a) | 27.4 | * | * | * | 27.4 |
| Prime Minister and Cabinet | | | | | |
| <i>Office of National Assessments</i> | | | | | |
| Enhanced analytical and technological capabilities for the Office of National Assessments | 3.2 | 2.3 | 2.3 | 2.3 | 10.1 |
| <i>Department of Prime Minister and Cabinet</i> | | | | | |
| National Security Public Awareness Campaign | - | - | - | - | - |
| Sub total | 60.2 | 15.5 | 14.2 | 14.5 | 104.4 |
| Total expense measures | 159.8 | 91.7 | 47.2 | 31.7 | 330.4 |

Table 4: A Safer Australia: Summary of measures (continued)

| | 2003-04 \$m | 2004-05 \$m | 2005-06 \$m | 2006-07 \$m | Total \$m |
|---|----------------|----------------|----------------|----------------|--------------|
| CAPITAL MEASURES | | | | | |
| <i>Safeguarding Infrastructure</i> | | | | | |
| Education, Science and Training | | | | | |
| <i>Australian Nuclear Science and Technology Organisation</i> | | | | | |
| Enhanced security for the Australian Nuclear Science and Technology Organisation | 5.5 | 5.6 | - | - | 11.1 |
| Foreign Affairs and Trade | | | | | |
| <i>Department of Foreign Affairs and Trade</i> | | | | | |
| Expansion of Australia's secure diplomatic communication network | 9.9 | - | - | - | 9.9 |
| Transport and Regional Services | | | | | |
| <i>Department of Transport and Regional Services</i> | | | | | |
| Aviation security information management system | 0.3 | - | - | - | 0.3 |
| Enhanced maritime security arrangements | 3.0 | 0.3 | - | - | 3.3 |
| Enhanced screening at Christmas Island and Cocos (Keeling) Islands Airports | 1.3 | - | - | - | 1.3 |
| Enhancing Intelligence | | | | | |
| Attorney General's | | | | | |
| <i>Australian Security Intelligence Organisation</i> | | | | | |
| Enhanced checking of aviation security identification card holders | 1.9 | - | - | - | 1.9 |
| Enhancing the counter-terrorism capabilities of the Australian Security Intelligence Organisation | 2.6 | - | - | - | 2.6 |
| <i>Australian Transaction Reports and Analysis Centre</i> | | | | | |
| Additional funding for financial monitoring by the Australian Transaction Reports and Analysis Centre | 1.4 | - | - | - | 1.4 |
| Foreign Affairs and Trade | | | | | |
| <i>Australian Secret Intelligence Service</i> | | | | | |
| Measures to further enhance the response to terrorism | 3.5 | - | - | - | 3.5 |
| <i>Department of Foreign Affairs and Trade</i> | | | | | |
| Research into passport biometrics | 1.1 | - | - | - | 1.1 |
| Immigration and Multicultural and Indigenous Affairs | | | | | |
| <i>Department of Immigration and Multicultural and Indigenous Affairs</i> | | | | | |
| Relocation of operations in Manila | - | - | - | - | 0.0 |
| Enhanced border protection processing systems | 4.0 | 1.7 | 1.3 | 0.9 | 7.9 |
| Total capital measures | 34.5 | 7.6 | 1.3 | 0.9 | 44.3 |

Table 4: A Safer Australia: Summary of measures (continued)

| | 2003-04 \$m | 2004-05 \$m | 2005-06 \$m | 2006-07 \$m | Total \$m |
|--|----------------|----------------|----------------|----------------|--------------|
| REVENUE MEASURES | | | | | |
| <i>Safeguarding Infrastructure</i> | | | | | |
| Attorney-General's | | | | | |
| Increased use of x-ray facilities for shipping container inspections | 16.3 | 16.3 | 16.3 | - | 48.9 |
| Sub total | 16.3 | 16.3 | 16.3 | 0.0 | 48.9 |
| <i>Enhancing Intelligence</i> | | | | | |
| Attorney General's | | | | | |
| Enhanced checking of aviation security identification card holders | 1.5 | 0.8 | 0.8 | 0.8 | 3.9 |
| Sub total | 1.5 | 0.8 | 0.8 | 0.8 | 3.9 |
| Total revenue measures | 17.8 | 17.1 | 17.1 | 0.8 | 52.8 |
| SUMMARY OF EXPENDITURE | | | | | |
| <i>Total expense measures</i> | 159.8 | 91.7 | 47.2 | 31.7 | 330.4 |
| <i>Total capital measures</i> | 34.5 | 7.6 | 1.3 | 0.9 | 44.3 |
| Total expenditure(b) | 194.3 | 99.3 | 48.5 | 32.6 | 374.7 |
| <i>Total revenue measures</i> | 17.8 | 17.1 | 17.1 | 0.8 | 52.8 |
| Net additional expenditure(c) | 176.5 | 82.2 | 31.4 | 31.8 | 321.9 |

(a) This item represents part of the measure *Department of Immigration and Multicultural and Indigenous Affairs — review of funding arrangements* (\$97.8 million in 2003-04) that relates to domestic security. Amounts in the forward years are subject to a review.

(b) Total does not include expenditure of \$35.8 million in 2002-03.

(c) Total does not include net additional expenditure of \$28.7 million in 2002-03.

A Safer Australia — upgrade of the Australian Secure Network communications infrastructure

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|-------------------------------|---------|---------|---------|---------|
| Attorney-General's Department | 9.6 | 3.0 | 3.1 | 3.2 |

The Government will provide additional funding of \$18.9 million to the Attorney-General's Department to upgrade the Australian Secure Network (ASNET) communications infrastructure. The additional funding reflects the need to upgrade and provide additional ASNET terminals to meet growth in demand, and to fund increased bandwidth from 2003-04 to better link State and Commonwealth agencies for counter-terrorism operations and dignitary protection.

ASNET is a secure communications network that links State and Commonwealth agencies.

A Safer Australia — increased use of x-ray facilities for shipping container inspections

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|----------------------------|---------|---------|---------|---------|
| Australian Customs Service | 16.3 | 16.3 | 16.3 | - |

The Government will provide additional funding of \$56 million (including \$7.1 million in 2002-03) to the Australian Customs Service to fund logistics costs associated with increased presentation and examination of cargo at container x-ray facilities.

See also the related revenue measure titled *A Safer Australia – cost recovery for x-ray facilities for shipping container inspections* in the Attorney-General's portfolio.

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

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|--|---------|---------|---------|---------|
| Australian Nuclear Science and Technology Organisation | 1.7 | 1.7 | 1.7 | 1.7 |

The Government will provide additional funding of \$1.7 million per annum to enhance security at the Lucas Heights Science and Technology Centre and the Replacement Research Reactor construction site.

See also the related capital measure titled *A Safer Australia – enhanced security for the Australian Nuclear Science and Technology Organisation* in the Education, Science and Training portfolio.

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

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---|---------|---------|---------|---------|
| Department of Foreign Affairs and Trade | -0.5 | - | - | - |

As part of the Government's domestic security package, 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 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.

Budget Measures 2003-04

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 capital measure titled *A Safer Australia – expansion of Australia's secure diplomatic communications network* in the Foreign Affairs and Trade portfolio.

A Safer Australia — enhanced Parliament House security

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|--|---------|---------|---------|---------|
| Department of the House of Representatives | 3.4 | 3.1 | 3.1 | 3.2 |
| Department of the Senate | 3.4 | 3.1 | 3.1 | 3.2 |

Additional funding of \$25.5 million over four years will be provided to upgrade the physical security, security staffing level, and to enhance security-related management and professional capacity of security staff at Parliament House.

See also the related expense measure titled *Parliamentary Departments – efficiency measures* in the Parliamentary portfolio.

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

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---|---------|---------|---------|---------|
| Department of Transport and Regional Services | 0.5 | 0.4 | 0.4 | 0.4 |

The Government will provide funding of \$1.7 million over four years for passenger and checked baggage screening at the Christmas Island and the Cocos (Keeling) Islands Airports.

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 capital measure titled *A Safer Australia – enhanced screening at Christmas Island and Cocos (Keeling) Islands airports* in the Transport and Regional Services portfolio.

A Safer Australia — aviation security information management system

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---|---------|---------|---------|---------|
| Department of Transport and Regional Services | 0.2 | 0.3 | 0.3 | 0.3 |

The Government will provide funding of \$1.1 million over four years for the installation and management of an aviation security information management system. The information management system will improve the processing and analysis of data collected at higher security levels, and the dissemination of intelligence to stakeholders.

See also the related capital measure titled *A Safer Australia – aviation security information management system* in the the Transport and Regional Services portfolio.

A Safer Australia — enhanced maritime security arrangements

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---|---------|---------|---------|---------|
| Department of Transport and Regional Services | 4.9 | 7.3 | - | - |

The Government will provide \$12.2 million over two years to implement the International Maritime Organisation's new International Ship and Port Facility Security Code. Implementation of the Security Code will enhance maritime security arrangements with new internationally agreed standards. Funding will be provided for the establishment of a regulatory framework to support the Security Code and its implementation.

See also the related capital measure titled *A Safer Australia – enhanced maritime security arrangements* in the Transport and Regional Services portfolio.

A Safer Australia — Attorney-General's Department and the Australian Security Intelligence Organisation — enhanced counter-terrorism training

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---|---------|---------|---------|---------|
| Australian Security Intelligence Organisation | 0.2 | 0.2 | 0.2 | 0.3 |
| Attorney-General's Department | 3.6 | 3.6 | 3.7 | 3.8 |

Additional funding of \$15.6 million will be provided to the Attorney-General's Department and the Australian Security Intelligence Organisation to upgrade the National Counter-Terrorism Committee Annual Counter-Terrorism Exercise Regime.

Budget Measures 2003-04

The funding will enable more rapid and targeted responses to crisis and consequence management.

A Safer Australia — enhanced Diplomatic and Australian Office Holder guarding services

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|-------------------------------|---------|---------|---------|---------|
| Attorney-General's Department | 20.7 | - | - | - |

The Government will provide additional funding of \$20.7 million in 2003-04 to maintain Diplomatic and Australian Office Holder guarding at the current increased level.

A Safer Australia — armoured VIP limousines

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|-------------------------------|---------|---------|---------|---------|
| Attorney-General's Department | 1.0 | 1.1 | 1.1 | 1.1 |

The Government will provide funding of \$1 million in 2003-04 and funding of \$1.1 million per year from 2004-05 to enable maintenance and the staggered replacement of the Government's fleet of armoured limousines.

A Safer Australia — continued funding for enhanced protective security

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|-----------------------|---------|---------|---------|---------|
| Department of Defence | 34.6 | 36.1 | - | - |

In light of the heightened state of alert associated with the War Against Terrorism, the Government has provided \$70.7 million over two years to continue to support enhanced security measures for Defence personnel and facilities, including increased guarding, patrolling and protective searches. Funding of \$27 million was provided in 2001-02 and \$41.1 million was provided in 2002-03 for expenditure in those years.

A Safer Australia — continuous operation of the national crisis management Watch Office

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|-------------------------------|---------|---------|---------|---------|
| Attorney-General's Department | 1.2 | 1.3 | 1.3 | 1.3 |

The Government will provide funding of \$5.1 million over four years to the Attorney-General's Department to allow the Watch Office to operate 24 hours a day, seven days a week.

The Watch Office is dedicated to security coordination and response management, and performs a vital role in Australia's national crisis management arrangements in the event of terrorist threat or incidence. The Office forms the nexus of an established nation-wide coordination and information-sharing network incorporating Commonwealth, State and Territory agencies, including all police services. It provides a critical central communication and coordination point in the national crises management arrangements.

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

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---|---------|---------|---------|---------|
| Australian Security Intelligence Organisation | 0.7 | 0.6 | 0.6 | 0.6 |
| Australian Federal Police | 0.8 | 0.2 | 0.2 | 0.2 |

The Government will provide \$3.9 million over four years to further strengthen security at airports by conducting 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. This service will be in addition to the current mandatory security checking undertaken for all card holders, and will be fully cost recovered.

See also the related revenue measure titled *A Safer Australia – cost recovery for enhanced checking of aviation security identification card holders* and capital measure titled *A Safer Australia – 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

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---|---------|---------|---------|---------|
| Australian Security Intelligence Organisation | 3.6 | 2.6 | 2.7 | 2.8 |

Additional funding of \$11.7 million over four years will be provided to the Australian Security Intelligence Organisation to enhance Australia's counter-terrorism capabilities.

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

A Safer Australia — additional funding for financial monitoring by the Australian Transaction Reports and Analysis Centre

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|--|---------|---------|---------|---------|
| Australian Transaction Reports and Analysis Centre | 3.1 | - | - | - |

The Government will provide \$3.1 million in 2003-04 to fund additional staff to be employed across the Australian Transaction Reports and Analysis Centre's (AUSTRAC) core business areas, including international work focusing on financing of terrorism, money laundering and transnational organised crime.

AUSTRAC's workload has increased over the past three years due to increases in the number of government agencies requiring data and support, the number of reporting cash dealers and the volume of transaction reports.

AUSTRAC is implementing a cost recovery model to take effect before the 2004-05 Budget, enabling the continuation of increased levels of service.

See also the related capital 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 — National Security Hotline

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|-------------------------------|---------|---------|---------|---------|
| Attorney-General's Department | 6.0 | - | - | - |

The Government will provide \$11.2 million over two years (including \$5.2 million in 2002-03) to continue the operations of the National Security Hotline.

The Hotline was established in December 2002 to complement the Government's national security awareness campaign. People can call the Hotline 24 hours a day to report activities that they feel may be related to terrorism, or to seek advice on terrorism awareness.

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

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|--|---------|---------|---------|---------|
| Australian Secret Intelligence Service | 4.9 | 4.6 | 4.7 | 4.8 |

The Government will provide additional funding of \$19.0 million over four years to the Australian Secret Intelligence Service to further enhance Australia's counter-terrorism capabilities.

See also the related capital measure titled *A Safer Australia – measures to further enhance the response to terrorism* in the Foreign Affairs and Trade portfolio.

A Safer Australia — enhanced travel advice dissemination

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---|---------|---------|---------|---------|
| Department of Foreign Affairs and Trade | 2.5 | 2.3 | 2.4 | 2.5 |

The Government will provide the Department of Foreign Affairs and Trade additional funding of \$9.7 million from 2003-04 to 2006-07 to enhance travel advice dissemination. The funding will provide for new initiatives previously announced by the Government on 22 January 2003 to improve Australians' awareness of travel advice, safety and security issues associated with overseas travel.

The initiatives will focus on three areas of information sharing: promotion, dissemination and cooperation and will include a public information campaign, the introduction of touch screen travel advice kiosks in all Australian passport offices, and increased cooperation with the Australian travel industry.

Budget Measures 2003-04

A Safer Australia — research into passport biometrics

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---|---------|---------|---------|---------|
| Department of Foreign Affairs and Trade | 1.9 | - | - | - |

As part of the Government's *A Safer Australia* package, the Government will provide funding of \$3.0 million in 2003-04 (including \$1.1 million capital 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 the related capital measure titled *A Safer Australia – research into passport biometrics* in the Foreign Affairs and Trade portfolio.

A Safer Australia — enhanced border protection processing systems

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|--|---------|---------|---------|---------|
| Department of Immigration and Multicultural and Indigenous Affairs | 4.9 | 1.6 | - | - |

The Government will provide \$6.5 million over two 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 capital measure titled *A Safer Australia – enhanced border protection processing systems* in the Immigration and Multicultural and Indigenous Affairs portfolio.

A Safer Australia — enhanced analytical and technological capabilities for the Office of National Assessments

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|--------------------------------|---------|---------|---------|---------|
| Office of National Assessments | 3.2 | 2.3 | 2.3 | 2.3 |

The Government will provide additional funding of \$10.1 million over four years for the Office of National Assessments to enhance its analytical and assessment capacity on the international dimensions of terrorism, particularly in the Asia-Pacific region.

Additional funding will assist the Office to work effectively on terrorism and other long-term trends in global affairs including through a dedicated liaison capacity with counterpart agencies in Washington and London.

A Safer Australia — national security public awareness campaign

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|--|---------|---------|---------|---------|
| Department of the Prime Minister and Cabinet | - | - | - | - |

The Government has provided funding of \$21 million in 2002-03 for a public education campaign that provided the Australian people with information on national security. The campaign included television, radio, and press advertising, including announcements in 31 languages. A National Security Hotline has been established as a single point of contact for national security information.

Other measures in the Attorney-General's portfolio

Administrative Appeals Tribunal

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---------------------------------|---------|---------|---------|---------|
| Administrative Appeals Tribunal | 7.7 | 8.0 | 8.3 | 8.6 |

The Government will provide \$32.6 million over four years to the Administrative Appeals Tribunal. The funding is required to maintain the Tribunal after Senate rejection of proposals to amalgamate this and other merit review tribunals and form a unified administration.

Australia's Southern Ocean — surveillance and enforcement programme

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|--|---------|---------|---------|---------|
| Australian Customs Service | 9.5 | - | - | - |
| Department of Agriculture Fisheries and Forestry Australia | 1.8 | - | - | - |

The Government will provide funding of \$11.4 million in 2003-04 to continue patrols of the Heard and McDonald Islands' exclusive economic zone. These patrols are aimed at the commercial and operational activities of firms engaged in illegal fishing, as well as protecting Australia's sovereign interest and the environmental values in the region.

Budget Measures 2003-04

The programme is currently under review to determine how successful the activities are in preventing illegal fishing and how they might be made more cost effective. The results of that review will be available prior to the 2004-05 Budget.

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

Australian Crime Commission — additional funding to target money laundering and fraud

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|-----------------------------|---------|---------|---------|---------|
| Australian Crime Commission | 7.3 | 7.4 | 7.5 | 7.7 |

The Government will provide additional funding of \$29.9 million over four years to the Australian Crime Commission to build upon previous programmes targeting crime involving money laundering and fraud on the Commonwealth. This measure will enable the Government to continue its enhanced capacity to detect and deter organised crime through financial transactions, and recover the proceeds of these crimes.

Family Court of Western Australia — additional funding

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|-------------------------------|---------|---------|---------|---------|
| Attorney-General's Department | 0.9 | 1.0 | 1.1 | 1.2 |

The Government will provide \$4.1 million over four years to the Attorney-General's Department to fund the appointment of additional judicial resources to the Family Court of Western Australia, and to supplement the court for an increase in judicial salaries resulting from the 2002 Commonwealth Remuneration Tribunal determination to increase judicial entitlements. The additional judicial resources will ease workload pressures, improving the timeliness of access to the court.

Family Law Pathways — continuation of Children's Contact Services

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|-------------------------------|---------|---------|---------|---------|
| Attorney-General's Department | 4.1 | 4.2 | 4.3 | 4.4 |

The Government will provide \$17 million over four years to continue funding for the 25 Children's Contact Services established in 1996. The services provide a safe and neutral environment for children to maintain contact with a parent who is no longer living with them.

See also related expense measures titled *Family Law Pathways – continued contribution to the Victorian Court Network*, *Family Law Pathways – measures to improve compliance with Family Court child contact orders* and *Family Law Pathways – online access to family law information and services* in the Attorney-General's portfolio and the *Men and Family Relationships and Family Relationships Education Programmes – extended funding* in the Family and Community Services portfolio.

Family Law Pathways — continued contribution to the Victorian Court Network

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|-------------------------------|---------|---------|---------|---------|
| Attorney-General's Department | 0.1 | 0.1 | 0.1 | 0.1 |

The Government will provide \$0.3 million over four years to the Attorney-General's Department as part of the Commonwealth's continued contribution to the Victorian Court Network. The network coordinates a volunteer information, support and referral service to users of the Family Court and Federal Magistrates Service in Melbourne and Dandenong to help separated parents cope with the stress of the legal process.

See also related expense measures titled *Family Law Pathways – continuation of Children's contact services*, *Family Law Pathways – measures to improve compliance with Family Court child contact orders* and *Family Law Pathways – online access to family law information and services* in the Attorney-General's portfolio and the *Men and Family Relationships and Family Relationships Education Programmes – extended funding* in the Family and Community Services portfolio.

Family Law Pathways — measures to improve compliance with Family Court child contact orders

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|-------------------------------|---------|---------|---------|---------|
| Attorney-General's Department | 0.5 | 0.5 | 0.5 | 0.5 |

The Government will provide funding of \$5.2 million over four years to continue and expand the Contact Orders Programme. The programme works with families experiencing high levels of conflict affecting children's contact. It aims to reduce that conflict and improve compliance with child contact orders. New funding of \$2.1 million over four years to maintain the three existing Contact Order Services (in Hobart, Perth and Parramatta) will be complemented by \$3.1 million over four years to expand the Parramatta service and provide new services in south-east Queensland and Melbourne. The cost of the expansion will be absorbed within the existing resourcing of the Attorney-General's Department.

Budget Measures 2003-04

See also related expense measures titled *Family Law Pathways – continuation of Children's contact services*, *Family Law Pathways – continued contribution to the Victorian Court Network* and *Family Law Pathways – online access to family law information and services* in the Attorney-General's portfolio and the *Men and Family Relationships and Family Relationships Education Programmes – extended funding* in the Family and Community Services portfolio.

Family Law Pathways — online access to family law information and services

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|-------------------------------|---------|---------|---------|---------|
| Attorney-General's Department | 1.3 | 1.3 | 1.4 | 1.4 |

The Government will provide \$5.2 million over four years to the Attorney-General's Department for the continuation of Australian Law Online, including the Family Law Hotline and Family Law Online. These arrangements are designed to make it easier for Australians to access family law information and services by using the internet and national telephone services free of charge.

See also related expense measures titled *Family Law Pathways – continuation of Children's contact services*, *Family Law Pathways – measures to improve compliance with Family Court child contact orders* and *Family Law Pathways – continued contribution to the Victorian Court Network* in the Attorney-General's portfolio and the *Men and Family Relationships and Family Relationships Education Programmes – extended funding* in the Family and Community Services portfolio.

Federal Magistrates Service — additional magistrates

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|-----------------------------|---------|---------|---------|---------|
| Federal Magistrates Service | 1.0 | 1.1 | 1.1 | 1.2 |

The Government will provide \$4.4 million over four years to the Federal Magistrates Service to fund the appointment of an additional two magistrates to the service. The additional magistrates will ease workload pressures in Brisbane and Melbourne, improving the timeliness of access to the service. This measure will fulfil the Government's 2001 election commitment contained in the *Better Law, More Options* commitment.

Firearms policy development — continuation of funding

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|-------------------------------|---------|---------|---------|---------|
| Attorney-General's Department | 0.9 | 0.9 | 1.0 | 1.0 |

The Government will provide additional funding of \$3.8 million over four years to the Attorney-General's Department to meet the ongoing costs of firearms import administration and policy development.

Handgun buyback programme

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|-------------------------------|---------|---------|---------|---------|
| Attorney-General's Department | 55.9 | 10.1 | - | - |

The Government will provide \$69 million, including \$3 million in 2002-03 to implement a buyback programme to restrict the availability and use of handguns within the Australian community. Legitimate sporting shooters only will be permitted to import and possess a limited range of guns.

The Government will fund two-thirds of the cost of this joint Commonwealth, State and Territory buyback scheme, with up to 65,000 handguns expected to be surrendered.

The buyback will commence on 1 July 2003 and will be completed in 2004-05.

International Criminal Court — Australia's contribution

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|-------------------------------|---------|---------|---------|---------|
| Attorney-General's Department | 3.3 | 1.4 | 1.4 | 1.4 |

The Government will provide funding of \$7.5 million for Australia's contribution to the operation of the International Criminal Court (ICC). The ICC Statute entered into force on 1 July 2002, and will enable the prosecution of the perpetrators of genocide, crimes against humanity and war crimes, and will replace the system of ad hoc international tribunals such as those established to deal with atrocities in Rwanda and the former Yugoslavia. The amount of \$3.3 million in 2003-04 includes \$2 million as Australia's contribution for 2002-03.

National Crime Prevention Programme — building safer communities

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|-------------------------------|---------|---------|---------|---------|
| Attorney-General's Department | 4.0 | - | - | - |

The Government will provide additional funding of \$4 million in 2003-04 to continue the National Crime Prevention Programme. The programme identifies and promotes ways to reduce and prevent crime, fear of crime and future involvement of young people in crime and delinquent behaviour. The programme will be implemented in partnership with other Commonwealth agencies, the States and Territories, local government and the non-government sector.

A review of the programme will be undertaken in October 2003.

Proceeds of Crime legislation — additional funding for implementation

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---|---------|---------|---------|---------|
| Office of the Director of Public Prosecutions | 1.9 | 2.9 | - | - |
| Insolvency and Trustee Services Australia | 0.5 | 0.7 | - | - |

The Government will provide \$6 million over two years to fund prosecutions made by the Director of Public Prosecutions (DPP) under the *Proceeds of Crime Act 2002*, and for the control and realisation of seized assets by the Insolvency and Trustee Service Australia (ITSA). Future funding for this measure will be subject to a review of the impact of the legislation on the workloads of the DPP and ITSA.

The *Proceeds of Crime Act 2002* came into effect on 1 January 2003. It is a comprehensive civil confiscation regime to allow the Commonwealth to freeze and confiscate the assets of people involved in serious crime.

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

COMMUNICATIONS, INFORMATION TECHNOLOGY AND THE ARTS

Australian Broadcasting Corporation

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|-------------------------------------|---------|---------|---------|---------|
| Australian Broadcasting Corporation | - | - | - | - |

The Government will maintain base funding to the Australian Broadcasting Corporation in real terms for the period 2003-04 to 2005-06.

This measure will involve funding of \$488.7 million in 2003-04, \$501.4 million in 2004-05 and \$512.9 million in 2005-06. Provision for this funding has already been included in the forward estimates.

Australian Broadcasting Corporation — continuation of funding for Radio Australia

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|-------------------------------------|---------|---------|---------|---------|
| Australian Broadcasting Corporation | 3.0 | 3.0 | 3.1 | - |

Funding of \$9.1 million for the triennium 2003-04 to 2005-06 will be provided to the Australian Broadcasting Corporation to maintain the reach of Radio Australia services through FM retransmission, shortwave transmission and digital satellite distribution to the Asia-Pacific region.

Bundanon Trust

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---|---------|---------|---------|---------|
| Department of Communications, Information Technology and the Arts | 0.2 | 0.4 | 0.8 | 1.0 |

The Government will provide funding to the Bundanon Trust of \$2.3 million over four years to place it on a sustainable basis. Funding will be phased in from 2003-04 with the full amount commencing from 2006-07. The Bundanon Trust will also utilise \$1.6 million available in its Investment Fund to meet its operating expenses during the period 2003-04 to 2005-06.

Funding will be administered by the Department of Communications, Information Technology and the Arts through the Cultural Development Programme.

Budget Measures 2003-04

See also the related expense measures titled *Cultural Agencies Review* and *National Institute of Dramatic Art – additional funding* in the Communications, Information Technology and the Arts portfolio.

Communications, Information Technology and the Arts Portfolio — decreased resourcing in 2003-04

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---|---------|---------|---------|---------|
| Communications, Information Technology and the Arts Portfolio | -0.5 | - | - | - |

The Government has identified savings of \$0.5 million in 2003-04 which will be effected across the portfolio.

Contemporary Visual Arts and Crafts Inquiry — Government response

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---|---------|---------|---------|---------|
| Department of Communications, Information Technology and the Arts | 3.0 | 4.5 | 6.0 | 6.0 |

The Government will provide funding of \$19.5 million over four years in response to the Contemporary Visual Arts and Craft Inquiry (Myer Report). The funding will be used to provide grants to individuals and organisations to improve the overall performance of the contemporary visual arts and craft sector.

This funding is conditional on the State and Territory governments providing matching funding.

Cultural Agencies Review

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---|---------|---------|---------|---------|
| Department of Communications, Information Technology and the Arts | -0.4 | -0.4 | -0.6 | -0.6 |
| National Gallery of Australia | -0.2 | -0.3 | -0.3 | -0.4 |
| National Museum of Australia | -0.1 | -0.1 | -0.1 | -0.1 |
| National Archives of Australia | -0.6 | -0.7 | -0.9 | -1.1 |

The Government's Review of Cultural Agencies within the Communications, Information Technology and the Arts Portfolio recommended that agencies review their accounting treatment of cultural and heritage assets in 2003-04. As a result of this

review, it is expected increased funding will be made available to agencies to expand preservation and conservation activities.

The additional flexibility and efficiency of this new framework will provide agencies with scope to reduce their costs. As a result, savings of \$6.9 million over four years, with ongoing savings of \$2.2 million per annum thereafter, have been identified and will be used to meet increased funding requirements of the Bundanon Trust and the National Institute of Dramatic Art.

This measure also impacts on Old Parliament House and ScreenSound Australia, which are funded through the Department of Communications, Information Technology and the Arts.

See also the related expense measures titled *Bundanon Trust* and *National Institute of Dramatic Art – additional funding* in the Communications, Information Technology and the Arts portfolio.

Film Finance Corporation

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---|---------|---------|---------|---------|
| Department of Communications, Information Technology and the Arts | - | - | - | - |

The Government will maintain base funding for the Film Finance Corporation Australia for 2004-05 to 2006-07 at current levels. This measure provides long-term certainty for investors in Australian feature films, television drama and documentaries in an industry where projects have long lead-times.

Funding of \$50 million per annum will be provided in 2004-05, 2005-06 and 2006-07. Provision for this funding has already been included in the forward estimates.

Freephone and Local Rate telephone number auctions

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|-------------------------------------|---------|---------|---------|---------|
| Australian Communications Authority | 1.6 | 0.6 | 0.4 | 0.4 |

The Government will provide \$3 million over four years to establish an internet-based auction system to allocate special business telephone numbers. The telephone numbers affected by this initiative include Freephone (1800-* numbers), Local Rate numbers (1300-* numbers and 13-* numbers) and phonewords phone numbers.

Budget Measures 2003-04

Funding will be provided to allow the Australian Communications Authority to implement and maintain the new auction system, which will include preferential arrangements for charities.

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

Government Bookshop Network — closure

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---|---------|---------|---------|---------|
| National Office for the Information Economy | -4.9 | -7.6 | -7.5 | -7.4 |

Sales of government publications through the Government Bookshop Network have declined markedly in recent years. This is a result of agencies increasingly using alternative methods of information dissemination, including online methods. As a result, the Government Bookshop Network will be closed. Forgone revenue of \$14.9 million over four years will be more than offset by reduced expenses of \$27.4 million over the same period, resulting in a saving of \$12.5 million over four years.

A new business model for the distribution of Commonwealth publications is to be introduced to better reflect customer preferences in accessing this material. Existing distribution methods employed by individual agencies will be augmented by measures such as the establishment of a panel of contractors for printing and distribution of publications and the development of a central electronic register of government publications.

See also the related revenue measure titled *Government Bookshop Network – closure* in the Communications, Information Technology and the Arts Portfolio.

MacArthur Museum Project — Commonwealth contribution

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---|---------|---------|---------|---------|
| Department of Communications, Information Technology and the Arts | 0.4 | - | - | - |

Funding of \$350,000 will be provided in 2003-04 to the General Douglas MacArthur Brisbane - Memorial Trust for the MacArthur Museum Project. This funding matches that provided by the Queensland Government.

National Institute of Dramatic Art — additional funding

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---|---------|---------|---------|---------|
| Department of Communications, Information Technology and the Arts | 1.1 | 1.1 | 1.2 | 1.2 |

The Government will provide additional funding of \$4.6 million over four years to the National Institute of Dramatic Art (NIDA) through the Cultural Development Programme administered by the Department of Communications, Information Technology and the Arts. This funding will enable NIDA to meet increased operating expenses associated with its Stage II facilities, which were opened in late 2001.

See also the related expense measures titled *Cultural Agencies Review* and *Bundanon Trust* in the Communications, Information Technology and the Arts Portfolio.

NetAlert

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---|---------|---------|---------|---------|
| Department of Communications, Information Technology and the Arts | 0.5 | 0.5 | 0.5 | - |
| Australian Broadcasting Authority | -0.5 | -0.5 | -0.5 | - |

The Government will continue funding for NetAlert for the three years 2003-04 to 2005-06. NetAlert provides information and facilitates research to raise community awareness about the control of offensive online content.

Funding of \$0.5 million per annum for three years will be reallocated from the Australian Broadcasting Authority.

Olympic and Paralympic Games in Athens 2004

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|------------------------------|---------|---------|---------|---------|
| Australian Sports Commission | 1.0 | - | - | - |

The Government will provide an additional \$1 million in 2003-04 to assist elite athletes preparing for the 2004 Olympic and Paralympic Games in Athens.

Premium rate telephone numbers — service provider rules

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|-------------------------------------|---------|---------|---------|---------|
| Australian Communications Authority | 0.3 | 0.1 | 0.1 | 0.1 |

The Government will provide funding of \$0.6 million over the next four years to the Australian Communications Authority (ACA) to develop, monitor and enforce service provider rules for premium rate numbers (190-numbers).

This funding will enable the ACA to make, where appropriate, service provider rules to regulate the supply of higher cost services, and to address concerns about unexpected high bills for these services.

Expenses for this measure will be fully recovered by the ACA from industry one year in arrears.

See also the related revenue measure titled *Premium rate telephone numbers – cost recovery for service provider rules* in the Communications, Information Technology and the Arts portfolio.

Special Broadcasting Service Corporation

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|--|---------|---------|---------|---------|
| Special Broadcasting Service Corporation | - | - | - | - |

The Government will maintain current base funding for the Special Broadcasting Service Corporation for the period 2003-04 to 2005-06.

This measure will involve funding of \$82.6 million in 2003-04, \$83.6 million in 2004-05 and \$85.1 million in 2005-06. Provision for this funding has already been included in the forward estimates.

Special Broadcasting Service Corporation — exemption from the Efficiency Dividend

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|--|---------|---------|---------|---------|
| Special Broadcasting Service Corporation | 0.8 | 1.7 | 2.6 | - |

The Government will ensure that the existing level of the Special Broadcasting Service Corporation's (SBS's) triennial funding is maintained in real terms by exempting the

SBS from the efficiency dividend. This will provide SBS with additional funding of \$5.1 million for the triennium 2003-04 to 2005-06.

Special Broadcasting Service Corporation — overseas programme acquisition

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|--|---------|---------|---------|---------|
| Special Broadcasting Service Corporation | 3.6 | 3.7 | 3.7 | - |

The Government will provide an additional \$11 million to the Special Broadcasting Service Corporation for the period 2003-04 to 2005-06 to assist in meeting the increasing costs of purchasing overseas programming.

Submarine telecommunications cables — protection

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|-------------------------------------|---------|---------|---------|---------|
| Australian Communications Authority | 0.6 | 0.4 | 0.2 | 0.2 |

The Government will provide funding of \$1.4 million over the next four years to increase protection for submarine telecommunications cables through the establishment of protection zones over cables of national importance.

Costs will be recovered from industry, one year in arrears, by the Australian Communications Authority.

See also the related revenue measure titled *Submarine telecommunications cables – protection and cost recovery* in the Communications, Information Technology and the Arts Portfolio.

Surf Life Saving Australia, Royal Life Saving Society Australia, Austswim and the Australian Ski Patrol Association — additional funding

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---|---------|---------|---------|---------|
| Department of Communications, Information Technology and the Arts | 0.5 | 0.5 | - | - |

The Commonwealth will provide an additional \$0.5 million in each of 2003-04 and 2004-05 to four recreation safety organisations: Surf Life Saving Australia, the Royal Life Saving Society Australia, Austswim and the Australian Ski Patrol Association.

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Tough On Drugs In Sport — drug testing

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|--|---------|---------|---------|---------|
| Australian Sports Drug Agency | 1.7 | 1.7 | 1.8 | 1.8 |
| National Office of the Information Economy | -0.4 | -0.4 | -0.4 | -0.4 |
| Australian Sports Commission | -0.4 | -0.4 | -0.4 | -0.4 |

Funding of \$7 million over four years will be provided to the Australian Sports Drug Agency (ASDA) to continue the Tough on Drugs in Sport Programme (TODIS) which conducts drug testing and drug education programmes for elite athletes. This funding will enable TODIS to maintain testing at peak activity levels.

This increase in funding will be partially offset by reductions in resourcing for the Australian Sports Commission and National Office for the Information Economy.

CROSS PORTFOLIO

Agency Banking Incentive Scheme — discontinuation

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

Following the Government's agreement to the recommendations of the Budget Estimates and Framework Review, the Agency Banking Incentive Scheme will be discontinued. Agencies will be funded on the basis of an as needs cash draw-down model from 1 July 2003. Under this system, agencies will not be required to hold or manage large cash balances and cash management decisions will be made centrally.

Budget estimates — enhanced quality and timeliness

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---------------|---------|---------|---------|---------|
| All Agencies | 1.1 | 0.7 | 0.7 | 0.7 |

The Budget Estimates and Framework Review (the Review) was a thorough review of the Budget estimates and advice system. The recommendations of the Review seek to improve the accuracy, responsiveness and effectiveness of the Commonwealth's budget estimates and framework system. The Government endorsed the recommendations of the Review in late 2002 and agreed that agencies could seek additional resourcing required to implement the recommendations of the Review.

The Government will provide funding of \$3.2 million over four years to the Foreign Affairs and Trade and Employment and Workplace Relations portfolios to improve the accuracy, responsiveness and effectiveness of their contribution to the Commonwealth's budget estimates and framework system and to assist agencies to drive improved financial management and reporting within their organisations.

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 capital measure titled *Budget estimates – enhanced quality and timeliness* in the Cross Portfolio section.

DEFENCE

Australian Defence Force personnel numbers — accelerated growth

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|-----------------------|---------|---------|---------|---------|
| Department of Defence | 49.8 | 36.5 | 16.5 | - |

Current personnel numbers in the Australian Defence Force (ADF) are above planned levels. This reflects the fact that the Army and Air Force are presently experiencing better recruitment and retention outcomes, with separation rates being at a 10 year low. The Government will provide funding of \$102.8 million over three years for 786 additional personnel in 2003-04, 564 additional personnel in 2004-05 and 250 additional personnel in 2005-06 to take advantage of the opportunity to accelerate the achievement of the White Paper targets for higher ADF personnel numbers. The White Paper proposed an ADF personnel target of 54,000 by 2010.

Bougainville Peace Monitoring Group — continuation of the Australian Defence Force contribution to monitoring weapons disposal

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|-----------------------|---------|---------|---------|---------|
| Department of Defence | - | - | - | - |

The Government has extended to the end of June 2003 the Australian Defence Force (ADF) contribution to the Bougainville Peace Monitoring Group. The additional costs incurred by the ADF in 2002-03 will be \$10.1 million.

The Peace Monitoring Group plays a critical role in the practical implementation of weapons disposal in Bougainville.

Coastal surveillance — continuation of funding for increased activity

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|-----------------------|---------|---------|---------|---------|
| Department of Defence | 17.8 | - | - | - |

The Government has allocated funding of \$17.8 million in 2003-04 for deployment costs for the Australian Defence Force to continue coastal surveillance of Australia's northern approaches to deter unauthorised boat arrivals. This is in addition to the \$18.7 million in funds provided in 2001-02 and \$22.3 million in 2002-03 for expenditure in those years.

Iraq — funding for operations and rehabilitation activities

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|-----------------------|---------|---------|---------|---------|
| Department of Defence | 197.9 | 25.8 | - | - |

This expenditure results from the Government's decision to join other countries and commit Australian forces to action in Iraq.

Additional funding of \$644.7 million over three years has been provided for the estimated net cost of deployments and operations in Iraq (including \$421 million in 2002-03). This includes funding for pre-deployment acquisitions, personnel allowances, operating costs, equipment remediation costs and contributions to post-conflict rehabilitation activities. The actual cost of the deployment will not be known until the end of operations.

Logistics funding

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|-----------------------|---------|---------|---------|---------|
| Department of Defence | 244.3 | 285.5 | 284.9 | 229.0 |

The Government's *Defence 2000* White Paper provided \$27 billion over 10 years primarily for the acquisition of new equipment and upgrade of existing equipment to enhance the capabilities of the Australian Defence Force. Since the White Paper was released, however, the strategic landscape has changed markedly with the emergence of terrorism and the proliferation of weapons of mass destruction. These changes have given rise to a higher operational tempo for the Australian Defence Force, which has increased the cost of maintaining and operating existing defence assets beyond that envisaged in the White Paper.

Consequently, this Budget provides additional logistics funding of \$1,145.1 million over five years (including \$101.4 million in 2002-03) to enable the Australian Defence Force to operate at current levels of operational tempo on a sustainable basis and meet preparedness requirements in the new strategic environment.

The new spending will augment logistics and support funding for a range of platforms and equipment, including:

- F/A-18 fighter aircraft fleet;
- C-130J Hercules transport aircraft;
- Collins class submarines; and

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- Army B-class vehicles, including Land Rovers, Mack trucks and other transport vehicles.

The new spending will also fund a substantial increase in stocks of explosive ordnance, including that required for enhanced training for Army personnel.

Navy Personnel Retention Initiatives

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|-----------------------|---------|---------|---------|---------|
| Department of Defence | - | - | - | - |

The Government will provide \$10 million per annum to facilitate the retention of Naval personnel in certain critical specialisations.

The cost of this measure is being absorbed within the existing resourcing for the Department of Defence.

Special Operations Command

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|-----------------------|---------|---------|---------|---------|
| Department of Defence | 21.6 | 35.8 | 49.2 | 50.2 |

As announced by the Prime Minister on 19 December 2002, the Government is expanding Australia's Special Forces counter terrorist capability by establishing a new Special Operations Command in the Australian Defence Force.

The new capability will cost \$156.8 million over four years (excluding specialist equipment and facilities costs, which will be met from within existing Defence resources). It will deliver an additional 334 combat and associated support personnel to supplement Australia's existing special forces, including: an additional commando company in the 4th Royal Australian Regiment; improved logistics support in the Special Air Service Regiment; a maritime counter terrorist capability within the Tactical Assault Group (East); a Combat Service Support Company; and a new command element in Headquarters Special Operations (Canberra) to undertake inter-agency and alliance coordination.

The new Special Operations Command will have a command status equivalent to Maritime, Land and Air Commands. It will increase further Australia's ability to use non-conventional war-fighting means to respond to terrorism.

Special Purpose Aircraft Facilities at Canberra International Airport

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|-----------------------|---------|---------|---------|---------|
| Department of Defence | 7.1 | 7.2 | 7.5 | 7.8 |

The Government has allocated \$29.6 million over four years to cover additional lease costs associated with the establishment of maintenance and support facilities for the Special Purpose Aircraft facilities at the Canberra International Airport. This funding will facilitate increased security measures to ensure the security of Special Purpose Aircraft, and to protect travellers including visiting Heads of State.

EDUCATION, SCIENCE AND TRAINING

Our Universities — Backing Australia's Future

The Government will introduce wide-ranging reforms to ensure the higher education system provides greater access to a high quality of education for all Australians. It will ensure the long-term sustainability of the higher education system and foster greater diversity amongst institutions, while enabling individual institutions to specialise in their areas of strength and providing more flexibility in setting course fees.

A substantial commitment will be made to achieve this vision, involving around \$1.5 billion over the first four years. By 2009-10, an extra \$870 million a year will be provided for higher education.

The Government will also ensure that access to higher education is more equitable and that the system has sufficient flexibility to serve the different needs of different students. A new Higher Education Loans Programme (HELP) will be introduced in 2005 incorporating a subsidised loan scheme for fee-paying students (FEE-HELP) and a similar scheme for students who wish to study overseas (OS-HELP). The Higher Education Contribution Scheme (to be known as HECS-HELP) will be retained.

An additional \$800 million in student loans is expected to be made by 2007-08; a substantial investment in higher education.

Table 5: Our Universities: Summary of measures

| | 2003-04 | 2004-05 | 2005-06 | 2006-07 | Total |
|---|-------------|--------------|--------------|--------------|---------------|
| | \$m | \$m | \$m | \$m | \$m |
| EXPENSE | | | | | |
| Education, Science and Training | | | | | |
| <i>Department of Education, Science and Training</i> | | | | | |
| Commonwealth Grants Scheme Initiatives | - | 139.0 | 252.2 | 384.2 | 775.4 |
| Regional universities loading | 27.9 | 30.3 | 31.5 | 32.9 | 122.6 |
| Higher Education Contribution Scheme - increased flexibility | - | - | - | - | - |
| Higher Education Loans Programme (HELP) - HECS-HELP, FEE-HELP and OS-HELP | - | -15.7 | -18.1 | -16.8 | -50.6 |
| National priority funding for additional student places and courses | 11.9 | 47.5 | 49.8 | 51.8 | 161.0 |
| Disadvantaged students improved participation | 0.3 | 5.4 | 7.1 | 9.0 | 21.8 |
| Scholarships | 11.2 | 29.9 | 49.7 | 70.7 | 161.5 |
| Teaching quality incentives | - | - | 79.3 | 108.9 | 188.2 |
| Quality assurance enhancement | - | 0.9 | 0.9 | 0.9 | 2.7 |
| Collaboration and Structural Reform Fund | - | 6.5 | 6.7 | 6.8 | 20.0 |
| Workplace Productivity Programme | - | - | 27.3 | 27.9 | 55.2 |
| Higher Education Information Management System | 14.5 | 5.4 | 5.1 | 5.3 | 30.3 |
| Marcus Oldham College | 2.1 | - | - | - | 2.1 |
| Marine science institute | -5.0 | - | - | - | -5.0 |
| <i>Australian Institute of Marine Science</i> | | | | | |
| Marine science institute | 2.9 | - | - | - | 2.9 |
| Net additional expenditure | 65.8 | 249.3 | 491.5 | 681.6 | 1488.2 |
| CAPITAL | | | | | |
| Education, Science and Training | | | | | |
| <i>Department of Education, Science and Training</i> | | | | | |
| Higher Education Loans Programme (HELP) - HECS-HELP, FEE-HELP and OS-HELP | - | - | - | - | - |
| <i>Australian Institute of Marine Science</i> | | | | | |
| Marine science institute | 2.1 | - | - | - | 2.1 |
| Net additional capital | 2.1 | - | - | - | 2.1 |
| REVENUE | | | | | |
| Education, Science and Training | | | | | |
| <i>Department of Education, Science and Training</i> | | | | | |
| Higher Education Loans Programme (HELP) - HECS-HELP, FEE-HELP and OS-HELP | - | - | 5.4 | 20.8 | 26.2 |
| Net additional revenue | - | - | 5.4 | 20.8 | 26.2 |

Our Universities — Commonwealth Grants Scheme initiatives

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|--|---------|---------|---------|---------|
| Department of Education, Science and Training | - | 139.0 | 252.2 | 384.2 |

From January 2005, the Government will introduce a new funding formula based on the number of students and the discipline mix of courses delivered by universities. This will better match funding to the mix of courses that each university delivers, thereby providing universities with greater flexibility to diversify or specialise their course offerings.

Commonwealth funding per student place will be increased by an additional 2.5 per cent in 2005, 5 per cent in 2006 and 7.5 per cent in 2007, over and above the current base forward estimates, which provide for growth to meet general cost increases. This element of the new grant arrangements will result in additional funding of \$430.1 million over three years from 2004-05. The additional funding is conditional on the institutions complying with the National Governance Protocols and demonstrating improvements to workplace relations.

Currently, universities are able to enrol more students than provided for through Commonwealth supported places. The Commonwealth provides marginal funding for these 'over-enrolments', at a rate of \$2,760 per full-time place. From 2005, additional funding of \$347.6 million over the three years to 2006-07 will be provided to convert 24,883 marginally funded places to fully funded Commonwealth places in universities.

From 2007, the number of fully funded (that is, Commonwealth supported) places will be increased in line with population growth. An additional 1,400 places will be provided in 2007, with additional funding of \$10.9 million in 2006-07 for this purpose.

Funding of \$12.6 million will be provided to universities in 2005 to ensure that institutions are not significantly disadvantaged during the transition to the new funding formula.

See also the related expense measures titled *Our Universities – regional universities loading* and *Our Universities – national priority funding for additional student places and courses* in the Education, Science and Training portfolio.

Our Universities — regional universities loading

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|--|---------|---------|---------|---------|
| Department of Education, Science and Training | 27.9 | 30.3 | 31.5 | 32.9 |

The Government will provide funding from January 2004 of \$122.6 million over four years for the provision of a new loading for regional campuses within the Commonwealth Grants Scheme, as a contribution to the greater costs of delivering education in regional campuses.

Four bands of loading based on the degree of isolation and institutional size will be used to determine the additional financial support provided to each regional campus.

See also the related expense measure titled *Our Universities – Commonwealth Grants Scheme initiatives* in the Education, Science and Training portfolio.

Our Universities - Higher Education Contribution Scheme — increased flexibility

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

From 2005, the Higher Education Contribution Scheme (HECS) will become one element of a new Higher Education Loans Programme (HELP) and it will be known as HECS-HELP. The key features of HECS will be retained.

Under HECS, students contribute towards the cost of their higher education, with the Commonwealth paying the major part of the costs involved for fully funded Commonwealth places. The Commonwealth lends the funds to students to meet their contributions (paying them directly to the universities on the student's behalf). Students then commence repayments of loans to the Commonwealth when their income reaches the repayment threshold, which will be increased from \$24,365 in 2002-03 to \$30,000 in 2005-06.

From 2005, each university will be able to set its own student contribution levels for Commonwealth supported places within a range from \$0 to a maximum set by the Commonwealth for each discipline. The maximum will be 30 per cent above the standard HECS contribution rates except for teaching and nursing, where the maximum fee will not increase. Students will be able to draw on a HECS-HELP loan to meet the full contribution sought by an institution, in the same way as occurs now.

See also the related revenue, expense and capital measures titled *Our Universities - Higher Education Loans Programme (HELP) - HECS-HELP, FEE-HELP and OS-HELP* and

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the expense measure titled *Our Universities – Commonwealth Grants Scheme initiatives* in the Education, Science and Training portfolio.

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

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|--|---------|---------|---------|---------|
| Department of Education, Science and Training | - | -15.7 | -18.1 | -16.8 |

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

For all HELP loans, the threshold for repayment will be increased from \$24,365 in 2002-03 to \$30,000 in 2005-06.

An income-contingent loan facility (FEE-HELP) will be provided for students to meet their undergraduate or postgraduate fees in full fee-paying courses in public or eligible private institutions. FEE-HELP 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.

An income-contingent loan facility (OS-HELP) will be introduced to assist students undertaking a full-time undergraduate course in Commonwealth-supported places at public higher education institutions to study abroad for one or two semesters. OS-HELP 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.

The discounts offered to students paying their HECS-HELP contributions up-front will be lowered from 25 per cent to 20 per cent and the bonus for voluntary repayments of HECS-HELP and existing PELS, OLDPS and BOTPLS debts will be lowered from 15 per cent to 10 per cent. Voluntary repayments of new FEE-HELP and OS-HELP debts will not attract a bonus. The repayment thresholds arrangements for all schemes will be the same as for HECS.

See also the related revenue and capital 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 — national priority funding for additional student places and courses

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|--|---------|---------|---------|---------|
| Department of Education, Science and Training | 11.9 | 47.5 | 49.8 | 51.8 |

The Government will provide funding of \$161 million over four years to support additional higher education places and an increased Commonwealth contribution to course costs in national priority areas. Initially, this funding will be used to address Indigenous education and national priority areas of the labour market such as teaching and nursing. Higher education institutions providing Commonwealth supported nursing and teaching student places will receive additional funding to reflect the increased costs associated with the practical teaching component of education courses and clinical practice in nursing courses.

The Government will also provide funding to universities for additional nursing places to respond to the current shortage of professional nurses. In 2004, there will be 210 new nursing places offered nationally and this will rise to 574 in 2007.

On top of this by 2008 an additional 745 national priority places will be available in private higher education institutions (which meet all prescribed quality and accountability requirements) for nursing, teaching or other priorities.

Our Universities — disadvantaged students improved participation

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|--|---------|---------|---------|---------|
| Department of Education, Science and Training | 0.3 | 5.4 | 7.1 | 9.0 |

The Government will provide additional funding of \$21.8 million over four years to assist disadvantaged groups to participate in higher education.

The Indigenous Support Fund will receive additional funding of \$1.7 million in 2004-05, \$3.4 million in 2005-06 and \$5.3 million in 2006-07 to improve Indigenous participation in higher education.

An Indigenous Higher Education Advisory Council will be established with funding of \$0.3 million per annum for four years to enable consultation with Indigenous people on issues affecting higher education.

Additional funding will also be provided for the Higher Education Equity Programme (HEEP) and the Students with Disabilities Programme. Funding for the HEEP will be increased by \$2.3 million in 2004-05 and 2005-06, and \$2.4 million in 2006-07. The

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Students with Disabilities Programme will be increased by \$1.1 million per annum for three years from 2005.

Our Universities — scholarships

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|--|---------|---------|---------|---------|
| Department of Education, Science and Training | 11.2 | 29.9 | 49.7 | 70.7 |

The Government will provide funding of \$161.5 million over four years to fund three new scholarship programmes from January 2004 and to provide additional funding for the Australian Postgraduate Awards (APA) Scheme.

Commonwealth Education Costs Scholarships will provide a total of 17,635 four-year scholarships valued at \$2,000 per annum (indexed) over four years to assist students with educational expenses. Commonwealth Accommodation Scholarships will provide a total of 7,554 new four-year scholarships valued at \$4,000 (indexed) over four years to assist rural and regional students with accommodation expenses. Both scholarship programmes will be merit-based and will offer financial support to students from low income and Indigenous backgrounds.

The Government will also provide funding for the Indigenous Staff Scholarships programme to further develop Indigenous leadership in the higher education sector by offering professional development opportunities to Indigenous staff in higher education. Five national scholarships providing a HECS exemption or fee waiver of up to \$10,400, plus a non-taxable stipend of \$20,900 will be allocated each year.

Additional funding from 2005-06 for the APA Scheme will also increase the number of postgraduate scholarships offered by 11 in 2006 and by 20 in 2007.

Our Universities — teaching quality incentives

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|--|---------|---------|---------|---------|
| Department of Education, Science and Training | - | - | 79.3 | 108.9 |

The Government will provide funding of \$188.2 million in 2005-06 and 2006-07 for a number of incentive-based programmes to improve the quality of learning and teaching in the higher education sector. The programmes will provide performance based funding incentives to higher education institutions to improve undergraduate teaching and learning.

These programmes include a new Learning and Teaching Performance Fund and will provide funding of \$54.7 million in 2005-06 and \$83.8 million in 2006-07 to universities that best demonstrate excellence in teaching and learning.

Additionally, a National Institute for Learning and Teaching in Higher Education will be established in 2004 to provide grants to higher education institutions to undertake research and analysis and improve teaching and learning. Seed funding of \$0.4 million will be provided in 2003 to establish the Institute from within current programme funds. A further \$1 million will also be provided from existing funding in 2004 and 2005. The Institute will be fully operational in 2006. The Institute will receive funding of \$21.9 million in 2005-06 and \$22.4 million in 2006-07.

Further, increased funding of \$2.7 million in each of 2005-06 and 2006-07 will be provided for the Australian Awards for University Teaching which are allocated to outstanding teachers.

Our Universities — quality assurance enhancement

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|--|---------|---------|---------|---------|
| Department of Education, Science and Training | - | 0.9 | 0.9 | 0.9 |

The Government will provide funding of \$2.7 million over three years from 2004-05 to strengthen the quality assurance framework for the Australian higher education sector.

Funding of \$0.6 million per annum from 2005 will be provided to allow the Commonwealth to commission the Australian Universities Quality Agency to undertake audits of Australian higher education providers which operate overseas.

Funding of \$0.3 million per annum for three years will be provided from 2004-05 for the development and promotion of the Graduate Skills Assessment Programme.

Our Universities — Collaboration and Structural Reform Fund

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|--|---------|---------|---------|---------|
| Department of Education, Science and Training | - | 6.5 | 6.7 | 6.8 |

The Government will provide funding of \$20 million over three years from January 2005 to establish a Collaboration and Structural Reform Fund to make grants to universities. Grants will be provided as an incentive to foster institutional specialisation and rationalisation and effective collaboration between universities and other education providers, business, industry, professional associations and community groups as well as structural reform.

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Our Universities — Workplace Productivity Programme

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|--|---------|---------|---------|---------|
| Department of Education, Science and Training | - | - | 27.3 | 27.9 |

The Government will provide funding of \$27.3 million in 2005-06 and \$27.9 million in 2006-07 for a Workplace Productivity Programme to commence from 1 January 2006. The purpose of the programme is to encourage universities to negotiate working arrangements which take advantage of the flexibilities available under the *Workplace Relations Act 1996*.

Funding available through this initiative will be made contingent on eligible institutions demonstrating a commitment to workplace reform through the implementation of flexible working arrangements, a focus on direct relationships with employees and improved productivity and performance.

Our Universities — Higher Education Information Management System

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|--|---------|---------|---------|---------|
| Department of Education, Science and Training | 14.5 | 5.4 | 5.1 | 5.3 |

The Government will provide \$10.2 million in 2003-04 for costs associated with the implementation and ongoing administration of the reform initiatives, including the development of information technology systems by institutions to enable them to access a new Higher Education Information Management System (HEIMS).

Funding of \$20.1 million over four years to support HEIMS will also be provided. The system (to be operational from 1 January 2005) will assist the administration of the Higher Education Loans Programme and facilitate the transfer of financial and statistical data between higher education institutions and the Commonwealth.

See also the related capital measure titled *Our Universities – Higher Education Loans programme (HELP) – HECS-HELP, FEE-HELP and OS-HELP* in the Education, Science and Training portfolio.

Our Universities — Marcus Oldham College

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|--|---------|---------|---------|---------|
| Department of Education, Science and Training | 2.1 | - | - | - |

The Government will provide Marcus Oldham College with a one-off payment of \$2.1 million in 2003-04 to compensate this private institution for the cessation of public funding. This arrangement will bring the college into line with arrangements that apply to similar institutions.

See also the related expense measure titled *Our Universities – Commonwealth Grants Scheme initiatives* in the Education, Science and Training portfolio.

Our Universities — marine science institute

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|--|---------|---------|---------|---------|
| Department of Education, Science and Training | -5.0 | - | - | - |
| Australian Institute of Marine Science | 2.9 | - | - | - |

A 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 made available 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 capital measure titled *Our Universities – marine science institute* in the Education, Science and Training portfolio.

International Education

The education and training system is one of Australia's leading export industries and is an important link with the international community. To this end, the Government will ensure the quality, diversity and sustainability of Australia's international education industry through a set of initiatives costing \$113 million over the next four years.

Table 6: International Education: Summary of measures

| | 2003-04 | 2004-05 | 2005-06 | 2006-07 | Total |
|--|-------------|-------------|-------------|-------------|--------------|
| | \$m | \$m | \$m | \$m | \$m |
| EXPENSE | | | | | |
| Education, Science and Training | | | | | |
| <i>Department of Education, Science and Training</i> | | | | | |
| Increased profile of Australia's international education sector | 8.4 | 9.3 | 10.9 | 13.1 | 41.7 |
| Endeavour Programme Scholarships | 1.6 | 2.1 | 2.1 | 2.1 | 7.9 |
| International Centres of Excellence | 7.9 | 13.3 | 10.2 | 4.1 | 35.5 |
| National Centre for Language Training | - | 2.3 | 2.3 | - | 4.6 |
| Offshore quality assurance enhancements | 3.5 | 3.0 | 2.0 | 2.1 | 10.6 |
| Onshore compliance enhancements | 1.6 | 1.1 | 1.2 | 1.2 | 5.1 |
| Reprioritisation of funding from the Quality Outcomes Programme and Systemic Infrastructure Scheme | | -2.3 | -2.3 | | -4.6 |
| Sub total | 23.0 | 28.8 | 26.4 | 22.6 | 100.8 |
| Immigration and Multicultural and Indigenous Affairs | | | | | |
| <i>Department of Immigration and Multicultural and Indigenous Affairs (a)</i> | | | | | |
| Increased profile of Australia's international education sector | 2.6 | - | - | - | 2.6 |
| Electronic initiatives | 0.5 | - | - | - | 0.5 |
| Onshore compliance enhancements | 0.9 | - | - | - | 0.9 |
| Professional Development Visa | 1.9 | - | - | - | 1.9 |
| Student Guardian Visa | 0.6 | - | - | - | 0.6 |
| Working holiday maker arrangements | 0.1 | - | - | - | 0.1 |
| Sub total | 6.6 | - | - | - | 6.6 |
| <i>Total Capital Measures</i> | <i>1.0</i> | <i>-</i> | <i>-</i> | <i>-</i> | <i>1.0</i> |
| Total Expense Measures | 30.6 | 31.1 | 28.7 | 22.6 | 113.0 |
| Net Additional Expenditure | 30.6 | 28.8 | 26.4 | 22.6 | 108.4 |
| REVENUE | | | | | |
| Education, Science and Training | | | | | |
| <i>Department of Education, Science and Training</i> | | | | | |
| Increase in the Educational Services for Overseas Students fee | 3.9 | 4.5 | 5.3 | 6.1 | 19.8 |
| Sub total | 3.9 | 4.5 | 5.3 | 6.1 | 19.8 |
| Immigration and Multicultural and Indigenous Affairs | | | | | |
| <i>Department of Immigration and Multicultural and Indigenous Affairs</i> | | | | | |
| Professional Development Visa | 2.2 | 3.2 | 3.3 | 3.4 | 12.1 |
| Student Visa Application Charge | 13.5 | 15.8 | 18.8 | 21.8 | 69.9 |
| Student Guardian Visa | 0.6 | 1.2 | 1.2 | 1.2 | 4.2 |
| Sub total | 16.3 | 20.2 | 23.3 | 26.4 | 86.2 |
| Net additional revenue | 20.2 | 24.7 | 28.6 | 32.5 | 106.0 |

(a) A provision for ongoing funding in the forward years has been included in the Contingency Reserve pending the outcome of the review of the Department of Immigration and Multicultural Affairs funding requirements from 2004-05 onwards.

International Education — increased profile of Australia's international education sector

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|--|---------|---------|---------|---------|
| Department of Education, Science and Training | 8.4 | 9.3 | 10.9 | 13.1 |
| Department of Immigration and Multicultural and Indigenous Affairs | 2.6 | - | - | - |

The Government will provide funding to the Department of Education, Science and Training of \$41.7 million over four years to significantly increase the promotion of education and training and strengthen Australia's position within a competitive international education market.

This initiative aims to diversify the markets to which Australia exports education and training services, and increase the reach and effectiveness of current activities through increased promotional activities and additional Counsellors to be deployed in regions of emerging importance.

As a result of these additional activities, the Department of Immigration and Multicultural and Indigenous Affairs (DIMIA) will be required to process an increased volume of student applications from a wider range of countries, including countries where DIMIA currently has no visa processing operations.

Ongoing funding will be considered in a review of DIMIA's funding requirements from 2004-05 onwards. A provision for additional funding in the forward years has been included in the Contingency Reserve.

See also the related revenue measure titled *International Education – increase in the Educational Services for Overseas Students fee* in the Education, Science and Training portfolio.

International Education — Endeavour Programme scholarships

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---|---------|---------|---------|---------|
| Department of Education, Science and Training | 1.6 | 2.1 | 2.1 | 2.1 |

The Government will provide additional scholarships under the Endeavour Programme and additional fellowships for Australian language teachers. The initiative will involve funding of \$7.9 million over four years from 2003-04.

An additional 30 awards for international post-graduate students or post-doctoral researchers to study in Australia will be provided each year. This will increase

Australia's reputation as a high quality education destination and will assist Australia's entry into new international education markets. These awards will be added to existing scholarships and awards to provide a total of 395 new awards each year, and will also provide for short-term fellowships for Australian language teachers assisting them to undertake short-term study tours in countries whose language they teach.

See also the related revenue measure titled *International Education – increase in the Educational Services for Overseas Students fee* in the Education, Science and Training portfolio.

International Education — International Centres of Excellence

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|--|---------|---------|---------|---------|
| Department of Education, Science and Training | 7.9 | 13.3 | 10.2 | 4.1 |

The Government will provide funding of \$35.5 million over four years to establish International Centres of Excellence in the areas of Water Resources Management; Sports Science and Administration; Mathematics Education; and Asia Pacific Studies and Diplomacy. The funding will also be used to provide support for international activities in relation to sustainable tourism undertaken by the Cooperative Research Centres, and establish international exchange programmes for young researchers through the Australian Research Council.

See also the related revenue measure titled *International Education – increase in the Educational Services for Overseas Students fee* in the Education, Science and Training portfolio.

International Education — National Centre for Language Training

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|--|---------|---------|---------|---------|
| Department of Education, Science and Training | - | 2.3 | 2.3 | - |

The Government will provide \$4.6 million over two years from 2004-05 to establish a National Centre for Language Training.

The Centre will meet the needs of business, the tourism industry, teachers and other professionals requiring specialist language and business culture training.

Funding will be provided from the reallocation of funds from the Quality Outcomes Programme and the Systemic Infrastructure Scheme.

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See also the related expense measure titled *International Education – reprioritisation of funding from the Quality Outcomes Programme and Systemic Infrastructure Scheme* in the Education, Science and Training portfolio.

International Education — offshore quality assurance enhancements

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---|---------|---------|---------|---------|
| Department of Education, Science and Training | 3.5 | 3.0 | 2.0 | 2.1 |

The Government will provide funding of \$10.6 million over four years for the development of an industry-based framework for offshore quality assurance. The funding will enable the introduction of an internationally recognisable brand that will assist actual and potential consumers to differentiate between the numerous Australian offshore providers and protect Australia's quality reputation in education and training services. The funding will also provide for independent audits of providers on a needs basis.

See also the related revenue measure titled *International Education – Student Visa Application Charge* in the Immigration and Multicultural and Indigenous Affairs portfolio.

International Education — onshore compliance enhancements

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|--|---------|---------|---------|---------|
| Department of Education, Science and Training | 1.6 | 1.1 | 1.2 | 1.2 |
| Department of Immigration and Multicultural and Indigenous Affairs | 0.9 | - | - | - |

The Government will provide funding of \$6 million over four years to increase monitoring and enforcement activity under the *Education Services for Overseas Students Act 2000* (ESOS Act) and the *Migration Act 1958*. This will improve compliance of education providers with the existing regulatory framework.

The Department of Education, Science and Training (DEST) will undertake the compliance action under the ESOS Act with cooperation and assistance from the Department of Immigration and Multicultural and Indigenous Affairs (DIMIA). DEST will be provided with funding of \$5.1 million over four years.

Ongoing funding for DIMIA will be considered in a review of DIMIA's funding requirements from 2004-05 onwards. A provision for additional funding in the forward

years has been included in the Contingency Reserve pending the outcome of the review.

See also the related revenue measure titled *International Education – Educational Services for Overseas Students fee* in the Education, Science and Training portfolio.

International Education — reprioritisation of funding from the Quality Outcomes Programme and Systemic Infrastructure Scheme

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---|---------|---------|---------|---------|
| Department of Education, Science and Training | - | -2.3 | -2.3 | - |

The Government will reallocate \$2.3 million in 2004-05 from the Quality Outcomes Programme and \$2.3 million from the Systemic Infrastructure Scheme in 2005-06 to the new National Centre for Language Training. The National Centre will provide specialist language and business culture training.

See the related expense measure titled *International Education – National Centre for Language Training* in the Education, Science and Training portfolio.

International Education — electronic initiatives

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|--|---------|---------|---------|---------|
| Department of Immigration and Multicultural and Indigenous Affairs | 0.5 | - | - | - |

The Government has decided to provide \$0.5 million in 2003-04 to fund electronic initiatives to enable more efficient processing of visa applications and to achieve more effective monitoring of student visa compliance.

Funding will be offset by additional revenue from growth in student visa applications. Ongoing funding will be considered in a review of DIMIA's funding requirements from 2004-05 onwards. A provision for additional funding in the forward years has been included in the Contingency Reserve pending the outcome of the review.

International Education — Professional Development Visa

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|--|---------|---------|---------|---------|
| Department of Immigration and Multicultural and Indigenous Affairs | 1.9 | - | - | - |

The Government will provide \$1.9 million in 2003-04 to introduce a new sponsored Professional Development Visa, 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.

The level of ongoing funding will be considered in the 2004-05 Budget following a review of the Department of Immigration and Multicultural and Indigenous Affairs' business processes and costs. A provision for additional funding in the forward years has been included in the Contingency Reserve pending the outcome of the review.

See also the related revenue and capital measures titled *International Education – Professional Development Visa* in the Immigration and Multicultural and Indigenous Affairs portfolio.

International Education — Student Guardian Visa

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|--|---------|---------|---------|---------|
| Department of Immigration and Multicultural and Indigenous Affairs | 0.6 | - | - | - |

The Government will provide \$0.6 million in 2003-04 to introduce a new student visa for guardians of particular groups of student visa holders. This visa ensures that school-aged children are able to have appropriate parental care while studying in Australia. It will also accommodate some single women who, for cultural reasons, may require guardians during their stay in Australia.

Ongoing funding will be considered in a review of Department of Immigration and Multicultural and Indigenous Affairs' (DIMIA's) funding requirements from 2004-05 onwards. A provision for additional funding in the forward years has been included in the Contingency Reserve pending the outcome of the review.

See also the related revenue measure titled *International Education – Student Guardian Visa* in the Immigration and Multicultural and Indigenous Affairs portfolio.

International Education — working holiday maker arrangements

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|--|---------|---------|---------|---------|
| Department of Immigration and Multicultural and Indigenous Affairs | 0.1 | - | - | - |

The Government will provide \$0.1 million in 2003-04 to promote the aspect of the working holiday maker visa that allows studies to be undertaken at Australian institutions, to support negotiations to expand the range of countries with which Australia has working holiday maker agreements, and to undertake the associated monitoring, liaison and overall management of the programme.

Ongoing funding will be considered in a review of DIMIA's funding requirements from 2004-05 onwards. A provision for additional funding in the forward years has been included in the Contingency Reserve pending the outcome of the review.

Other measures in the Education, Science and Training portfolio

Commonwealth Scientific and Industrial Research Organisation Flagship Initiative

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|--|---------|---------|---------|---------|
| Commonwealth Scientific and Industrial Research Organisation | 20.0 | - | - | - |

The Government will provide additional funding of \$20 million to the Commonwealth Scientific and Industrial Research Organisation (CSIRO) in 2003-04 to accelerate the implementation of its Flagship Initiative and to enable four additional Flagship programmes to commence during 2003-04.

Flagships are broad research programmes that align with National Research Priorities. The CSIRO has identified the following key Flagship programmes – Energy Transformed, Healthy Country, Light Metals, Preventative Health, Agrifood Top 5 and Ocean Wealth.

Cooperative Research Centres Programme — additional funding for 2006-07

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|--|---------|---------|---------|---------|
| Department of Education, Science and Training | - | - | - | 62.5 |

The Government will provide new funding of \$62.5m for the Cooperative Research Centres Programme in 2006-07. This will bring total Cooperative Research Centres funding to \$856.9m over the four years 2003-04 to 2006-07.

Additional funding in 2006-07 will provide certainty for multi-year grant processes commencing from 2003-04.

Cooperative Research Centres are long-term collaborative research programmes which bring together universities, government laboratories, private industry and public sector agencies. Collaborative arrangements are set up between these diverse partners to enhance the utilisation or commercialisation of research, development and education activities.

Education, Science and Training portfolio — reprioritisation

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|--|---------|---------|---------|---------|
| Department of Education, Science and Training | -2.0 | -0.3 | -0.3 | -0.3 |

In order to establish the radioactive waste management facility and to provide for its operation (including depreciation), the Government will reallocate \$2.0 million in 2003-04 and funding of \$0.3 million per annum for three years from 2004-05, from research, marketing and information technology activities within the Education, Science and Training portfolio.

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

Mount Stromlo Observatory — reconstruction after the bushfires

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|--|---------|---------|---------|---------|
| Department of Education, Science and Training | 7.3 | - | - | - |

The Government will provide \$7.3 million to the Australian National University in 2003-04 to assist with the restoration of the research and teaching capacity of the

Mount Stromlo Observatory and the Research School of Astronomy and Astrophysics. The facility was damaged by bushfires on 18 January 2003. The funding will be in addition to that available from insurance on the observatory.

National Competitive Grants Programme — additional funding for 2006-07

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|-----------------------------|---------|---------|---------|---------|
| Australian Research Council | - | - | - | 275.0 |

The Government will provide additional funding of \$275 million in 2006-07 for the National Competitive Grants Programme, administered by the Australian Research Council. This will bring total funding for this programme to \$2,031 million over the four years 2003-04 to 2006-07.

Additional funding in 2006-07 will provide certainty for multi-year grant processes commencing from 2003-04.

The National Competitive Grants Programme supports research and research training. Funds are allocated to investigator-initiated proposals on a competitive basis via an internationally benchmarked system of peer review.

National literacy and numeracy strategies and projects

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

The Government will continue to provide funding for national initiatives and projects that support improved learning outcomes for educationally disadvantaged students. Examples include research and development activities, professional development and National Literacy and Numeracy Week.

Funding of \$8.1 million in 2003-04, \$9.3 million in 2004-05, \$9.8 million in 2005-06 and \$10.4 million in 2006-07 will be provided. Provision for this funding has already been included in the forward estimates.

New Apprenticeships Workforce Skills Development programme — consolidation of programme elements

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|--|---------|---------|---------|---------|
| Department of Education, Science and Training | -3.0 | -1.0 | -3.0 | -3.0 |

As part of a restructuring to remove duplication and overlap across existing programme elements, funding for the New Apprenticeship Workforce Skills Development programme will be reduced from 2003-04. The programme provides Commonwealth funding for strategic projects that support the national vocational education and training system.

Non-government schools — capital funding

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

The Government will continue to provide funding at existing levels for construction and refurbishment work on non-government school facilities (particularly for schools serving the most educationally disadvantaged students).

Funding of \$11.4 million in 2003-04, \$12.1 million in 2004-05, \$12.2 million in 2005-06 and \$12.5 million in 2006-07 will be provided. Provision for this funding has already been included in the forward estimates and will bring total funding to \$406.5 million for the 2003-04 to 2006-07 period.

Radioactive waste management facility

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|--|---------|---------|---------|---------|
| Department of Education, Science and Training | 1.7 | 0.2 | 0.2 | 0.2 |

The Government will provide funding of \$1.7 million in 2003-04 to undertake the first national collection and disposal of low-level radioactive waste. The funding is predominantly for waste collection and disposal. Funding of \$0.2 million for three years from 2004-05 is for management of the facility.

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

Strategic Assistance for Improving Student Outcomes Programme — increased funding

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

The Government will continue to provide funding for the Strategic Assistance for Improving Student Outcomes programme to improve the learning outcomes of educationally disadvantaged students, particularly in the areas of literacy and numeracy.

Funding of \$39.3 million in 2003-04, \$42.0 million in 2004-05, \$44.3 million in 2005-06 and \$46.7 million in 2006-07 will be provided. Provision for this funding has already been included in the forward estimates and will bring total funding to \$1.7 billion over the 2003-04 to 2006-07 period.

Transition (School to Work) Programmes

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|--|---------|---------|---------|---------|
| Department of Education, Science and Training | -1.5 | -0.7 | -0.7 | -1.2 |

Funding for Transition (School to Work) Programmes will be reduced from 2003-04 by terminating the operation of the Enterprise and Career Education Foundation (ECEP). Its functions will be incorporated into, and undertaken by the Department of Education, Science and Training.

The rationalisation will reduce the overlap and provide a more consistent and holistic approach in supporting young people in their transitions through school and from further education and work.

Vocational education and training — continued Commonwealth support

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

The Government proposes to maintain its funding contribution over three years from 2004 under the Australian National Training Authority (ANTA) Agreement to assist the States and Territories in their delivery of vocational education and training.

Provision for this funding has already been made in the forward estimates and includes \$1.17 billion in 2003-04, \$1.19 billion in 2004-05 and \$1.22 billion in 2005-06

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(total \$3.6 billion over three years). Subject to negotiations, the new three year Agreement will come into effect from 1 January 2004.

EMPLOYMENT AND WORKPLACE RELATIONS

Australian Industrial Relations Commission and Australian Industrial Registry — relocation

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|--|---------|---------|---------|---------|
| Department of Employment and Workplace Relations | 0.8 | 0.8 | 0.8 | 0.8 |

The Government will provide additional funding totalling \$8.3 million over ten years to the Australian Industrial Relations Commission and the Australian Industrial Registry to supplement fit-out costs associated with the relocation of the Melbourne office of the Commission and Registry to new premises.

Commonwealth Unfair Dismissal Scheme — expanded coverage

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|--|---------|---------|---------|---------|
| Department of Employment and Workplace Relations | 1.1 | 5.1 | 5.1 | 5.2 |

The Government will provide \$16.5 million over four years to expand coverage of the Commonwealth unfair dismissal scheme, resulting in more Australian employees being covered by Commonwealth legislation rather than State legislation. This measure will provide greater uniformity in unfair dismissal legislation for the majority of Australian employers and employees, reduce complexity and provide greater certainty about the application of legislation.

Additional funding will be provided to the Australian Industrial Relations Commission to cover the cost of additional members of the Commission.

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

Employee Share Ownership Development Unit

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|--|---------|---------|---------|---------|
| Department of Employment and Workplace Relations | 0.4 | 0.4 | 0.4 | 0.4 |

The Government will provide funding of \$1.7 million over four years to establish an Employee Share Ownership Development Unit within the Department of Employment and Workplace Relations. The Unit will actively promote employee share ownership

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(where an employee obtains a stake in their employer by acquiring shares in their employer company) and other financial participation schemes. The Unit will work with employers and employees by providing information and assistance with the design and implementation of such schemes.

The establishment of the Unit is part of the Government's response to *Shared Endeavours: An inquiry into employee share ownership in Australia*, announced on 27 March 2003.

See also the related revenue measure titled *Employee share schemes – roll-over of taxing point on corporate restructure* in the Treasury portfolio.

Employment Innovation Fund

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

The Employment Innovation Fund will form part of the Job Network and will provide support to initiatives that address employment or labour market related problems in innovative ways. The Fund will generally provide up to \$100,000 per project from July 2003, out of a total funding pool of \$1 million per annum, to support a diverse range of projects proposed at the community level to improve employment outcomes.

The costs of the fund have already been included in the forward estimates of the Job Network programme.

Indigenous Capital Assistance Scheme

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

The Government will allocate funding of \$10.5 million over four years under the Indigenous Employment Policy (IEP) for Indigenous Capital Assistance. The scheme aims to encourage economic independence for Indigenous people by subsidising borrowing for Indigenous businesses from the private financial sector primarily through interest rate subsidies. The details of the scheme will be finalised in consultation with private institutions and Indigenous stakeholders.

The IEP is a multi-faceted programme with a number of elements already available for providing financial assistance to maximise employment opportunities for Indigenous Australians. These elements include financial assistance for structured training and employment, wage assistance and other services.

Capital assistance will be an additional element available under the IEP to promote ongoing employment (including self-employment) opportunities for Indigenous Australians. The cost of this new element will be funded from within the existing IEP forward estimates.

Job search training — early access for young job seekers

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

From July 2004, job seekers aged 16 to 24 will have access to Intensive Support job search training as soon as they start receiving unemployment payments. This will allow young job seekers to develop essential job search skills sooner, leading to more successful job search activity.

The measure will involve funding of \$12.5 million over three years and is incorporated within the forward estimates of the Job Network programme.

Royal Commission into the Building and Construction Industry — initial response

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|--|---------|---------|---------|---------|
| Department of Employment and Workplace Relations | 17.0 | - | - | - |

As part of its initial response to the Royal Commission into the Building and Construction Industry, the Government has announced that, in 2003-04, it will provide \$6.9 million to fund an extension of the Interim Building Industry Task Force until 30 June 2004, \$5 million for preparatory costs associated with the establishment of new agencies and \$5.1 million to the Department of Employment and Workplace Relations to facilitate the implementation of the recommendations.

The Government has also announced that it will accept, in principle, the Royal Commission's recommendations with respect to:

- introducing an industry specific Act;
- establishing an industry specific regulatory body;
- establishing the Office of the Commissioner for Occupational Health and Safety; and

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- extending the National Code of Practice and Commonwealth Implementation Guidelines.

Funding in relation to these matters will be announced separately.

Workplace Relations Act — measures to ensure compliance and enforce relevant orders

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

The Commonwealth will take a more active role in pursuing a range of legal sanctions to ensure compliance with the *Workplace Relations Act 1996* and to enforce orders of the Australian Industrial Relations Commission and the Federal Court.

The departmental costs of \$7 million over four years will be met by reprioritisation within the Department of Employment and Workplace Relations.

ENVIRONMENT AND HERITAGE

Australian Biological Resources Study

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|--|---------|---------|---------|---------|
| Department of the Environment and Heritage | - | - | - | - |

The Government will continue to fund the Australian Biological Resources Study at the current level of \$3.1 million per annum over the next four years to maintain the currency of Australia's extensive biodiversity knowledge base. This measure will improve knowledge of micro-organisms, enhance the retention of taxonomic expertise through training and disseminate biodiversity knowledge to land managers. Provision for this funding has been already included in the forward estimates.

Biodiversity Policy

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|--|---------|---------|---------|---------|
| Department of the Environment and Heritage | -2.0 | -2.0 | -2.0 | -2.0 |

Savings of \$2 million per annum will result from absorbing ongoing costs associated with the development of biodiversity policy, including statutory obligations and obligations under the Convention on Biological Diversity by the Department of Environment and Heritage. These activities will continue to be funded from within existing resourcing.

Distinctively Australian

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|--|---------|---------|---------|---------|
| Department of the Environment and Heritage | 1.3 | 3.2 | 4.0 | 4.8 |

The Government will provide funding of \$13.3 million over four years commencing in 2003-04, for the introduction and implementation of new protection arrangements for Australia's cultural heritage. This includes funding for the establishment of the National Heritage List. The funding is contingent on the passage of the Australian Heritage Council Bill 2002.

Budget Measures 2003-04

Environment Protection Policy

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|--|---------|---------|---------|---------|
| Department of the Environment and Heritage | - | - | - | - |

The Government will provide additional funding of \$4.1 million per annum from 2003-04 to 2005-06 and \$3.5 million in 2006-07 to continue a range of environmental protection policy activities undertaken by Environment Australia.

Funding will provide for activities that fulfil statutory and international obligations relating to air and fuel quality standards, chemicals management and State of the Environment reports.

This measure will be funded through a reprioritisation of funding from the Diesel Vehicles Emissions National Environment Protection programme and the Transitional Assistance component of the Product Stewardship Arrangements for Waste Oil Recycling. The reprioritisation will not adversely impact on the expected outcomes of these programmes.

Great Barrier Reef Coastal Wetland Protection Programme

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|--|---------|---------|---------|---------|
| Department of the Environment and Heritage | 1.0 | 2.0 | 2.0 | 2.0 |

The Government will provide funding of \$8 million over five years (including \$1 million in 2007-08) towards the permanent protection and restoration of wetlands in catchments adjacent to the Great Barrier Reef. The Commonwealth has invited Queensland to match contributions.

Commonwealth funding for this project is additional to that being provided for environmental projects in Queensland through the Natural Heritage Trust and the National Action Plan on Salinity and Water Quality.

Meteorological radars — replacement and upgrade

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|-----------------------|---------|---------|---------|---------|
| Bureau of Meteorology | 1.7 | 2.0 | 3.0 | 3.7 |

The Government will provide \$13.8 million over five years (including \$3.4 million in 2007-08) to the Bureau of Meteorology to enable it to install fifteen new meteorological radars to replace its oldest radar assets, and to install a further six selected radars with

enhanced Doppler capability. 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 Yarrowonga in Victoria, Brisbane in Queensland and Adelaide in South Australia.

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

National Oceans Office

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|------------------------|---------|---------|---------|---------|
| National Oceans Office | - | - | - | - |

The Government will provide funding of \$9.1 million per annum in 2003-04 and 2004-05 to the National Oceans Office. Funding will provide for the implementation of the South-East Regional Marine Plan and further development of other Regional Marine Plans and related activities as part of Australia's Oceans Policy. Provision for this funding has already been included in the forward estimates.

Shipping support for Australia's Antarctic Programme

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|--|---------|---------|---------|---------|
| Department of the Environment and Heritage | - | - | - | - |

The Government will continue to provide funding of \$17.4 million per annum from 2003-04 to 2006-07 for shipping logistical support for Australia's Antarctic stations and the conduct of marine research in the Antarctic and Southern Ocean region. Provision for this funding has already been included in forward estimates.

Sydney Harbour Federation Trust

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---------------------------------|---------|---------|---------|---------|
| Sydney Harbour Federation Trust | 7.5 | 7.5 | 7.0 | 7.0 |

This measure represents the expected operating costs of the Sydney Harbour Federation Trust over the period 2003-04 to 2006-07.

Budget Measures 2003-04

The implementation of the Trust's business masterplan for the remediation and rehabilitation of the Trust's properties will be funded from internal funding sources including asset sales of ex-Defence housing and rentals together with a Commonwealth contribution of \$115.5 million over eight years commencing in 2003-04. 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 capital measure titled *Sydney Harbour Federation Trust* and the related revenue measure titled *Sydney Harbour Federation Trust – rent* in the Environment and Heritage portfolio.

Urban Environment Initiatives

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|--|---------|---------|---------|---------|
| Department of the Environment and Heritage | - | - | - | - |

The Government will provide funding of \$24.2 million over five years commencing in 2003-04 for a range of urban environment initiatives.

The range of activities to be supported and specific funding levels for each activity are being developed in consultation with relevant stakeholders and will be announced after the Budget. The Government will give priority to initiatives addressing water quality, public information promotion, improved air quality and renewable energy, and chemicals and waste management.

This measure will be funded through a reprioritisation of funding from the Diesel Vehicles Emissions National Environment Protection programme and the Transitional Assistance component of the Product Stewardship Arrangements for Waste Oil Recycling. The reprioritisation will not adversely impact on the expected outcomes of these programmes.

World Class Weather Forecasting

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|--|---------|---------|---------|---------|
| Department of the Environment and Heritage | - | - | - | - |

The Government will provide \$31.2 million over four years to maintain the enhanced weather forecasting services which the Bureau of Meteorology has provided since 1996-97.

Part 2: Expense measures

This measure will involve funding of \$7.5 million in 2003-04, \$7.7 million in 2004-05, \$7.9 million in 2005-06 and \$8.1 million in 2006-07. Provision for this funding has already been included in the forward estimates. Funding will support the Bureau's climate monitoring and prediction services, enhance rural and marine weather services, improve public access to the Bureau's databases and maintain the national rainfall observing network for drought monitoring and water resources assessments.

FAMILY AND COMMUNITY SERVICES

Assurance of Support Scheme — improved operation

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|--|---------|---------|---------|---------|
| Department of Family and Community Services | 2.1 | -4.0 | -4.5 | -4.9 |
| Department of Immigration and Multicultural and Indigenous Affairs | -0.1 | -0.1 | -0.1 | -0.1 |

The Government will improve the operation of the Assurance of Support Scheme and simplify arrangements for people who provide an Assurance of Support.

Under the new arrangements, the Department of Immigration and Multicultural and Indigenous Affairs will continue to determine which new migrants are subject to an Assurance of Support. However, once the determination is made, the Assurance of Support will be issued under the social security legislation and Centrelink will administer the scheme.

This will enable Centrelink to provide people who have given an Assurance of Support with more comprehensive information regarding their financial obligations through a single point of contact.

The new arrangements will be implemented on 1 July 2004, with a net reduction in expenses of \$11.6 million over four years.

The Department of Immigration and Multicultural and Indigenous Affairs will also generate administrative savings from no longer administering some components of the scheme.

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

Australians Working Together Measures — changed arrangements

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---|---------|---------|---------|---------|
| Department of Family and Community Services | 14.2 | 12.7 | 11.8 | 12.0 |

The Government will make a number of changes to the Australians Working Together measures announced in the 2001-02 Budget, in the areas of administration of activity and participation agreements and breach processing. These changes will include:

- a formal cooling off period for activity and participation agreements;
- more detailed consideration of personal circumstances in activity and participation agreements, activity exemptions and breaching;
- earlier and improved notice of impending breach penalties;
- reduced penalty periods for first breaches; and
- reduced job search requirements for some mature-aged job seekers.

Bali Terrorist Attacks — ex-gratia payments for the Victims and Family members of Victims

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---|---------|---------|---------|---------|
| Department of Family and Community Services | 0.5 | - | - | - |

The Government will provide \$1 million over 2002-03 and 2003-04 to assist with travel and accommodation costs for certain people affected by the Bali bombings who decide to attend the trials in Indonesia of those accused of the bombings. The Government will also provide this assistance where a support person is required.

This measure extends the assistance provided under the expense measure titled *Ex-gratia payments for victims and family members of victims of the Bali terrorist attacks* announced in the *Mid-Year Economic Fiscal Outlook 2002-03*.

Centrelink Rural Call Centres — continuation of funding

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---|---------|---------|---------|---------|
| Department of Family and Community Services | - | - | - | - |

The Government will continue to fund the two rural call centres, in Port Augusta in South Australia and Maryborough in Queensland, at a cost of \$31.8 million over four years. These rural-specific call centres provide information and advice on Centrelink services to many rural and regional customers.

This measure will involve funding of \$7.8 million in 2003-04, \$7.9 million in 2004-05, \$8 million in 2005-06 and \$8.1 million in 2006-07. Provision for this funding has already been included in the forward estimates.

Centrelink Service Delivery — enhanced information technology capability

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---|---------|---------|---------|---------|
| Department of Family and Community Services | 27.0 | 7.9 | -26.3 | -57.3 |

The Government will provide funding to Centrelink of \$312 million over five years (including \$120.7 million in capital) to enhance the capabilities of its information technology systems and ensure continuing reliability. This funding will allow Centrelink to expand online services to customers (self-service) and enter working partnerships with community organisations. This funding will also allow Centrelink to increase payment accuracy through automated data matching and information exchange with businesses, Government departments, banks and others.

The measure will provide benefits to the community both through increased efficiency of Centrelink operations (saving \$77.2 million over four years) and real time validation of customer circumstances with external parties (resulting in administered savings, in the Family and Community Services portfolio, of \$126.6 million over four years). The measure will mean a net reduction in expenses of \$48.7 million over four years.

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

Child support debt collection — additional compliance activity

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---|---------|---------|---------|---------|
| Department of Family and Community Services | -2.3 | -2.4 | -2.4 | -2.5 |

The Government will increase compliance activity to target payers of child support who are not meeting their child support obligations. The measure is expected to benefit parents and children by increasing child support collections by \$130.3 million over four years. The measure will increase the level of child support payments, ensure more reliable income support for recipients of child support payments and reduce dependence on social welfare payments.

This measure is expected to lead to savings in social welfare payments of \$40.6 million and will cost \$31 million to administer leading to a net savings of \$9.6 million over four years.

Child Support improvements — support for unemployed parents

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---|---------|---------|---------|---------|
| Department of Family and Community Services | .. | -0.1 | -0.1 | -0.1 |

The Government will provide funding of \$11.9 million over four years for programmes to assist 31,500 unemployed parents who are newly separated and not residing with their children, to improve their parenting and relationship skills. The costs of these programmes are expected to be offset by savings of \$12.2 million over four years as a result of reduced dependence on Family Tax Benefit and Newstart Allowance.

The measure responds to evidence that better parenting skills improve the relationships non-resident parents have with their children and ex-partners, which leads to increased levels of voluntary child support compliance.

Compliance reviews — expand data matching and asset reviews to identify incorrect payments

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---|---------|---------|---------|---------|
| Department of Family and Community Services | -27.5 | -61.7 | -66.7 | -68.2 |
| Department of Health and Ageing | -2.1 | -4.6 | -5.0 | -5.3 |

The Government will provide additional strategies for minimising incorrect payments by expanding data matching activity to take account of newly available data sources. Data matching will be applied to all payment types. These strategies will build on pilot projects announced in the 2001-02 and 2002-03 Budgets by:

- increasing the number of data matching reviews by 125,000 each year;
- expanding the number of data sources used in data matching reviews; and
- increasing the number of Age Pensioner asset valuation reviews by 20,000 each year.

This measure is expected to lead to savings in social welfare payments of \$307.7 million and will cost \$66.5 million to administer, giving net savings of \$241.2 million over four years.

Compliance reviews — extend 2002-03 data matching pilot

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---|---------|---------|---------|---------|
| Department of Family and Community Services | -19.6 | -20.6 | -21.2 | -21.6 |
| Department of Health and Ageing | -1.4 | -1.5 | -1.7 | -1.8 |

The Government will extend the data matching pilot programme announced in the 2002-03 Budget and integrate it into existing ongoing compliance activity. The pilot study widened the data matching criteria for selecting cases for compliance reviews. The pilot has proven successful in identifying incorrect social welfare payments that would otherwise have remained undetected. The programme will increase the number of compliance reviews conducted each year by 43,000 and the measure will be ongoing.

This measure is expected to generate savings in social welfare payments of \$107.8 million and will cost \$18.5 million to administer, giving net savings of \$89.3 million over four years.

Disability employment assistance — improved viability of business services

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---|---------|---------|---------|---------|
| Department of Family and Community Services | 14.6 | 9.3 | -0.4 | -0.8 |

The Government will provide \$25.4 million over three years for the improvement and quality assurance of businesses providing employment assistance for people with disabilities. The measure aims to assist business services to provide quality support that is affordable while maintaining profitability, and to achieve quality assurance certification under the *Disability Services Act 1986*.

Assistance to these services will include advice, training and support in business and change management, marketing and production processes. Some funds will also be provided to promote the use of new technologies across the sector.

In addition new and ongoing voluntary reporting arrangements will be introduced to allow more accurate customer income assessments, expected to generate savings in social welfare payments of \$2.7 million over four years.

Disability employment assistance — introduction of a case based funding model

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---|---------|---------|---------|---------|
| Department of Family and Community Services | 6.5 | 17.2 | 44.2 | 44.0 |

The Government will provide an additional \$135.3 million over four years for disability employment services to implement a new outcome-focused funding model for disability employment assistance. The new model replaces existing block grant funding with funding linked to a job seeker's assessed employment barriers, support needs and outcomes achieved. Improved employment outcomes achieved under the case-based funding model are expected to reduce social welfare payments by \$23.5 million over four years.

The new funding model will be introduced progressively from 1 July 2004 for business services and from 1 January 2005 for open employment services.

The measure is expected to improve employment outcomes for 6,000 job seekers and provide additional incentives for employment services to increase Vocational Education and Training placements for job seekers with disabilities. The measure will also increase funding and expand services for job seekers with a disability in rural and remote areas.

Implementation of this measure follows the evaluation of the three-year trial of the case-based funding model.

Disability Support Pensions — enhanced reviews

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---|---------|---------|---------|---------|
| Department of Family and Community Services | -8.0 | -25.7 | -27.3 | -28.2 |

The Government will enhance the present process of reviewing Disability Support Pension (DSP) payments by introducing Service Update reviews. Service Update reviews will be better targeted than previous reviews, involving the use of face-to-face interviews, phone calls and risk-profiling techniques. In addition, the number of targeted reviews conducted each year will increase by 61,000. This measure will help ensure DSP recipients receive their correct entitlement.

The reviews will be ongoing. This measure is expected to lead to savings in social welfare payments of \$107.9 million and will cost \$18.7 million to administer, giving a net savings of \$89.2 million over four years.

Holocaust payments — extension of means test exemptions

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---|---------|---------|---------|---------|
| Department of Family and Community Services | 0.2 | 0.1 | 0.1 | 0.1 |
| Department of Veterans' Affairs | .. | .. | .. | .. |

The Government will provide \$0.6 million over four years to extend the exemption from social security income testing to all restitution payments made to Holocaust victims regardless of the payment's country of origin. Previously only payments from German and Austrian Governments were income test exempt. The measure will ensure consistent treatment, under the social security income test, of all income support recipients who receive restitution payments in relation to Nazi persecution.

Household, Income and Labour Dynamics in Australia (HILDA) Survey — extended funding

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---|---------|---------|---------|---------|
| Department of Family and Community Services | 0.5 | 2.8 | 0.2 | - |

The Government will provide additional funding of \$3.5 million over three years to extend the HILDA survey by an additional fourth wave of data collection. The survey was established in the 1999-00 Budget as the measure *Establishment of an Australian Household Panel Survey*. The measure will provide data needed to assess the effects of policy and other changes on families and household formation, labour market and education participation; and retirement and retirement preparation.

Identity fraud — improving and increasing the number of investigations

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---|---------|---------|---------|---------|
| Department of Family and Community Services | -7.6 | -17.5 | -21.8 | -23.6 |
| Department of Health and Ageing | -0.2 | -0.5 | -0.6 | -0.7 |
| Office of the Director of Public Prosecutions | 2.0 | 3.0 | 3.0 | 3.0 |

The Government will increase the number of investigations into identity fraud. The measure will involve enhanced use of external and internal data sources to detect cases of fraud and will apply to all payment types.

Identify fraud investigation services will be purchased from the Australian Federal Police. Funding will also be provided to the Director of Public Prosecutions to assist in the prosecution of cases.

This measure is expected to lead to savings in social welfare payments of \$97.4 million and will cost \$37.3 million to administer to give a net savings of \$60.1 million over four years.

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

Men and Family Relationships and Family Relationships Education Programmes — extended funding

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---|---------|---------|---------|---------|
| Department of Family and Community Services | 6.1 | 6.2 | 6.3 | 6.5 |

The Government will provide funding of \$25.1 million over four years to continue the Men and Family Relationships and Family Relationships Education Programmes. The two programmes form part of a larger Family Relationships Services Programme that is funded by the Department of Family and Community Services and the Attorney-General’s Department.

The Men and Family Relationships Programme provides counselling services to assist men to deal with family and relationship issues. The Family Relationships Education Programme assists couples to improve their relationship skills by providing education and training in these skills.

The continuation of these programmes is part of the Government’ response to the Family Law Pathways Advisory Group report *Out of the Maze – Pathways to the Future for Families Experiencing Separation*.

See also the related expense measures titled *Family Law Pathways – continuation of Children’s contact services*, *Family Law Pathways – continued contribution to the Victorian Court Network*, *Family Law Pathways – measures to improve compliance with Family Court child contact orders* and *Family Law Pathways – online access to family law information and services* in the Attorney-General’s portfolio.

Notification arrangements for people departing Australia and consistent treatment of foreign debt recovery

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---|---------|---------|---------|---------|
| Department of Family and Community Services | 2.7 | -0.2 | -2.0 | -3.5 |

The Government will strengthen the notification obligations for income support recipients who travel overseas through the:

- immediate suspension or cancellation of payments to recipients who fail to notify Centrelink of their departure overseas; and
- cancellation of payments to recipients identified as being involved in terrorist activities overseas.

In addition, this measure will ensure that the full amount of a debt incurred as a result of receiving a foreign pension lump sum payment is recovered from both single and partnered customers.

Currently, single people have their full debt recovered whereas partnered people have the income from a foreign pension lump sum apportioned to each partner, resulting in only half the debt being recovered.

These changes are expected to generate \$9.0 million in savings over four years. The Government will provide funding of \$5.8 million over four years to administer the changes.

Parenting Payment — enhanced profiling capacity to ensure correct payment

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---|---------|---------|---------|---------|
| Department of Family and Community Services | -3.4 | -8.3 | -8.6 | -9.0 |

The Government will enhance the profiling capacity of Parenting Payment. This measure will increase the number of face-to-face reviews of Parenting Payment recipients by 27,000 each year. The reviews will identify recipients who are at risk of being incorrectly paid as a result of not declaring changes of circumstances.

This measure builds on arrangements that were announced in 2001-02 and is expected to lead to savings in social welfare payments of \$41.6 million and will cost \$12.3 million to administer to give a net savings of \$29.4 million over four years.

Pensioner Education Supplement — matching payments to study periods

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---|---------|---------|---------|---------|
| Department of Family and Community Services | -5.1 | -10.2 | -10.4 | -10.7 |
| Department of Education, Science and Training | -0.6 | -0.9 | -0.8 | -0.7 |

Payment of the Pensioner Education Supplement will be made during periods of actual study, consistent with the intention of the scheme to assist with the cost of study. Students participating in full year or longer courses will be paid over the academic year including the mid-year break(s). Students participating in shorter courses will be paid for the duration of the courses and not over breaks between courses. For courses without defined study periods, such as those offered through Open Learning, these courses will be deemed based on arrangements for mainstream courses.

The measure is expected to lead to savings of \$39.3 million over four years. This change will affect payments made by the Department of Family and Community Services and the Department of Education, Science and Training.

Reconnect and Job Placement, Employment and Training

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---|---------|---------|---------|---------|
| Department of Family and Community Services | 1.5 | 1.6 | 1.8 | 2.0 |

The Government will provide additional funding of \$6.9 million over four years to:

- extend the Reconnect programme until 2006-07 with ongoing indexation;
- provide funding to improve and streamline the administration of Reconnect; and
- maintain service delivery provided through the Job Placement, Employment and Training Programme in regional Australia.

This measure will be in addition to funding of \$155.2 million over four years for the existing programmes, which has already been included in the forward estimates.

Research into emerging areas of risks to the social security system

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---|---------|---------|---------|---------|
| Department of Family and Community Services | 2.6 | - | - | - |

The Government will provide funding of \$2.6 million in 2003-04 for research into emerging areas of risk to ensure that social welfare payments only go to those entitled to receive them and to ensure the correct level of payment. Areas for attention will include customer identification, the cash economy and systems to gain better information on the geographic distribution of risks.

Respite support for carers of young people — continuation of funding

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---|---------|---------|---------|---------|
| Department of Family and Community Services | - | - | - | - |

The Government will provide \$22 million over four years to maintain respite support for the carers of young people with disabilities. This measure provides support to over 7,200 carers per annum across Australia who are not able to access existing State and Territory respite care or assistance provided under other Commonwealth initiatives.

This measure will involve funding of \$5.2 million in 2003-04, \$5.5 million in 2004-05, \$5.6 million in 2005-06 and \$5.7 million in 2006-07. Provision for this funding has already been included in the forward estimates.

Social Security Act 1991 — further legislative simplification

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---|---------|---------|---------|---------|
| Department of Family and Community Services | - | -0.8 | -0.7 | -0.7 |

The measure contributes towards the Government's commitment to implement a simpler and more coherent social security system and will continue the simplification of the *Social Security Act 1991*. The measure includes:

- consolidation of the rent assistance calculation process;
- clarifying the payments recoverable when customers receive economic loss compensation payments; and

- clarifying the definition of independence for Disability Support Pension youth customers to be consistent with that applied to Youth Allowance customers.

This measure is expected to result in savings of \$2.2 million over four years.

Social Security Agreement with Chile

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---|---------|---------|---------|---------|
| Department of Family and Community Services | - | - | - | - |

The Government has decided to extend the current network of reciprocal social security agreements to include Chile.

This agreement will mean an ongoing improvement to the access to income support by people whose adult lives are spent in both Australia and Chile and will cover Age Pensions and Disability Support Pensions. Australia and Chile will share financial responsibility for these pensions, each paying a proportion of their pension based on the length of residence or contributions that recipients have accrued in each country.

This measure will involve funding of \$0.03 million in 2002-03, \$0.9 million in 2003-04, \$0.6 million in 2004-05, \$0.7 million in 2005-06 and \$0.8 million in 2006-07. Provision for this funding has already been included in 2002-03 and the forward estimates.

Social Security Agreement with Malta — revised agreement

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---|---------|---------|---------|---------|
| Department of Family and Community Services | 0.3 | .. | -0.2 | -0.3 |

The Government will modify its international social security agreement with Malta to limit overseas payment of the Disability Support Pension for non-severely disabled persons to a maximum of 26 weeks. The measure will bring the agreement with Malta into line with the majority of international agreements in relation to the treatment of Disability Support Pensioners. This measure is expected to result in savings of \$0.2 million over four years.

Special Needs Subsidy Scheme — additional funding

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---|---------|---------|---------|---------|
| Department of Family and Community Services | 6.3 | 6.4 | 6.5 | 6.7 |

The Government will provide additional funding of \$25.8 million over four years to enhance the Special Needs Subsidy Scheme, which supports children with high ongoing support needs.

The scheme provides assistance to child care services to employ additional carers to support children with such needs. The scheme has experienced high demand since its inception in 1997. The additional funding will provide assistance to around 1,250 additional children.

Student Financial Supplement Scheme — repeal

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---|---------|---------|---------|---------|
| Department of Family and Community Services | 20.6 | 58.4 | 48.5 | 38.9 |
| Department of Education, Science and Training | 5.3 | 12.7 | 10.7 | 8.8 |
| Australian Taxation Office | 0.2 | 0.1 | 0.1 | 0.1 |

The Government will repeal the Student Financial Supplement Scheme (SFSS) from 1 January 2004 in response to increasing levels of bad and doubtful debt and reduced take-up of loans under the scheme. The take-up rate for the scheme has declined by 28 per cent over the past three years. This has followed the introduction of Youth Allowance and increased access to alternative commercial loan products and opportunities for students to supplement their income. It is currently estimated that more than one half of the loans provided under the SFSS are never likely to be repaid.

Repeal of the scheme will not affect entitlements for Youth Allowance, Austudy, Abstudy or Pensioner Education Supplement. The scheme previously required students to trade in part of their entitlements in order to access loans.

Expenses will increase by \$204.4 million over four years because students will no longer trade in part of their entitlement to Youth Allowance, Austudy, Abstudy or Pensioner Education Supplement.

This is a cross-portfolio measure between the Department of Family and Community Services, the Department of Education, Science and Training and the Australian Taxation Office.

See also the related revenue measure titled *Student Financial Supplement Scheme – repeal* in the Family and Community Services Portfolio.

Support for Indigenous people — continue funding for Centre for Aboriginal Economic and Policy Research

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---|---------|---------|---------|---------|
| Department of Family and Community Services | - | - | - | - |

The Government will provide funding of \$0.6 million over four years to the Centre for Aboriginal Economic and Policy Research to allow for continued research into issues relevant to Indigenous policy in the Family and Community Services portfolio.

This measure will involve funding of \$0.1 million in 2003-04, \$0.2 million in 2004-05, \$0.2 million in 2005-06 and \$0.2 million in 2006-07. Provision for this funding has already been included in the forward estimates.

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

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---|---------|---------|---------|---------|
| Department of Family and Community Services | 0.7 | 1.6 | 2.7 | 3.0 |

The Government will provide additional funding of \$8 million over four years to expand the Centrelink agent and access point network in rural and remote Australia by 50 new access points.

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

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

Support for Indigenous people — longitudinal study of Indigenous children

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---|---------|---------|---------|---------|
| Department of Family and Community Services | 0.6 | 1.3 | 5.9 | 0.8 |

The Government will provide \$8.6 million over four years for a longitudinal study to provide nationally representative data on Indigenous children. The study will complement the existing Longitudinal Study of Australian Children.

The study will focus on early childhood to assist with analysis of the linkages between early childhood experiences and later life outcomes for Indigenous children living in remote, rural, regional and urban locations.

The design of the study will be developed in consultation with Indigenous people, communities and organisations.

Temporary overseas absence provisions — reduction to 13 weeks

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---|---------|---------|---------|---------|
| Department of Family and Community Services | 3.1 | 0.1 | -3.5 | -3.7 |

The Government will provide funding of \$11.2 million over four years to reduce the allowable period of temporary overseas absence for most pensions and allowances to 13 weeks. The measure encourages people who are of work force age and on income support payments to remain in Australia and be available to contribute through employment or social participation. The measure is expected to generate savings in social welfare payments of \$15.3 million over four years.

The Age Pension will not be affected by this measure. Age pensioners will continue to be able to travel overseas, as under current arrangements.

People eligible for an Australian pension by virtue of an international social security agreement will also not be affected while they reside in the agreement country.

This change in the allowable period will be ongoing and is expected to generate savings of \$4.0 million over four years.

Youth Allowance — ex-gratia payments to former recipients in South Australia

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---|---------|---------|---------|---------|
| Department of Family and Community Services | .. | - | - | - |

The Government will provide funding of \$0.2 million in 2002-03 and 2003-04 to make ex-gratia payments to Youth Allowance recipients who became ineligible for any income support payments when the school leaving age in South Australia was increased from 15 to 16 years on 1st January 2003. Ex-gratia payment recipients may receive payments until their 16th birthday, when they may again be eligible for Youth Allowance. Ex-gratia payments will only be available to those who were 15 years of age on 1 January 2003 and ineligible for Special Benefit.

Youth and student assistance — restructured reviews

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---|---------|---------|---------|---------|
| Department of Family and Community Services | -16.8 | -13.9 | -9.9 | -6.5 |

The Government will align risk-profiled review activities for Youth Allowance and Austudy with those of other income support payments. This measure will mean fewer people will be paid an incorrect rate for Austudy and Youth Allowance (full-time students and jobseekers).

Under the measure, there will be:

- 5,000 new Austudy reviews of individuals' entitlements per year;
- 23,000 additional Youth Allowance (full-time student) reviews; and
- an additional 17,000 Youth Allowance (jobseeker) reviews.

The risk-profiled reviews will be ongoing. This measure is expected to lead to savings in youth assistance payments of \$60.4 million and will cost \$13.2 million to administer to give a net savings of \$47.2 million over four years.

FINANCE AND ADMINISTRATION

Asset sales function — continuation of resourcing

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|--|---------|---------|---------|---------|
| Department of Finance and Administration | 6.2 | - | - | - |

The Government will provide additional funding of \$6.2 million in 2003-04 to enable the continuation of the programme of asset sales activities.

Consistent with previous practice, departmental expenses for the asset sales function are determined in the annual budget process.

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

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|--|---------|---------|---------|---------|
| Department of Transport and Regional Services | 0.8 | 0.8 | 0.8 | 0.8 |
| Department of Immigration and Multicultural and Indigenous Affairs | -0.3 | -0.3 | 3.3 | 2.6 |
| Department of Finance and Administration | 2.5 | 7.2 | 3.9 | - |

The Government will provide additional funding of \$18.7 million over four years (\$22.1 million over four years less a saving of \$3.4 million from unspent recurrent expenses in 2002-03) to the Departments of Finance and Administration, Immigration and Multicultural and Indigenous Affairs, and Transport and Regional Services for recurrent expenses associated with the construction and management of the Christmas Island Permanent Immigration Reception and Processing Centre (the Centre). This followed the decision that the contract for construction of the Centre will be re-tendered and the project will be managed by the Department of Finance and Administration.

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 1200 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 for the Department of Finance and Administration is provided for construction camp repairs and maintenance and costs associated with the commissioning of the Centre. The funding will enable the facilities to be maintained to provide accommodation and amenities for workers during the construction phase and to keep the facilities in a sound position, with the potential for them to be converted at a later stage to contingency accommodation, if needed. The additional funding for the Department of Transport and Regional Services covers repairs and maintenance on infrastructure services provided to the Centre and staff housing. The Department of Immigration, Multicultural and Indigenous Affairs' (DIMIA) funding covers costs incurred by DIMIA in overseeing the project, satellite communications lease costs and the salaries of staff who will manage the centre. DIMIA will manage the Centre when it is completed.

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

Commonwealth Grants Commission — additional funding

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|--------------------------------|---------|---------|---------|---------|
| Commonwealth Grants Commission | 0.1 | 0.1 | 0.1 | - |

The Government will provide additional funding of \$0.4 million over four years from 2002-03 to cover the cost of the appointment of a fourth part-time member to the Commonwealth Grants Commission.

The additional commissioner will assist the Commission in providing advice to the Government on the equitable distribution of funds to State and Territory governments.

Ministerial Communications Network — refurbishment and enhancement

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|--|---------|---------|---------|---------|
| Department of Finance and Administration | 0.2 | 0.1 | 0.1 | -0.2 |

The Government will provide additional funding of \$0.2 million over four years to refurbish the Ministerial Communications Network. This involves funding of

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\$0.4 million over the first three years and a net saving of \$0.2 million in the final year. The existing communications network has been found by an independent review to be unreliable and prone to failure. The funding will allow the engagement of external consultancy services to design and install the new network. It will also provide for staffing resources to oversee the implementation of the project.

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

The funding is net of savings associated with the current network.

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

FOREIGN AFFAIRS AND TRADE

Australian Secret Intelligence Service — enhanced output capabilities

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|--|---------|---------|---------|---------|
| Australian Secret Intelligence Service | 1.9 | 2.0 | 2.0 | 2.1 |

The Government will provide additional funding of \$8.0 million over four years to the Australian Secret Intelligence Service to support a whole-of-government approach to addressing national security issues.

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

Australian Trade Commission — realignment of overseas network

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|-----------------------------|---------|---------|---------|---------|
| Australian Trade Commission | -0.2 | -0.5 | -0.5 | -0.5 |

Following an internal review, the Australian Trade Commission (Austrade) has realigned its overseas management structure around four rather than five regions. This has resulted in savings beginning in 2003-04.

The realignment will strengthen the emphasis of Austrade regional directors on the sales and marketing of Australian exports internationally and enhance Austrade's capacity to respond to the Government's goal of doubling the number of exporters by 2006.

Bali — construction of a community eye treatment centre

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---|---------|---------|---------|---------|
| Australian Agency for International Development | - | - | - | - |

As part of the Government's \$10.5 million assistance to Bali in memory of the bombing tragedy, funding of \$2.9 million will be provided for the construction of a community eye treatment centre. The new centre will improve Bali's capacity to provide high-quality eyesight restoration services, surgery, training and community outreach services.

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This measure is being fully absorbed within the existing resourcing of the Australian Agency for International Development.

See also the related expense measures *Bali – new intensive care centre at Sanglah Hospital* and *Bali – creation of the Bali memorial medical and health scholarship programme* in the Foreign Affairs and Trade portfolio.

Bali — creation of a Bali memorial medical and health scholarship programme

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---|---------|---------|---------|---------|
| Australian Agency for International Development | - | - | - | - |

As part of the Government's \$10.5 million assistance package to Bali in memory of the bombing tragedy, funding of \$3 million will be provided to support medical and health scholarships for health officials and workers in Bali.

This measure is being fully absorbed within the existing resourcing of the Australian Agency for International Development.

See also the related expense measures titled *Bali – construction of community eye treatment centre* and *Bali – new intensive care centre at the Sanglah Hospital* in the Foreign Affairs and Trade portfolio.

Bali — new intensive care centre at Sanglah Hospital

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---|---------|---------|---------|---------|
| Australian Agency for International Development | - | - | - | - |

As part of the Government's \$10.5 million assistance package to Bali in memory of the bombing tragedy, funding of \$4.5 million will be provided towards upgrading the Sanglah Hospital, Bali. This upgrade will consist of a new intensive care centre, a burns unit upgrade, an emergency care programme and the upgrading of other parts of the hospital's facilities.

This measure is being fully absorbed within the existing resourcing of the Australian Agency for International Development.

See also the related expense measures titled *Bali – construction of a community eye treatment centre* and *Bali – creation of the Bali memorial medical and health scholarship programme* in the Foreign Affairs and Trade portfolio.

International Development Law Organisation grant

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---|---------|---------|---------|---------|
| Department of Foreign Affairs and Trade | .. | 0.1 | 0.1 | 0.1 |

The Government will provide an annual grant, totalling \$0.4 million over the next four years (including \$0.02 million in 2003-04), to the International Development Law Organisation (IDLO).

IDLO promotes the rule of law and governance and improves the negotiating capability of developing countries through mechanisms including training, the provision of technical assistance and publications.

International Relations Grants Programme

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

The Government will extend this programme at a cost of \$14 million over four years under which international relations grants are provided to organisations in support of Australia's objectives in international security, trade and economic performance, global cooperation and public diplomacy.

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

Iraq — humanitarian aid

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---|---------|---------|---------|---------|
| Australian Agency for International Development | - | - | - | - |

The Government has committed \$100.5 million in 2002-03 and 2003-04 for the most urgent humanitarian requirements and priority reconstruction activities in Iraq.

The commitment includes: an initial \$17.5 million contribution in 2002-03 to United Nations agencies, the Red Cross/Red Crescent and Australian Non-Government Organisations and an additional \$38 million for urgent humanitarian relief operations under the United Nations Flash Appeal; and \$45 million for reconstruction activities, especially related to agriculture and food security.

To meet the cost of this measure, the Government will provide an additional \$38 million funding to the Australian Agency for International Development (AusAID)

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in 2002-03. The remaining expenses in 2002-03 and 2003-04 (\$45 million) will be fully absorbed from within AusAID's existing resourcing.

Iraq — reopening of an Australian office

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|--|---------|---------|---------|---------|
| Department of Foreign Affairs and Trade | 3.2 | 3.6 | 4.0 | 4.1 |
| Department of Immigration and Multicultural and Indigenous Affairs | 0.5 | 0.5 | 0.5 | 0.5 |
| Australian Trade Commission | 0.6 | 0.7 | 0.7 | 0.8 |

The Government has decided to re-establish Australia's diplomatic presence in Baghdad, Iraq at a cost of \$21 million over five years from 2002-03 to 2006-07. The funding will be used to meet staffing and administrative costs. An additional \$3.8 million capital 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. Defence personnel will provide security at the office.

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

Nauru — maintenance of a temporary Consulate-General

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

The Government will provide \$1.7 million to continue Australia's diplomatic presence in Nauru in 2003-04. The operation of the temporary Australian Consulate is in line with the commitment made in the Memorandum of Understanding in relation to the accommodation of unauthorised boat arrivals signed with Nauru.

World Trade Organisation — informal meeting of Ministers

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

The Government provided additional funding in 2002-03 to the Department of Foreign Affairs and Trade for enhanced security arrangements for the informal meeting of World Trade Organisation Ministers in Sydney in November 2002. These arrangements were deemed necessary as a result of the international security environment at the time to ensure a safe venue.

Funding for this measure will be finalised once negotiations between the Commonwealth and New South Wales Governments have been completed.

HEALTH AND AGEING

A Fairer Medicare — Better Access, More Affordable

A Fairer Medicare is an integrated package of measures, which builds on the Government's commitment to the universality of Medicare. The package will make a range of medical services more affordable, particularly those delivered through general practice. *A Fairer Medicare* will deliver better access through a series of measures, which will increase the size of the medical workforce, particularly in outer-metropolitan and rural areas.

The three pillars of universal Medicare available to all Australians are access to the Medicare rebate, access to free treatment in public hospitals and subsidies for pharmaceuticals through the Pharmaceutical Benefits Scheme. *A Fairer Medicare* maintains universal coverage for all patients to the Medicare rebate. It provides financial incentives for doctors to bulk bill patients in greatest need, without a means test. As is the case now, doctors will be free to bulk bill any patient, regardless of whether they hold a Commonwealth concession card.

Table 7: A Fairer Medicare: Summary of measures

| | 2003-04 | 2004-05 | 2005-06 | 2006-07 | Total |
|---|--------------|--------------|--------------|--------------|--------------|
| | \$m | \$m | \$m | \$m | \$m |
| Health and Ageing | | | | | |
| <i>Department of Health and Ageing</i> | | | | | |
| New GP training places | 12.9 | 37.5 | 63.0 | 76.0 | 189.5 |
| Additional medical school places | 1.4 | 0.8 | 0.8 | 0.6 | 3.5 |
| More practice nurses and allied health workers for urban areas of workforce shortage | 15.0 | 15.7 | 16.4 | 17.1 | 64.2 |
| Reducing up front costs for GP visits | 4.7 | 1.9 | 1.8 | 1.8 | 10.1 |
| Encourage GP take up of HIC Online | 4.2 | 2.0 | 1.3 | 0.2 | 7.7 |
| GP incentive payments to bulk bill patients with concession cards | 46.8 | 80.0 | 103.1 | 115.6 | 345.5 |
| Improved information and practice management | 1.8 | 1.9 | 1.4 | 1.0 | 6.1 |
| New Medicare safety net for patients with concession cards | 12.8 | 17.9 | 17.7 | 18.1 | 66.4 |
| New private health insurance safety net for out-of-hospital Medicare expenses | 16.3 | 24.2 | 23.5 | 24.4 | 88.4 |
| Access to broadband technology | 4.1 | 5.1 | - | - | 9.2 |
| Information for the public and medical professionals | 19.1 | - | - | - | 19.1 |
| Sub total | 139.2 | 187.0 | 228.9 | 254.7 | 809.8 |
| Education, Science and Training | | | | | |
| <i>Department of Education, Science and Training</i> | | | | | |
| Additional medical school places | 3.7 | 7.6 | 11.6 | 15.8 | 38.7 |
| Sub total | 3.7 | 7.6 | 11.6 | 15.8 | 38.7 |
| Veterans' Affairs | | | | | |
| <i>Department of Veterans' Affairs</i> | | | | | |
| Veteran access fee for Local Medical Officers | 15.6 | 14.7 | 15.3 | 16.0 | 61.7 |
| Sub total | 15.6 | 14.7 | 15.3 | 16.0 | 61.7 |
| Net additional expenditure | 158.5 | 209.3 | 255.9 | 286.5 | 910.2 |

A Fairer Medicare — new GP training places

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---------------------------------|---------|---------|---------|---------|
| Department of Health and Ageing | 12.9 | 37.5 | 63.0 | 76.0 |

The Government will provide \$189.5 million over four years to increase the number of GP training places to allow for an additional 150 new GP trainees per year. This will increase the total number of new GP trainees to 600 in any one year. The new places will be focused on rural and outer-metropolitan areas, with the aim of encouraging more GPs into areas of workforce shortage.

This measure will also include funding to train and accredit GPs in the targeted areas to enable them to access GP trainees.

This programme will run for seven years, with funding to be reviewed in the 2009-10 Budget.

A Fairer Medicare — additional medical school places

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---|---------|---------|---------|---------|
| Department of Health and Ageing | 1.4 | 0.8 | 0.8 | 0.6 |
| Department of Education, Science and Training | 3.7 | 7.6 | 11.6 | 15.8 |

The Government will provide \$42.1 million over four years to introduce an additional 234 publicly funded medical school places per year from the beginning of the 2004 academic year. These additional places are expected to address concerns that the current supply of medical practitioners will not be adequate to meet long-term needs.

The Government will require students who accept one of these additional places to enter into a contract to work in a designated area of workforce shortage for six years after completing their training. In the event that undergraduate medical students do not fulfil this obligation, they would be required to repay the entire cost of their training to the Commonwealth.

This programme will run for nine years with funding to be reviewed in the 2011-12 Budget.

See also the related revenue measure titled *A Fairer Medicare – additional medical school places* in the Education, Science and Training portfolio.

A Fairer Medicare — more practice nurses and allied health workers for urban areas of workforce shortage

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---------------------------------|---------|---------|---------|---------|
| Department of Health and Ageing | 15.0 | 15.7 | 16.4 | 17.1 |

The Government will provide \$64.2 million over four years to introduce a general practice incentive payment for practices participating in the GP Access Scheme to employ practice nurses and allied health workers in urban areas of workforce shortage. This measure builds on the success of an earlier measure, which provided similar funding to practices in rural and regional areas. This allows the GP to concentrate on patients who specifically require a GP's services, and allows practices to achieve a greater throughput of patients with the existing number of GPs.

In part, this measure redirects a small proportion of funding from the 2002-03 Budget measure *More Doctors for Outer Metropolitan Areas*. This has been done at the request of GP groups, who support funding other health care professionals to see patients with health care needs better met by practice nurses or physiotherapists.

A Fairer Medicare — reducing up front costs for GP visits

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---------------------------------|---------|---------|---------|---------|
| Department of Health and Ageing | 4.7 | 1.9 | 1.8 | 1.8 |

The Government will provide \$11 million over five years, including \$0.9 million in 2002-03, to improve general patient affordability by allowing patients who are charged above the Medicare rebate to pay only the gap amount charged by the GP, while the GP claims the Medicare rebate direct from the Health Insurance Commission. GPs will only have access to this facility if they agree to participate in the GP Access Scheme.

Amendments to the *Health Insurance Act 1973* will be required to enable this programme to operate.

A Fairer Medicare — encourage GP take up of HIC Online

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---------------------------------|---------|---------|---------|---------|
| Department of Health and Ageing | 4.2 | 2.0 | 1.3 | 0.2 |

The Government will provide \$9 million over five years, including \$1.3 million in 2002-03, to assist GPs to adopt 'HIC Online'. This package will assist GPs who have agreed to bulk bill patients with concession cards, by providing them with access to a real-time electronic claiming service for Medicare rebates. GPs who use the new system will also be eligible to receive their rebate within two days, rather than the current eight days.

A Fairer Medicare — GP incentive payments to bulk bill patients with concession cards

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---------------------------------|---------|---------|---------|---------|
| Department of Health and Ageing | 46.8 | 80.0 | 103.1 | 115.6 |

The Government will provide \$346.2 million over five years, including \$0.7 million in 2002-03 for a GP Access Scheme, to offer an incentive payment to GPs to encourage bulk billing of patients with concession cards. Under this measure, GPs who elect to take part in the scheme will undertake to bulk bill all of their patients with concession cards in return for a fixed dollar additional payment per concessional service, regardless of service type. Differing incentive payments will be offered on a regional basis — with the highest incentive payments being offered to remote areas. The incentive payment will be indexed annually by the Consumer Price Index.

A Fairer Medicare — improved information and practice management

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---------------------------------|---------|---------|---------|---------|
| Department of Health and Ageing | 1.8 | 1.9 | 1.4 | 1.0 |

The Government will provide funding of \$6.1 million over four years to enable GPs to place signage in their surgeries to ensure that patients are made aware of which practices are participating in the GP Access Scheme and of any gap payments the practice may charge.

As part of this measure, the Government will also fund a programme to assist GPs to improve management of their waiting lists. Divisions of General Practice will be funded to work with practices that wish to take part in the programme, to examine service demand patterns and advise on scheduling and more efficient appointment systems.

A Fairer Medicare — new Medicare safety net for patients with concession cards

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---------------------------------|---------|---------|---------|---------|
| Department of Health and Ageing | 12.8 | 17.9 | 17.7 | 18.1 |

The Government will provide \$67.1 million over five years, including \$0.6 million in 2002-03, to introduce an extended safety net for patients with concession cards, which will cover 80 per cent of all out-of-pocket costs for Medicare items over a set threshold. Under this measure, the maximum an individual or family covered by a Commonwealth concession card will pay in out-of-pocket costs on out-of-hospital items covered by Medicare will be \$500 per calendar year before the new safety net comes into effect.

This safety net is expected to supplement and improve the existing Medicare safety net, which funds up to 100 per cent of the scheduled fee once a registered individual or family exceeds an expenditure limit.

A Fairer Medicare — new private health insurance safety net for out-of-hospital Medicare expenses

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---------------------------------|---------|---------|---------|---------|
| Department of Health and Ageing | 16.3 | 24.2 | 23.5 | 24.4 |

The Government will provide \$89.6 million over five years, including \$1.2 million in 2002-03, to provide the 30 per cent private health insurance rebate to people who take

up a private health insurance product which provides a safety net for out-of-pocket medical expenses related to specialist, diagnostic or GP services provided out of hospital.

Funds will be able to cover up to 100 per cent of a member's out-of-pocket expenses above \$1000 in any calendar year. Out-of-pocket expenses are those incurred by the patient in excess of the benefit provided by the Government under Medicare.

A Fairer Medicare — access to broadband technology

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---------------------------------|---------|---------|---------|---------|
| Department of Health and Ageing | 4.1 | 5.1 | - | - |

The Government will provide \$9.2 million over two years to assist GPs in identified areas of need to access the broadband technology necessary for them to adopt initiatives such as HIC Online.

GPs will be directly assisted to access affordable broadband technologies and indirectly assisted with implementing those technologies including through Divisions of General Practice, who will train and assist GPs to maximise the practical benefits from the new technologies.

A Fairer Medicare — information for the public and medical professionals

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---------------------------------|---------|---------|---------|---------|
| Department of Health and Ageing | 19.1 | - | - | - |

The Government will provide \$21.1 million over two years, with \$1.9 million provided in 2002-03, to deliver a communications package which will clearly advise all relevant stakeholders of their rights, entitlements and obligations under the *A Fairer Medicare* package.

A Fairer Medicare — veteran access fee for Local Medical Officers

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---------------------------------|---------|---------|---------|---------|
| Department of Veterans' Affairs | 15.6 | 14.7 | 15.3 | 16.0 |

The Government will provide funding of \$61.7 million over four years to provide greater certainty and continued access to GPs for members of the veteran community who are entitled to health care at the Commonwealth's expense through their Gold or

White Repatriation Health Cards. Local Medical Officers will be eligible for an additional veteran access fee of \$3 for each service provided to an eligible veteran or war widow, to be paid quarterly in arrears. The fee will be indexed annually by the Consumer Price Index.

National Illicit Drugs Strategy

The Government is providing funding of \$316 million over four years for a range of new and continuing measures to address illicit drug use in Australia. This funding includes \$216 million over four years for the continuation of the Council of Australian Governments' National Illicit Drug Diversion Initiative and new measures totalling \$13.9 million to address emerging areas of illicit drug use in Australia. This package builds on the existing National Illicit Drug Strategy, which commenced in 1996-97. In total, the Government has provided more than \$1 billion for measures to reduce the supply of and demand for illicit drugs in the community.

The new package targets: amphetamine-type stimulants and cocaine (psychostimulants); the management and treatment of drug users with mental health problems (comorbidities); offshore law enforcement operations; and access to drug-related services in rural and regional Australia.

The package provides funding for demand reduction measures in the Health and Ageing portfolio, the Education, Science and Training portfolio, and the Family and Community Services portfolio, and for supply reduction measures in the Attorney-General's portfolio.

Table 8: National Illicit Drugs Strategy: Summary of measures

| | 2003-04 | 2004-05 | 2005-06 | 2006-07 | Total |
|--|---------|---------|---------|---------|-------|
| | \$m | \$m | \$m | \$m | \$m |
| Attorney-General's | | | | | |
| <i>Attorney-General's Department</i> | | | | | |
| Prevention of illicit drug manufacturing strategy | 1.1 | 1.1 | 1.0 | 1.1 | 4.3 |
| <i>Australian Crime Commission</i> | | | | | |
| Enhanced technical capacity for the Australian Crime Commission and the Australian Federal Police | - | - | - | - | - |
| <i>Australian Federal Police</i> | | | | | |
| Australian Federal Police Law Enforcement Cooperation Programme | - | - | - | - | - |
| Australian Federal Police Overseas Liaison Network | - | - | - | - | - |
| Australian Federal Police communications network | - | - | - | - | - |
| Enhanced technical capacity for the Australian Crime Commission and the Australian Federal Police | - | - | - | - | - |
| <i>Australian Institute of Criminology</i> | | | | | |
| Continued drug use monitoring by the Australian Institute of Criminology | 1.1 | 1.1 | 1.1 | 1.0 | 4.3 |
| <i>Australian Transaction Reports and Analysis Centre</i> | | | | | |
| Enhanced financial intelligence to target illicit drug trafficking and related activities | 2.3 | - | - | - | 2.3 |
| Financial intelligence intensive training and support for the Australian Transaction Reports and Analysis Centre | - | - | - | - | - |
| Funding for the Australian Transaction Reports and Analysis Centre for the High-Risk Cash Dealer Strategy | - | - | - | - | - |
| Health and Ageing | | | | | |
| <i>Department of Health and Ageing</i> | | | | | |
| Reprioritisation of funding for retractable needles and syringes | -3.3 | -5.4 | - | - | -8.7 |
| Cannabis cessation strategies | -0.3 | -0.3 | -0.3 | -0.3 | -1.2 |
| Redirection of funds from the Community Partnerships Initiative | -1.1 | -1.1 | -1.1 | -1.1 | -4.4 |
| Psychostimulants initiative | 1.0 | 1.0 | - | - | 2.0 |
| National Comorbidity Initiative | 1.7 | 2.7 | - | - | 4.4 |
| Research fund | 0.7 | 0.7 | 0.7 | 0.7 | 2.8 |
| Rural and regional initiative | 1.0 | 1.0 | 1.0 | 1.0 | 4.0 |
| Australian Drug Information Network | 0.3 | 0.3 | 0.3 | 0.3 | 1.2 |
| Needle and Syringe Programme distribution of injecting equipment | - | - | - | - | - |
| Maintain education, counselling and referral services through Needle and Syringe Programmes | - | - | - | - | - |
| Continuation of funding for the Illicit Drug Diversion Initiative | - | - | - | - | - |

Table 8: National Illicit Drugs Strategy: Summary of measures (continued)

| | 2003-04 | 2004-05 | 2005-06 | 2006-07 | Total |
|--|------------|------------|------------|------------|-------------|
| | \$m | \$m | \$m | \$m | \$m |
| Family and Community Services | | | | | |
| <i>Department of Family and Community Services</i> | | | | | |
| Strengthening and supporting families coping with illicit drug use | - | - | - | - | - |
| Education Science and Training | | | | | |
| <i>Department of Education, Science and Training</i> | | | | | |
| National Schools Drug Education Strategy | 1.8 | - | - | - | 1.8 |
| Total expense measures | 6.3 | 1.1 | 2.7 | 2.7 | 12.8 |
| <i>Total capital measures</i> | 1.1 | - | - | - | 1.1 |
| Net additional expenditure | 7.4 | 1.1 | 2.7 | 2.7 | 13.9 |

National Illicit Drugs Strategy — Prevention of Illicit Drug Manufacturing Strategy

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|-------------------------------|---------|---------|---------|---------|
| Attorney-General's Department | 1.1 | 1.1 | 1.0 | 1.1 |

The Government will provide \$4.3 million to implement programmes targeting precursor chemicals used in the illicit manufacture of drugs. The funds will provide for a national forensic database on illicit drug laboratories, strategic research and analysis of current and emerging threats, partnership initiatives, and the raising of awareness amongst key sectors.

National Illicit Drugs Strategy — enhanced technical capacity for the Australian Crime Commission and the Australian Federal Police

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|-----------------------------|---------|---------|---------|---------|
| Australian Federal Police | - | - | - | - |
| Australian Crime Commission | - | - | - | - |

The Government will provide funding to the Australian Federal Police (AFP) and the Australian Crime Commission (ACC) to continue programmes to investigate illicit drug trafficking and other major crimes.

This measure will involve ongoing funding of \$2 million each year from 2003-04 for the ACC and \$1 million each year from 2003-04 for the AFP. Provision for this funding has already been included in the forward estimates.

National Illicit Drugs Strategy — Australian Federal Police Law Enforcement Cooperation Programme

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---------------------------|---------|---------|---------|---------|
| Australian Federal Police | - | - | - | - |

The Government will continue to provide funding to the Australian Federal Police for the Law Enforcement Cooperation Programme, to support the offshore disruption of transnational criminal threats. The programme facilitates cooperation with overseas law enforcement agencies to increase the flow of intelligence information on activities that may impact adversely on Australian security.

This measure will involve funding of \$2.1 million in 2003-04, \$2.2 million in 2004-05, \$2.2 million in 2005-06 and \$2.2 million in 2006-07. Provision for this funding has already been included in the forward estimates.

National Illicit Drugs Strategy — Australian Federal Police Overseas Liaison Network

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---------------------------|---------|---------|---------|---------|
| Australian Federal Police | - | - | - | - |

The Government will continue to provide funding to the Australian Federal Police for the Overseas Liaison Network. The network supports Australia's drug law enforcement intelligence and participation in joint investigations with overseas law enforcement agencies to disrupt the supply of illicit drugs reaching Australia.

This measure will involve funding of \$1.4 million in 2003-04, \$1.5 million in 2004-05, \$1.5 million in 2005-06 and \$1.5 million in 2006-07. Provision for this funding has already been included in the forward estimates.

National Illicit Drugs Strategy — Australian Federal Police communications network

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---------------------------|---------|---------|---------|---------|
| Australian Federal Police | - | - | - | - |

The Government will continue to provide funding for the connection of Australian Federal Police overseas posts to the national computer system, AFPNET. This system allows overseas liaison officers to access real-time information on operations.

Provision for this funding, \$5.1 million over four years, has already been included in the forward estimates.

National Illicit Drugs Strategy — continued drug use monitoring by the Australian Institute of Criminology

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|-------------------------------------|---------|---------|---------|---------|
| Australian Institute of Criminology | 1.1 | 1.1 | 1.1 | 1.0 |

The Government will provide funding of \$4.3 million over four years to enable the Australian Institute of Criminology to continue the Government's Drug Use Monitoring in Australia programme. The programme aims to build a comprehensive and ongoing national picture of drug use and crime in Australia by conducting interviews and urinalysis of police detainees.

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

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|--|---------|---------|---------|---------|
| Australian Transaction Reports and Analysis Centre | 2.3 | - | - | - |

The Government will provide additional funding of \$2.3 million to enhance the Australian Transaction Reports and Analysis Centre's (AUSTRAC) financial intelligence capability to identify illicit drug trafficking and related activities. This funding will assist AUSTRAC to further coordinate activities with the Australian Federal Police, the Australian Customs Service and the Australian Crime Commission in relation to drug-related money laundering as well as providing training and support for national law enforcement agencies in the analysis of financial transactions data.

AUSTRAC are implementing a cost recovery model to take effect before the 2004-05 Budget, enabling the continuation of increased levels of service.

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 the related capital measure titled *National Illicit Drugs Strategy – enhanced financial intelligence to target illicit drug trafficking and related activities* in the Attorney-General's portfolio.

National Illicit Drugs Strategy — financial intelligence intensive training and support for the Australian Transaction Reports and Analysis Centre

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

The Government will continue to provide funding to the Australian Transaction Reports and Analysis Centre to provide law enforcement agencies with intensive training and support to better integrate financial intelligence into major drug and money laundering investigations.

This measure will involve funding of \$0.5 million in 2003-04, \$0.5 million in 2004-05, \$0.5 million in 2005-06 and \$0.5 million in 2006-07. Provision for this funding has already been included in the forward estimates.

See also the related capital and expense measures titled *National Illicit Drugs Strategy – enhanced financial intelligence to target illicit drug trafficking and related activities* in the Attorney-General's portfolio.

National Illicit Drugs Strategy — funding to the Australian Transaction Reports and Analysis Centre for the High-Risk Cash Dealer Strategy

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

The Government will continue to provide funding to the Australian Transaction Reports and Analysis Centre for the High-Risk Cash Dealer Strategy, to ensure the ongoing provision of high quality financial intelligence, targeting organised criminal networks involved in drug trafficking and other forms of major crime.

The High-Risk Cash Dealer Strategy consists of an audit and monitoring programme for the reporting of cash transactions over \$10,000 under the *Financial Transactions Reporting Act 1988*.

This measure will involve funding of \$1.8 million in 2003-04, \$1.8 million in 2004-05, \$1.8 million in 2005-06 and \$1.9 million in 2006-07. Provision for this funding has already been included in the forward estimates.

National Illicit Drugs Strategy — reprioritisation of funding for retractable needles and syringes

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---------------------------------|---------|---------|---------|---------|
| Department of Health and Ageing | -3.3 | -5.4 | - | - |

The Government will redirect funding of \$8.7 million over 2003-04 and 2004-05 from the introduction of retractable needle and syringe technology to other Health and Ageing portfolio initiatives in this package, which seek to reduce the demand for illicit drugs. The original level of research and development funding for retractable needle and syringe technology is no longer required because there has been a significant increase in the number of commercial providers developing this technology.

The Government will continue to provide \$17.5 million over three years (\$2.8 million in 2003-04, \$2.6 million in 2004-05 and \$12.1 million in 2005-06) to address community concerns about the risk of injury from needles discarded in public places through funding for the final phase of research and development, including pilots of the technology in selected settings and the implementation of retractable technology across needle and syringe programmes nationally. Provision for this funding has already been included in the forward estimates.

National Illicit Drugs Strategy — cannabis cessation strategies

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---------------------------------|---------|---------|---------|---------|
| Department of Health and Ageing | -0.3 | -0.3 | -0.3 | -0.3 |

This programme was designed to develop resources for cannabis-dependent adults and adolescents. These resources have been successfully developed and distributed, and funds no longer required will be redirected to new initiatives on illicit drugs contained in this Budget.

National Illicit Drugs Strategy — redirection of funds from the Community Partnerships Initiative

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---------------------------------|---------|---------|---------|---------|
| Department of Health and Ageing | -1.1 | -1.1 | -1.1 | -1.1 |

The Community Partnerships Initiative will be allocated \$12 million from 2003-04 to 2005-06 to assist community organisations to provide direct assistance to those dealing with drug abuse at a local level from the 2002-03 Budget measure titled *Community*

Partnership Initiative. However, \$4.4 million previously allocated will be redirected to higher priorities in the National Illicit Drug Strategy.

National Illicit Drugs Strategy — psychostimulants initiative

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---------------------------------|---------|---------|---------|---------|
| Department of Health and Ageing | 1.0 | 1.0 | - | - |

The Government will provide funding of \$2 million over two years to address problems associated with the increased availability and use of psychostimulants. The increased use of psychostimulant drugs and, in particular, more harmful forms of these drugs (such as methamphetamines), has significant health and social implications for drug users and the broader community.

Funding will provide for the evaluation of treatment options and the development of guidelines for frontline workers.

National Illicit Drugs Strategy — National Comorbidity Initiative

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---------------------------------|---------|---------|---------|---------|
| Department of Health and Ageing | 1.7 | 2.7 | - | - |

The Government will provide funding of \$4.4 million over two years to improve service coordination and treatment outcomes for clients with both illicit drug addiction and mental illness. The measure will improve coordination across psychiatric/mental health services and drug treatment services, develop best practice guidelines for service delivery, and increase professional education and training.

National Illicit Drugs Strategy — research fund

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---------------------------------|---------|---------|---------|---------|
| Department of Health and Ageing | 0.7 | 0.7 | 0.7 | 0.7 |

The Government will provide funding of \$2.8 million over four years for interdisciplinary research into the prevention and treatment of illicit drug use, and to provide sufficient resources to attract new researchers to the field. Priority will be given to research into the interaction between mental health and substance abuse and psychostimulant use. Funding will also be available for investigator-driven research.

National Illicit Drugs Strategy — rural and regional initiative

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---------------------------------|---------|---------|---------|---------|
| Department of Health and Ageing | 1.0 | 1.0 | 1.0 | 1.0 |

The Government will provide funding of \$4 million over four years to improve access to treatment and referral for illicit drug users in rural and regional Australia. In recognition of the particular circumstances of rural and regional communities, this initiative will undertake a number of projects to investigate mechanisms to improve access to specialist skills and broader drug treatment networks.

National Illicit Drugs Strategy — Australian Drug Information Network

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---------------------------------|---------|---------|---------|---------|
| Department of Health and Ageing | 0.3 | 0.3 | 0.3 | 0.3 |

The Government will provide funding of \$1 million over four years to maintain the Australian Drug Information Network (ADIN). The ADIN is a portal website that provides access to a wide range of web-based information on illicit drug use through a comprehensive search capability of over 600 quality reviewed websites, and uses web browsers to assist in locating information on treatment services and resources. This website provides information to both the general community and drug workers.

National Illicit Drugs Strategy — Needle and Syringe Programme distribution of injecting equipment

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---------------------------------|---------|---------|---------|---------|
| Department of Health and Ageing | - | - | - | - |

The Government will provide \$16.3 million over four years for the distribution of injecting equipment to illicit drug users through Needle and Syringe Programmes in an increased number of pharmacies and other outlets. Needle and Syringe Programmes have proven to be effective in reducing the transmission of blood-borne viruses such as HIV and Hepatitis C.

This measure will involve funding of \$3.9 million in 2003-04, \$4.0 million in 2004-05, \$4.1 million in 2005-06 and \$4.2 million in 2006-07. Provision for this funding has already been made in the forward estimates.

National Illicit Drugs Strategy — maintain education, counselling and referral services through Needle and Syringe Programmes

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---------------------------------|---------|---------|---------|---------|
| Department of Health and Ageing | - | - | - | - |

The Government will maintain funding for education, counselling and referral services through community-based Needle and Syringe Programmes. Funding of \$22.4 million over four years will ensure illicit drug users have access to advice about referral to treatment, advice regarding available health services, and information about Needle and Syringe Programmes, safe disposal of needles and syringes, and blood-borne virus transmission.

This measure will involve funding of \$5.4 million in 2003-04, \$5.5 million in 2004-05, \$5.7 million in 2005-06 and \$5.8 million in 2006-07. Funding for this measure is already included in the forward estimates.

National Illicit Drugs Strategy — continuation of funding for the Illicit Drug Diversion Initiative

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---------------------------------|---------|---------|---------|---------|
| Department of Health and Ageing | - | - | - | - |

The Government will continue funding for this measure which supports the diversion of minor drug offenders, following assessment, into counselling and treatment aimed at keeping them out of the criminal justice system. These programmes have been established in all States and Territories and have proven to have a positive effect on participants.

This measure will involve funding of \$215.9 million over four years. Provision for this funding has already been included in the forward estimates.

National Illicit Drugs Strategy — strengthening and supporting families coping with illicit drug use

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---|---------|---------|---------|---------|
| Department of Family and Community Services | - | - | - | - |

The Government will continue to fund this programme for an additional year while an evaluation of the benefits of the programme is completed. The programme was introduced in the 1999-2000 Budget as part of the Council of Australian Governments'

Budget Measures 2003-04

National Illicit Drug Strategy. The programme aims to assist the families of young people at risk of, or coping with, illicit drug use.

The measure will involve funding of \$3.2 million in 2003-04. Provision for this funding has already been included in the forward estimates.

National Illicit Drugs Strategy – National Schools Drug Education Strategy

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|--|---------|---------|---------|---------|
| Department of Education, Science and Training | 1.8 | - | - | - |

The Government will continue to fund this programme in 2003-04 to build upon the progress achieved in school drug education programmes and to continue to foster the capacity of school communities to provide a safe and supportive school environment for all Australian school students.

Additional funding of \$1.8 million in 2003-04 will fund the development of new Student at Risk and Parent Initiatives under the National Schools Drug Education Strategy. A national resource kit to be developed for the Parent Initiative will help parents talk to their children about drugs, and a Student at Risk Initiative resource kit will assist schools to identify students most at risk of drug-related harm.

Funding of \$3.5 million in 2003-04 has already been included in the forward estimates, resulting in total funding of \$5.3 million for the year.

Other measures in the Health and Ageing portfolio

100 extra aged care beds in regional health services - maintain funding

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|------------------------------------|---------|---------|---------|---------|
| Department of Health and Ageing | - | - | - | - |

The Government will provide funding of \$1.2 million in 2003-04 to continue to fund 100 additional residential aged care places for Regional Health Service Centres, building upon its commitment to provide flexible service alternatives for older Australians living in rural areas. Continued funding beyond 2003-04 will be considered following the Residential Care Pricing Review.

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

Aged Care Assessment Teams

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---------------------------------|---------|---------|---------|---------|
| Department of Health and Ageing | 2.5 | - | - | - |

The Government will provide additional funding of \$2.5 million in 2003-04 to ensure that Aged Care Assessment Teams continue to provide timely and effective assessments of frail older people in the community. These arrangements ensure that clients who may need residential care are referred to services that best meet their needs. Continued funding of this programme will be considered in the 2004-05 Budget following the Residential Care Pricing Review.

Australian Health Care Agreements

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---------------------------------|---------|---------|---------|---------|
| Department of Health and Ageing | -108.9 | -172.0 | -264.6 | -372.9 |

The Government will provide \$42 billion over five years for new Australian Health Care Agreements with States and Territories from 2003-04. This represents 17 per cent real growth over the life of the agreements.

The agreements represent the Commonwealth's contribution to the operation of public hospitals with funding provided as Specific Purpose Payments.

The Commonwealth will seek from each State and Territory a commitment to the provision of free public hospital services to the Australian community, to match the rate of growth in the Commonwealth's commitment, and to a new financial and performance reporting framework.

The funding for 2003-04 to 2007-08 represents an increase of \$10 billion over the last agreements. The agreements vary from previous estimates as a result of a greater proportion of public hospital services provided to non-admitted patients and a reduction in public hospital usage growth beyond growth resulting from demographic changes. This change in usage growth reflects in part the fact that more services are being provided in private hospitals following the introduction of the Government's 30 per cent Private Health Insurance Rebate and Lifetime Health Cover.

The Government will allocate \$253 million over the five years of the Australian Health Care Agreements for the Pathways Home Initiative. This initiative will help people discharged from hospital, particularly the elderly, to make a smooth and easy transition back home.

Australian Radiation Protection and Nuclear Safety Agency

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---------------------------------|---------|---------|---------|---------|
| Department of Health and Ageing | 2.2 | 0.4 | 0.4 | 0.4 |

The Government will provide additional funding of \$3.5 million over four years to the Australian Radiation Protection and Nuclear Safety Agency (ARPANSA). ARPANSA has responsibility for protecting the health and safety of people and the environment from the harmful effects of ionizing and non-ionizing radiation.

This additional funding will assist ARPANSA to continue to deliver high quality and timely assessment of existing and planned nuclear installations.

Commonwealth Carelink

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---------------------------------|---------|---------|---------|---------|
| Department of Health and Ageing | - | - | - | - |

The Government will provide funding of \$65 million over four years for the Commonwealth Carelink service which provides a contact point for people seeking information about the wide range of community-based aged care, disability and other support services. This service supports people to remain in the community rather than access costly residential care. Currently the programme is utilised by over 11,000 clients a month.

This measure will involve funding of \$14.8 million in 2003-04, \$15.7 million in 2004-05, \$16.6 million in 2005-06 and \$17.9 million in 2006-07. Provision for this funding has already been included in the forward estimates.

Commonwealth Hearing Services Programme - indexation of charges

| Expenses (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---------------------------------|---------|---------|---------|---------|
| Department of Health and Ageing | -0.3 | -0.6 | -0.9 | -1.2 |
| Department of Veterans' Affairs | 0.1 | 0.1 | 0.2 | 0.3 |

The Commonwealth Hearing Services Programme provides subsidised hearing assessments and hearing aids for people under the age of 21 and pensioner concession cardholders. After receiving hearing devices, programme participants may choose to enter into an agreement with their hearing service provider by paying an annual maintenance fee to cover battery supply, maintenance and repair services. The

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Commonwealth subsidises this agreement with a payment to hearing service providers of \$59.85 for participants with one hearing aid or \$152.25 for participants with two.

From 1 July 2003 the annual maintenance fee for programme participants will move in line with Consumer Price Index movements, rising from \$31.50 to \$32.30 at 1 July 2003.

This is a cross portfolio measure between the Health and Ageing and the Veterans' Affairs portfolios. The Department of Veterans' Affairs will continue to pay the full maintenance fee for veteran clients of the Commonwealth Hearing Services Programme.

Dementia and challenging behaviours initiative

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---------------------------------|---------|---------|---------|---------|
| Department of Health and Ageing | - | - | - | - |

The Government will provide funding of \$90.7 million over four years to continue this programme (previously known as Enhanced Respite Care Services) in order to increase the provision of respite care for people with dementia and challenging behaviour. This programme allows carers of the target group to care longer for these people in their own homes. This in turn relieves the demand pressure on the higher cost residential aged care system.

This measure will involve funding of \$22.0 million in 2003-04, \$22.4 million in 2004-05, \$22.9 million in 2005-06, and \$23.4 million in 2006-07. Provision for this funding has already been included in the forward estimates.

Diagnostic imaging — new agreements

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---------------------------------|---------|---------|---------|---------|
| Department of Health and Ageing | - | - | - | - |

The Government will provide funding through new five-year Diagnostic Imaging Agreements to ensure that quality diagnostic imaging services continue to be available while providing certainty to diagnostic imaging outlays. The new Agreements are currently being negotiated with the major specialist medical practitioner groups. The four new Agreements will cover cardiac imaging, obstetric and gynaecological ultrasound, nuclear medicine and radiology including magnetic resonance imaging.

Funding for this measure has already been included in the forward estimates.

Enhanced Divisional Quality Use of Medicines Programme — maintain funding

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---------------------------------|---------|---------|---------|---------|
| Department of Health and Ageing | 10.9 | 17.0 | 19.2 | 21.6 |

The Government will continue the Enhanced Divisional Quality Use of Medicines (previously known as Quality Incentives for Prescribing Pharmaceuticals Programme), but with a reduction in likely savings of \$68.6 million over four years.

Savings resulting from improvements in quality prescribing of three target drug groups (antibiotics, peptic ulcer drugs and cardiovascular drugs) listed on the Pharmaceutical Benefits Scheme will be shared equally between the Commonwealth and the Divisions of General Practice. The programme, which is being piloted in 13 Divisions, is designed to encourage prescribing practices that improve standards of patient care. The programme is still expected to generate savings of \$39.8 million over four years which are reflected in the forward estimates.

Focus on prevention – primary health care providers working together

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---------------------------------|---------|---------|---------|---------|
| Department of Health and Ageing | 2.7 | 4.6 | 4.6 | 4.5 |

The Government will provide funding of \$16.4 million over four years to general practices to implement an innovative 'collaboration' method to develop new service models for the prevention of chronic disease and illness.

The delivery of prevention, early intervention and care services will be enhanced and supported through general practices working collaboratively with other primary care providers including nursing, pharmacy and allied health workers. New service models will be developed through a small number of pioneer general practices to develop evidence-based, multi-disciplinary approaches to prevention and early detection of chronic disease. Broader implementation will be achieved through conveying best practice learning from these models quickly and effectively to other practices in order to improve clinical outcomes and reduce costs in prevention of chronic disease.

See also related expense measures titled *General Practice Education, Support and Community Linkages Programme – redirection of funding* and *Focus on prevention – community awareness and infrastructure* in the Health and Ageing portfolio.

Focus on prevention — community awareness and infrastructure

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---------------------------------|---------|---------|---------|---------|
| Department of Health and Ageing | 2.1 | 1.5 | 0.7 | - |

The Government will provide funding of \$4.3 million over three years to support general practices in assisting individuals to adopt healthier lifestyles, including through 'lifestyle prescriptions'. This is one of the first steps to achieving a greater focus on prevention in the health system.

In combination with the initiative titled *Focus on prevention – primary care providers working together*, this will support the take up of prevention in general practice through the development of tools for GPs and information for patients and families. It will also begin to raise awareness in the community about lifestyle risk factors and how to manage them to maintain good health and will incorporate a communication and information strategy focusing on nutrition, physical activity and obesity prevention.

See also related expense measures titled *Focus on prevention – primary health care providers working together* and *General Practice Education, Support and Community Linkages Programme – redirection of funding* in the Health and Ageing portfolio.

Focus on prevention — priority-setting mechanism

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---------------------------------|---------|---------|---------|---------|
| Department of Health and Ageing | - | - | - | - |

The Government will introduce a priority-setting mechanism to inform future decisions on population health funding. A set of criteria will be applied by a committee, including representatives from a range of relevant Commonwealth departments, to assist the Government in determining priorities and allocating funding for health promotion and disease prevention. This will take into account a range of considerations, including the benefits expected from programmes to address specific population health priorities (for example, smoking and physical activity), and the effectiveness of alternative interventions. Additional funding is not required to implement this measure.

Food Standards Australia New Zealand — development of primary production and processing standards

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---------------------------------|---------|---------|---------|---------|
| Department of Health and Ageing | 0.5 | 0.5 | 0.5 | 0.5 |

The Government will provide additional funding of \$2.1 million over four years for Food Standards Australia New Zealand (FSANZ) to enable the authority to develop nationally consistent primary production and processing standards. The Government gave the responsibility for the development of these national standards to FSANZ from 1 July 2002.

The development of primary production and processing standards will ensure that, for the first time in Australia, all domestic food standards are integrated into a uniform national standard. These standards will protect public health and safety, as well as provide benefits for Australian industry, both domestically and internationally, given the requirements of overseas markets that imported foods be able to demonstrate they meet Government food standards in the country of production.

See also the related expense measure titled *Food Standards Australia New Zealand – increased funding* in the Health and Ageing portfolio.

Food Standards Australia New Zealand — increased funding

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---------------------------------|---------|---------|---------|---------|
| Department of Health and Ageing | 0.2 | 0.2 | 0.2 | 0.2 |

The Government will provide additional funding of \$0.8 million over four years for Food Standards Australia New Zealand (FSANZ) to meet its increased costs as a joint Australia – New Zealand agency. This independent statutory authority is charged with protecting the health and safety of people in Australia and New Zealand by maintaining a safe food supply.

The increased funding will enable FSANZ to carry out its new functions following the Council of Australian Governments Agreement to restructure the existing food regulation system in 2002. FSANZ's role in the restructured system will be to improve the function and coordination of food regulation on a national basis, as well as improving cross-Tasman uniformity to facilitate trade. This will involve additional costs associated with an expanded Board for the agency, and for attendance of staff at cross-Tasman meetings. New Zealand will be meeting its share of additional costs for the new agency.

See also the related expense measure titled *Food Standards Australia New Zealand – development of primary production and processing standards* in the Health and Ageing portfolio.

General Practice Education, Support and Community Linkages Programme — redirection of funding

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---------------------------------|---------|---------|---------|---------|
| Department of Health and Ageing | -1.4 | -1.7 | -1.8 | -1.8 |

Funding for this programme was provided in the 1999-2000 Budget to educate GPs about the Enhanced Primary Care (EPC) package and is no longer required as the EPC package is now fully implemented.

The savings from this measure will fund in part the *Focus on Prevention* measures in this Budget.

See also the related expense measures titled *Focus on prevention – primary health care providers working together* and *Focus on prevention – community awareness and infrastructure* in the Health and Ageing portfolio.

GP involvement in coordinated care planning

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---------------------------------|---------|---------|---------|---------|
| Department of Health and Ageing | - | - | - | - |

The Government will provide continued funding of \$69.2 million over four years, through the Medicare Benefits Schedule, for GPs to work with other health professionals, including other medical practitioners, domiciliary nurses, and home and community care providers, to develop coordinated care plans for people whose chronic and complex care needs require a team-based approach. This initiative is part of the Enhanced Primary Care (EPC) package first announced in the 1999-2000 Budget.

This measure will involve funding of \$15.3 million in 2003-04, \$16.7 million in 2004-05, \$17.9 million in 2005-06 and \$19.3 million in 2006-07. Provision for this funding has already been made in the forward estimates.

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GPs in rural and remote areas — retention payments

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---------------------------------|---------|---------|---------|---------|
| Department of Health and Ageing | - | - | - | - |

The Government will provide funding of \$47.3 million over four years to continue retention payments for long-serving GPs to encourage them to continue working in rural and remote areas experiencing difficulty in retaining GP services. Payments are based on the length of service, the remoteness of the area and a minimum level of service provision. An independent review of the programme in January 2003 found that the programme had provided access to financial assistance for long-serving doctors in areas of doctor shortage. The programme has contributed to recent increases in the number of GPs working in rural and remote areas.

This measure involves funding of \$11.4 million in 2003-04, \$11.7 million in 2004-05, \$11.9 million in 2005-06 and \$12.2 million in 2006-07. Provision for this funding has already been made in the forward estimates.

Health Insurance Commission — additional funding

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|-----------------------------|---------|---------|---------|---------|
| Health Insurance Commission | 40.0 | - | - | - |

The Government is providing funding of \$34.3 million in 2003-04 to the Health Insurance Commission (HIC) to ensure it is appropriately resourced to continue to deliver a range of health and family services programmes. The additional resourcing will allow the HIC to record a breakeven position in 2003-04. (The expense figure in the table above reflects the change from the HIC's previously reported financial position for 2003-04 of a \$5.7 million profit, which can not be achieved, to a \$0 profit in 2003-04, as well as the additional \$34.3 million being provided by the Government in this measure.)

The funding in 2003-04 represents the first phase of a process to update the HIC's resourcing arrangements, with further funding to be decided after an activity-based costing and benchmarking exercise to be undertaken in 2003-04. Additional funding has been provided in the Contingency Reserve for 2004-05 to 2006-07 pending the outcome of this exercise.

HealthConnect — a national information network

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---------------------------------|---------|---------|---------|---------|
| Department of Health and Ageing | 2.5 | 2.5 | - | - |

The Government will provide funding of \$5 million over two years to complete developmental work on a national electronic health information network, *HealthConnect*. This will build on the previous measure announced in the 2001-02 Budget *HealthConnect: A Health Information Network for Australia – Development Phase*.

HealthConnect aims to improve the flow of clinical information across the health care sector. Information collected through this network has the potential to provide valuable evidence to inform health care policies, planning and research.

The next phase of *HealthConnect* will involve further trialing of the network across Australia and integration with other Commonwealth, State and Territory health initiatives. It will also continue national work on privacy consent and identification issues.

Hepatitis C prevention and education — maintain funding

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---------------------------------|---------|---------|---------|---------|
| Department of Health and Ageing | - | - | - | - |

The Government will provide funding of \$15.9 million over four years to continue this programme which reduces the transmission of Hepatitis C in the Australian community by providing education, prevention and health maintenance initiatives for those currently infected and those at risk of becoming infected with Hepatitis C.

This measure will involve funding of \$3.8 million in 2003-04, \$3.9 million in 2004-05, \$4.0 million in 2005-06, and \$4.1 million in 2006-07. Provision for this funding has already been included in the forward estimates.

Improved Monitoring of Pharmaceutical Benefits Scheme Entitlements initiative

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---------------------------------|---------|---------|---------|---------|
| Department of Health and Ageing | 14.8 | - | - | - |

The Government will provide funding of \$14.8 million in 2003-04 for the Improved Monitoring of Entitlements initiative, of which \$6.7 million will be used to repay funds

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borrowed from the Pharmacy Development Programme in 2002-03. This initiative provides payments to pharmacists for requesting and recording Medicare numbers on prescriptions and verifying cardholder status. This programme acts to decrease the instances of 'doctor shopping' amongst patients and protects against access to the Pharmaceutical Benefits Scheme by people from countries which do not have reciprocal health care agreements with Australia.

A review in 2003-04 will inform decisions regarding payments to pharmacists beyond 2003-04.

Lifetime Health Cover — terminate funding for implementation

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---------------------------------|---------|---------|---------|---------|
| Department of Health and Ageing | -1.5 | -1.5 | -1.6 | -1.8 |

This measure was introduced in the 1999-2000 Budget to implement Lifetime Health Cover arrangements for private health insurance. This work is now complete, so funding for the programme will cease.

Medical Indemnity Insurance Framework — rural obstetricians

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---------------------------------|---------|---------|---------|---------|
| Department of Health and Ageing | 3.8 | 2.3 | 2.1 | 2.1 |

The Government will increase the subsidy available to rural obstetricians from 50 per cent to 80 per cent of the difference between the cost of their premiums plus their Incurred But Not Reported contribution (if applicable) and the corresponding cost for gynaecologists in the same income band in the relevant State or Territory. The medical indemnity premium subsidy scheme applies from 1 January 2003.

The increase will be provided for rural obstetricians in Rural, Remote and Metropolitan Area (RRMA) classifications 3-7.

This measure will involve funding of \$10.3 million over four years.

Medicare Easyclaim

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---------------------------------|---------|---------|---------|---------|
| Department of Health and Ageing | - | - | - | - |

The Government will provide \$20.1 million over four years to continue funding Medicare Easyclaim facilities. These facilities were established to provide access for Australians living in rural and remote areas to Medicare claiming services. These Easyclaim facilities are located in about 550 community pharmacies, Rural Transaction Centres, and other community outlets such as post offices and newsagents.

This measure involves funding of \$4.9 million in 2003-04, \$5 million in 2004-05, \$5.1 million in 2005-06 and \$5.2 million in 2006-07. Provision for this funding has already been included in the forward estimates.

Multidisciplinary case conferencing

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---------------------------------|---------|---------|---------|---------|
| Department of Health and Ageing | - | - | - | - |

The Government will provide continued funding of \$5.4 million over four years, through the Medicare Benefits Schedule, for GPs to work with other health professionals to undertake multi-disciplinary case conferencing. Case conferencing is used to determine the best treatments for people with chronic conditions and complex care needs. Involving GPs and other care providers helps ensure the right health care providers are providing the most appropriate services at the right time. This initiative is part of the Enhanced Primary Care (EPC) package first announced in the 1999-2000 Budget.

This measure will involve funding of \$1.3 million in 2003-04, \$1.3 million in 2004-05, \$1.4 million in 2005-06 and \$1.5 million in 2006-07. Provision for this funding has already been made in the forward estimates.

National Blood Authority — establishment and new Commonwealth funding arrangements

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---------------------------------|---------|---------|---------|---------|
| Department of Health and Ageing | -3.4 | -9.1 | -11.2 | -11.4 |
| National Blood Authority | 4.4 | 3.1 | 2.9 | 2.9 |

The Government will introduce reforms to ensure consistent national arrangements for a safe, secure, adequate and affordable supply of blood and plasma products in Australia.

New national arrangements for the management of blood and plasma products in Australia will take effect from 1 July 2003. These arrangements include the establishment of a National Blood Authority, and the introduction of new cost-sharing arrangements between the Commonwealth and the States and Territories.

The Government will provide funding of \$13.2 million over four years for the National Blood Authority. Savings of \$35.1 million over four years are anticipated due to new incentives for States and Territories to manage the clinical use and administration of blood and plasma products more efficiently and effectively.

National Breast Cancer Centre

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---------------------------------|---------|---------|---------|---------|
| Department of Health and Ageing | - | - | - | - |

The Government will provide funding of \$8.4 million over four years for the National Breast Cancer Centre to maintain its leading role in improving outcomes for women with, or at risk of, breast cancer.

The National Breast Cancer Centre is the main organisation through which the Government delivers its breast cancer control programme. The Centre has successfully developed and implemented an evidence-based approach, worked in partnership with consumers, clinicians, cancer organisations and other levels of government and trialed and evaluated innovative approaches to improved health services. It has improved the management and treatment of breast cancer, monitoring outcomes and disseminating information to women and health professionals.

This measure involves funding of \$2.1 million per annum for four years. Provision for this funding has already been included in the forward estimates.

National Health and Medical Research Council — regulation of research involving embryos and prohibition of human cloning

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---------------------------------|---------|---------|---------|---------|
| Department of Health and Ageing | 3.3 | 3.3 | - | - |

The Government will provide funding of \$6.6 million over two years to the National Health and Medical Research Council (NHMRC) to support the administration, licensing, monitoring and inspection activities of the regulation of the use of excess embryos resulting from assisted reproduction technology. This is consistent with the *Research Involving Human Embryos Act 2002* and *Prohibition of Human Cloning Act 2002*.

The legislation requires a review of this programme before the end of 2005. A review of actual levels of demand will determine resourcing for future years of this programme from 2005-06. An allowance has been made in the forward estimates for 2005-06 and 2006-07.

The NHMRC will establish a licensing committee to monitor scientific developments and assess applications for the use of excess IVF embryos. The committee will also establish an inspection team to monitor compliance with the conditions of licence and inspect research facilities for compliance with the legislation. The NHMRC will establish and maintain a public register of all licences issued.

National Meningococcal C Campaign — additional funding

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---------------------------------|---------|---------|---------|---------|
| Department of Health and Ageing | 1.3 | 0.4 | 0.4 | 0.4 |

The Government will provide an additional \$7.4 million over five years (including \$4.8 million in 2002-03) to support the National Meningococcal C Vaccination Programme, originally announced by the Government on 20 August 2002. The measure will fund an awareness campaign to inform parents of children eligible for the vaccine. Funding will also be provided to the Health Insurance Commission to collect information for the Australian Childhood Immunisation Register.

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Office of the Gene Technology Regulator

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---------------------------------|---------|---------|---------|---------|
| Department of Health and Ageing | 8.1 | 8.4 | - | - |

The Government will provide funding of \$16.5 million over two years to the Office of the Gene Technology Regulator (OGTR). The Office supports the Regulator in making decisions under the *Gene Technology Act 2000* and regulating genetically modified products not already covered by the existing national regulation scheme. The OGTR was set up under the *Gene Technology Act 2000* and commenced activities on 21 June 2001. Funding will be reviewed in the 2005-06 Budget where consideration will be given to the viability of cost recovery from industry.

Pathology — Quality and Outlays Agreement

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---------------------------------|---------|---------|---------|---------|
| Department of Health and Ageing | - | - | - | - |

The Government will provide funding for a new Pathology Quality and Outlays Agreement. The new Agreement will be negotiated with the pathology profession and is expected to cover cost structures, potential further efficiencies and patient affordability. This agreement is due to commence 1 July 2004.

Funding for this measure has been included in the forward estimates.

Pharmaceutical Benefits Scheme — improved entitlement validation of concession cards

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---------------------------------|---------|---------|---------|---------|
| Department of Health and Ageing | 11.6 | 2.8 | -14.0 | -32.7 |

From 1 July 2004, pharmacists will be able to monitor patients' entitlements to concessional pharmaceutical benefits by operating a real-time check of a patient's concessional status when processing a prescription. The improvement in entitlement monitoring is made possible by better data matching between the Health Insurance Commission and Centrelink.

This measure will assist in ensuring that pharmaceutical benefits are not provided inappropriately, and will result in a reduction in the number of payments made in error for prescriptions for persons not eligible for the concessional level of Pharmaceutical Benefits Scheme subsidy.

This measure will supplement the Government's Improved Monitoring of Entitlements initiative and is expected to produce savings of \$104.6 million over four years, with implementation costs of \$73.9 million (including \$1.8 million in capital), with net savings of \$30.7 million.

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

Pre-1 October 1997 nursing home residents - maintain funding

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---------------------------------|---------|---------|---------|---------|
| Department of Health and Ageing | - | - | - | - |
| Department of Veterans' Affairs | - | - | - | - |

The Government will provide funding of \$11.7 million over four years to ensure that residents who were living in a nursing home since before 1 October 1997 and who move to another aged care home, will not pay the accommodation charge. Providers are compensated for these residents to ensure they are not financially disadvantaged by pre-1 October 1997 residents.

This measure involves funding of \$3 million in 2003-04, \$3 million in 2004-05, \$2.9 million in 2005-06, and \$2.8 million in 2006-07. Provision for this funding has already been included in the forward estimates.

This is a cross portfolio measure between the Department of Health and Ageing and the Department of Veterans' Affairs.

Preventing falls in older people

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---------------------------------|---------|---------|---------|---------|
| Department of Health and Ageing | - | - | - | - |

The Government will provide \$2.3 million in 2003-04 to continue this measure to prevent falls in older Australians. The programme provides for the continuation of interventions; demonstration programmes seeking to minimise the risk of injury; research into identifying risk factors and cost-benefit analyses; and the development of workforce education in community, acute care and residential settings.

This programme will be reviewed in 2003-04. Provision for this funding has already been included in the forward estimates.

Private Health Insurance Ombudsman — maintain existing funding

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---------------------------------|---------|---------|---------|---------|
| Department of Health and Ageing | - | - | - | - |

The Government will provide funding of \$1.0 million over four years for the office of the Private Health Insurance Ombudsman. The main role of the Ombudsman is to provide an independent service for private health insurance members with problems or enquiries regarding their insurance.

Levies are collected from the private health insurance industry under the *Private Health Insurance Complaints Levy Act 1995*.

See related revenue measure titled *Private health insurance levy – supporting the Private Health Insurance Ombudsman* in the Health and Ageing portfolio.

Private Health Insurance Premiums — further measures to contain future increases

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---------------------------------|---------|---------|---------|---------|
| Department of Health and Ageing | -0.1 | -10.4 | -14.4 | -24.7 |

The Government will introduce a range of measures to contain future private health insurance premium increases. These measures build on those announced by the Government on 11 September 2002 and are expected to save \$49.6 million over four years.

New arrangements for the private health insurance coverage of prostheses will be introduced from 1 July 2003 onwards. The arrangements will require private health funds to offer products covering a full range of safe and cost-effective prostheses with no out-of-pocket cost to members for all procedures covered by Medicare. Members opting to have a prosthesis that costs more than the no-gap prosthesis will be required to pay the difference. However, funds will still be able to offer products, at a higher premium, covering more expensive prostheses or prostheses not related to Medicare items.

New arrangements will also be introduced for benefits paid to high-quality private hospitals and day surgeries where a contractual arrangement is not in place between the patient's health fund and the hospital provider. A new rural and regional default benefit will be introduced for rural and regional private hospitals where these hospitals provide the only services available in their communities. This will replace the 'second-tier' default benefit currently available to hospitals unable to negotiate a contract with a health fund.

Enhanced risk-sharing arrangements, which involve financial transfers between funds based on categories of risk based on age and gender, will also be introduced from 1 July 2004. These arrangements will reward funds that are more efficient and remove current disincentives for funds to manage risk and offer health promotion and disease prevention programmes.

Professional Services Review

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---------------------------------|---------|---------|---------|---------|
| Department of Health and Ageing | - | - | - | - |

The Government will provide funding of \$18.8 million over four years for the Professional Services Review. The Professional Services Review examines the conduct of health practitioners in relation to services that attract Medicare rebates and prescribing under the Pharmaceutical Benefits Scheme.

Health professionals found engaging in inappropriate practices are subject to directions including counselling, reprimand, repayment of Commonwealth benefits, and full or partial disqualification from providing services under the relevant schemes.

This measure involves funding of \$4.5 million in 2003-04, \$4.6 million in 2004-05, \$4.7 million in 2005-06 and \$4.9 million in 2006-07. Provision for this funding has already been included in the forward estimates.

Regional Health Services Programme

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---------------------------------|---------|---------|---------|---------|
| Department of Health and Ageing | - | - | - | - |

The Government will provide funding of \$46.2 million over four years for this programme which allows for the continued provision of health care services that would otherwise not be viable in small rural and regional communities of less than 5,000 people. The Commonwealth works closely with State and Territory governments and local communities to ensure effective and coordinated services responsive to the needs of local communities.

Regional Health Service Centres enable the provision of a range of health, aged care and community services. Services include rural health promotion, GP services, illness and injury prevention, acute and palliative care, women's health, children's services, community nursing aged care, mental health, podiatry, radiology and immunisation.

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This measure involves funding of \$11.1 million in 2003-04, \$11.4 million in 2004-05, \$11.7 million in 2005-06 and \$11.9 million in 2006-07. Provision for this funding has already been included in the forward estimates.

Regional medical schools

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---------------------------------|---------|---------|---------|---------|
| Department of Health and Ageing | -2.5 | -2.5 | -2.5 | -2.5 |

The Government will continue to provide funding of \$11.2 million over four years to establish the Greater Murray Clinical School at Wagga Wagga. This is part of the Government's commitment to increasing the number of medical practitioners in rural and regional Australia. Funding for this measure is already included in the forward estimates.

The forward estimates also included an additional \$10.0 million over four years from 2003-04 to 2006-07 to cover the cost of capital works at James Cook University. As this work is now complete, further funding for capital works is no longer required, resulting in savings to the budget.

There is evidence that recruitment and retention of medical practitioners in rural Australia will benefit from students undertaking medical training in a rural environment.

Rural medical students funding to assist with their studies

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---------------------------------|---------|---------|---------|---------|
| Department of Health and Ageing | - | - | - | - |

The Government will provide funding of \$4.8 million over four years to continue to provide financial assistance to undergraduate medical students from a rural background. It provides eligible students up to \$10,000 per annum to help meet the accommodation, living and travel costs incurred while studying medicine.

This programme is part of a long-term strategy to increase the number of GPs in rural and remote areas, by supporting medical students of a rural origin on the grounds that they are more likely to return to rural areas to practise once they have completed their training.

This measure involves funding of \$1.2 million each year from 2003-04 to 2006-07. Provision for this funding has already been included in the forward estimates.

Rural Women's GP Service

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---------------------------------|---------|---------|---------|---------|
| Department of Health and Ageing | - | - | - | - |

The Government will provide \$8.9 million over four years to continue the programme previously known as 'Fly-in fly-out GP services to meet the needs of rural women'. The programme improves access to primary and secondary health care services for rural women who have little or no access to a female GP.

The programme funds the Royal Flying Doctor Service to fly female GPs to regular clinics for cervical cancer screening, breast and skin examination and other preventive health care. It provides necessary intervention for conditions such as cardiovascular disease, diabetes, psychosocial problems and conditions related to reproductive and sexual health. By the end of 2002, this programme had delivered services to 104 locations.

This measure involves funding of \$2.2 million in each of 2003-04 and 2004-05, \$2.3 million in each of 2005-06 and 2006-07. Provision for this funding has already been included in the forward estimates.

Severe Acute Respiratory Syndrome

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---------------------------------|---------|---------|---------|---------|
| Department of Health and Ageing | 1.7 | - | - | - |

The Government will provide \$2.2 million over two years (including \$0.5 million in 2002-03) to fund the placement of nurses at international airports to identify potential cases of the severe acute respiratory syndrome (SARS).

SARS was gazetted as a quarantinable disease on 8 April 2003, ensuring that adequate powers are available for officials to take appropriate action in relation to travellers who may present a risk of carrying the virus. International passengers entering Australia will be assessed for their possible exposure to the SARS virus.

The outbreak of SARS is an urgent and unforeseen event. Border protection measures against SARS are an essential first line of defence, and will be maintained for as long as necessary to restrict the spread of the virus in Australia.

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Sharing health care initiative

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---------------------------------|---------|---------|---------|---------|
| Department of Health and Ageing | - | - | - | - |

The Government will provide funding of \$21.8 million over four years to allow people over 50 years of age (over 35 for Indigenous populations) with chronic conditions to gain a better understanding of their conditions and develop ways to manage them. The programme is improving the quality of life of people with chronic conditions, and building a strong evidence base on how self-management of chronic conditions can be implemented across the Australian health system. The programme also develops education and training resources for health professionals and people with chronic conditions.

The measure is currently assisting people with heart disease (including stroke or hypertension), diabetes, arthritis, osteoporosis, respiratory disorder and depression.

This measure involves funding of \$5.3 million in 2003-04, \$5.4 million in 2004-05, \$5.5 million in 2005-06 and \$5.7 million in 2006-07. Provision for this funding has been made in the forward estimates.

Support services for women with breast cancer

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---------------------------------|---------|---------|---------|---------|
| Department of Health and Ageing | - | - | - | - |

The Government will provide funding of \$4 million over four years for support services for women who have been diagnosed with breast cancer. It particularly assists women in rural and regional areas where geographic isolation and limited contact with specialist health care workers may impede access to the full range of treatment options and support services.

This measure involves funding of \$1 million per annum. Provision for this funding has already been included in the forward estimates.

Trans-Tasman Therapeutic Products Agency — establishment

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---------------------------------|---------|---------|---------|---------|
| Department of Health and Ageing | 5.4 | 2.6 | - | - |

The Trans-Tasman Therapeutic Products Agency will replace Australia's Therapeutic Goods Administration and New Zealand's Medsafe on 1 July 2005. The new arrangements will safeguard public health and safety through regulation of the quality, safety and efficacy of therapeutic products in both Australia and New Zealand. The joint agency will support closer ties between Australia and New Zealand with cost savings for industry, governments and consumers.

The Government will provide funding of \$8.1 million over two years for Australia's share of establishing the joint Australian-New Zealand agency to regulate therapeutic goods. Funding for set-up and implementation costing, totalling \$7 million, will be recovered from industry. The Commonwealth will provide a further \$1 million to meet Australia's agreed share of the costs for drafting a treaty and harmonisation of regulations between Australia and New Zealand.

Voluntary annual health assessments for older Australians

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---------------------------------|---------|---------|---------|---------|
| Department of Health and Ageing | - | - | - | - |

The Government will provide continued funding of \$108.1 million over four years, through the Medicare Benefits Schedule, for voluntary annual health assessments in order to identify and prevent ill-health for those aged 75 and over and for Aboriginal and Torres Strait Islander people aged 55 and over. This initiative is part of the Enhanced Primary Care (EPC) package first announced in the 1999-2000 Budget.

This preventive measure involves assessments which check a patient's health, physical, psychological and social functioning, and assess whether preventive health care and education should be offered to the patient to improve their health and wellbeing. Annual health assessments provide a valuable means of early detection of problems associated with ageing.

This measure involves funding of \$24.1 million in 2003-04, \$26.2 million in 2004-05, \$28.0 million in 2005-06 and \$29.9 million in 2006-07. Provision for this funding has already been included in the forward estimates.

IMMIGRATION AND MULTICULTURAL AND INDIGENOUS AFFAIRS

Community Development Employment Projects Programme — expansion of 1,000 additional places

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|--|---------|---------|---------|---------|
| Aboriginal and Torres Strait Islander Commission | 10.7 | 11.0 | 11.2 | 11.5 |
| Department of Family and Community Services | -10.7 | -11.0 | -11.2 | -11.5 |

The Government will provide additional funding of \$61.5 million over four years to expand the Community Development and Employment Projects Programme (CDEP) by 1,000 places a year. The cost of the wage component of CDEP (\$44.4 million over the first four years) is offset by a reduction in costs to the Department of Family and Community Services, reflecting participants moving from Newstart or Jobsearch allowances to CDEP wages. There is an additional on-cost component to CDEP (\$17.1 million over the first four years), which will be absorbed by Aboriginal and Torres Strait Islander Services (ATSIS) from within existing resources.

The additional places will be allocated to remote communities to support projects that seek to prevent and address family violence and substance misuse. These activities will include:

- night patrols actively preventing family violence;
- police aides, court support workers and interpreters;
- expanded substance abuse treatment, support and counselling services;
- support for new women's shelters, health clinics and men's health initiatives; and
- new diversionary training, education and personal development programmes for young substance abusers and young offenders.

The places will initially be targeted at whole of government pilot sites agreed by the Council of Australian Governments.

Community Settlement Services Scheme — update on funding

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|--|---------|---------|---------|---------|
| Department of Immigration and Multicultural and Indigenous Affairs | 0.9 | - | - | - |

The Government will provide additional funding of \$0.9 million in 2003-04 for the Community Settlement Services Scheme (CSSS). The CSSS provides grants to community-based organisations to assist migrants and refugees to settle and participate equitably in Australia.

This measure will maintain annual funding for the scheme at \$18 million. The additional funding will enable the CSSS to give priority to the needs of emerging communities while continuing to provide support to more established community groups.

Cross-portfolio Indigenous flexible funding arrangements

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|--|---------|---------|---------|---------|
| Aboriginal and Torres Strait Islander Commission | -1.0 | -1.0 | - | - |
| Department of Family and Community Services | -0.5 | -0.5 | - | - |
| Department of Immigration and Multicultural and Indigenous Affairs | 3.0 | 3.0 | - | - |
| Department of Employment and Workplace Relations | -0.5 | -0.5 | - | - |
| Department of Transport and Regional Services | -0.1 | -0.1 | - | - |
| Department of Education, Science and Training | -0.4 | -0.4 | - | - |
| Department of Health and Ageing | -0.5 | -0.5 | - | - |

The Government has agreed to provide \$3 million to the Department of Immigration and Multicultural and Indigenous Affairs in 2003-04 and 2004-05, fully offset by savings in a number of other agencies, for a two-year trial of a small flexible pool of funding for the provision of services to Indigenous communities. The trial will be conducted within the Council of Australian Government (COAG) Indigenous trial regions that were agreed in April 2002.

The trial will allow a more flexible, coordinated and responsive approach to the needs of Indigenous communities within the trial regions. This measure will provide services in remote communities that cross portfolio lines such as ensuring children have access

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to transport to school, by-passing the need for the community to source funding through multiple education, regional and transport programmes. The trial will also play a key facilitating role in bringing community representatives together to meet and help ensure support for community initiatives that might otherwise not go ahead.

Department of Immigration and Multicultural and Indigenous Affairs — review of funding arrangements

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|--|---------|---------|---------|---------|
| Department of Immigration and Multicultural and Indigenous Affairs | 97.8 | - | - | - |

The Government has agreed to provide additional resourcing of \$97.8 million in 2003-04 to meet operational requirements of the Department of Immigration and Multicultural and Indigenous Affairs (DIMIA). As a result of changes to Government policy and to DIMIA's operating environment, such as the dramatic reduction in unauthorised boat arrivals, and the changed international security environment, the Purchasing Agreement no longer provides an appropriate basis for determining DIMIA's resource requirements, and resourcing was not sufficient to meet expenses. The additional funding also allows for more comprehensive processing and checking of visa applicants and arrivals, the reassessment of expired Temporary Protection Visas, additional costs of Integrated Humanitarian Settlement Services, increased costs in visa processing, including offshore humanitarian processing and costs of removal and detention of unauthorised arrivals.

This measure is an interim arrangement pending the outcome of a comprehensive review of DIMIA's business processes and costs to be undertaken during 2003-04. The Review will examine the extent to which the business environment in which DIMIA operates is changed by the heightened security environment and the Government's continuing commitment to policies that maintain the integrity of Australia's borders. The review will also examine whether there are any efficiencies that can be achieved.

The outcome from the review and DIMIA's resourcing requirements beyond 2003-04 will be considered in the 2004-05 Budget. A provision for additional funding in the forward years has been included in the Contingency Reserve pending the outcome of the review.

Humanitarian Programme 2003-04 — coordinating community support

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

The Government will pilot a scheme in 2003-04 aimed at stimulating and coordinating community support for Special Humanitarian Programme applicants. The scheme will seek to increase support for the medical and travel costs of entrants which cannot be met by proposers. The estimated cost of \$0.2 million for this pilot will be absorbed within the Department of Immigration and Multicultural and Indigenous Affairs' existing funding.

Immigration detention onshore — review of long-term strategy

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|--|---------|---------|---------|---------|
| Department of Immigration and Multicultural and Indigenous Affairs | -7.1 | -9.6 | -9.7 | -9.9 |

In view of the success of the Government's policies to reduce unauthorised boat arrivals to Australia, the Government decided to rationalise detention facilities in Australia with the closure of the Woomera Immigration Reception and Processing Centre from March 2003. The detainees housed at Woomera were transferred to facilities near Port Augusta at Baxter and in Port Hedland. As a result of the reduced costs of maintaining facilities, there are savings to the Budget totalling \$50.6 million over the four years.

In addition, the Government will provide additional resources of \$14.3 million over four years 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.

The net impact of the review of onshore detention facilities (expense and capital) measure is a saving of \$30.7 million over four years.

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

Multicultural policy development and implementation — extension of funding

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|--|---------|---------|---------|---------|
| Department of Immigration and Multicultural and Indigenous Affairs | 1.1 | 1.1 | 1.1 | - |

The Government will provide \$3.3 million over three years to reaffirm its commitment to multiculturalism with the release of the new policy statement *Multicultural Australia – United in Diversity*. The policy is built on four principles of Responsibility, Respect, Fairness and Benefits. This measure provides funding to implement the policy and to support the continued work of the Council for Multicultural Australia.

Reconciliation Place — Stage Two

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|--|---------|---------|---------|---------|
| Department of Immigration and Multicultural and Indigenous Affairs | 1.1 | - | - | - |

The Government will provide \$1.1 million in 2003-04 to fulfil its commitment to further develop Reconciliation Place. This commitment was given by the Prime Minister in July 2002 at the opening of Stage One and involves funding artworks to complete Stage Two of the development. This important site on the shores of Lake Burley Griffin in the National Capital encourages national reflection and represents a public symbol of the nation's commitment to reconciliation between Indigenous and other Australians. A particular theme of the artworks will be the experiences of separated children and Indigenous leadership.

INDUSTRY, TOURISM AND RESOURCES

Automotive assistance package post-2005

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|--|---------|---------|---------|---------|
| Department of Industry, Tourism and Resources | 0.5 | 0.9 | 141.6 | 572.3 |

The Government announced on 13 December 2002 a reform package for the automotive industry for the period 2006 to 2015. Key elements of the package include reducing the tariff rate on passenger vehicles and related components to 5 per cent on 1 January 2010 and continuation of the Automotive Competitiveness and Investment Scheme (ACIS) from 2006 to 2015.

Funding provided under ACIS is estimated to be \$4.2 billion over the period 2006 to 2015 – comprising approximately \$3 billion in capped assistance and an estimated \$1.2 billion in uncapped assistance. Capped assistance will be phased down over the 2011 to 2015 period to half of that provided over the 2006 to 2010 period.

As part of the package, the Government also announced a Motor Vehicle Producers' R&D fund totalling \$150 million (\$50 million per year for three years from 2006-07). This fund will support the development of key motor vehicle producer technologies. An amount of \$6.5 million in funding will also be provided over four years commencing 2003-04 for the administration of the new arrangements. Total funding under the package for the four years commencing 2003-04 will be \$715.3 million.

See also the related revenue measure titled *Passenger motor vehicle and automotive components – reduction in tariff rate* in the Attorney-General's portfolio.

Geoscience Australia — Core Petroleum Programme

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|--|---------|---------|---------|---------|
| Department of Industry, Tourism and Resources | 8.7 | 8.9 | 9.1 | 9.3 |

The Government will provide funding of \$36 million over four years to Geoscience Australia to continue with the existing pre-competitive oil exploration programme. The programme provides geological information to organisations wishing to explore for petroleum and so increases opportunities for Australian production.

As the existing programme relies on previously acquired data, the Government has also decided to fund a programme of new data acquisition.

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See also the related expense measure *Geoscience Australia – seismic data acquisition and preservation* in the Industry, Tourism and Resources portfolio.

Geoscience Australia — seismic data acquisition and preservation

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|--|---------|---------|---------|---------|
| Department of Industry, Tourism and Resources | 2.5 | 5.0 | 7.5 | 10.0 |

The Government will provide funding of \$25 million over four years to fund the collection of new seismic data and the preservation of existing data.

The collection of new seismic data by Geoscience Australia will add to the existing pool of data available for release to organisations wishing to explore for petroleum.

The preservation of deteriorating seismic data tapes held by Geoscience Australia, which store valuable geological information, will ensure that the data is available for future use.

See also the related expense measure *Geoscience Australia – Core Petroleum Programme* in the Industry, Tourism and Resources portfolio.

ISONET/SAMP — extension of funding

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|--|---------|---------|---------|---------|
| Department of Industry, Tourism and Resources | - | 1.0 | - | - |

The Government will provide an additional \$1 million in 2004-05 to continue the Supplier Access to Major Projects programme, and for ISONET Limited to continue to coordinate the activities of the State Industrial Supplies Offices. Existing funding is already in place for 2003-04. It is intended that the programmes operate on a cost recovery basis from 2005-06.

National Measurement Institute — establishment

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|--|---------|---------|---------|---------|
| Department of Industry, Tourism and Resources | - | - | - | - |

The Government has decided to amalgamate the Australian Government Analytical Laboratories, the National Standards Commission (both currently located in the Industry, Tourism and Resources portfolio) and the National Measurement Laboratory

(currently located within the Education, Science and Training portfolio) to form the National Measurement Institute. The cost of the amalgamation will be \$2 million in 2003-04 and \$1 million in 2004-05 and will be absorbed within the existing resources of the Department of Industry, Tourism and Resources.

The functions of the existing agencies will be amalgamated to provide more efficient and effective support for Australia's physical, chemical and biological measurement capabilities and its legal metrology system. The National Measurement Institute will be located within the Industry, Tourism and Resources portfolio.

Pharmaceuticals Partnerships Program

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|--|---------|---------|---------|---------|
| Department of Industry, Tourism and Resources | - | 15.0 | 18.7 | 30.0 |

The Government will provide \$150 million over five years for a grants programme to encourage additional research and development by pharmaceutical companies in Australia. The new scheme will commence on 1 July 2004 and will provide \$41.3 million in 2007-08 and \$45 million in 2008-09.

New pharmaceuticals research and development undertaken in Australia by biotechnology, originator and generics medicine companies, as well as associated research companies will be eligible for support under this programme. It will replace the Pharmaceutical Industry Investment Programme, which expires on 30 June 2004.

R&D Start — extension of funding for 2006-07

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|--|---------|---------|---------|---------|
| Department of Industry, Tourism and Resources | - | - | - | 41.0 |

The Government will provide new funding of \$41 million for R&D Start in 2006-07. This will bring total R&D Start funding to \$597 million over the four years 2003-04 to 2006-07.

R&D Start is a competitive grants and loans programme that assists businesses to undertake and commercialise research and development with a high potential for commercialisation. Provision of the additional funding will allow three-year grants to be provided that extend over the period 2003-04 to 2006-07.

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R&D Start — programme flexibility

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|--|---------|---------|---------|---------|
| Department of Industry, Tourism and Resources | - | - | - | - |

The Government has decided to provide some flexibility for the operation of R&D Start to maintain the effective operation of this programme. The Department of Industry, Tourism and Resources will have the capacity to commit limited funds with the overall aim of delivering this programme within the current 2003-04 estimate. This measure has been developed in response to past lags between planned and actual research and development activity which can result in the programme underspending. Provision for this in 2003-04 has been made in the Contingency Reserve.

Tourism promotion in the Australian Capital Territory

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|--|---------|---------|---------|---------|
| Department of Industry, Tourism and Resources | - | - | - | - |

The Commonwealth is providing a one-off payment of \$0.5 million in 2002-03 to the Australian Capital Territory Government for a tourism promotion initiative to assist recovery from the January 2003 bushfire. The cost is being absorbed within the existing resources of the Department of Industry, Tourism and Resources.

PARLIAMENTARY DEPARTMENTS

Citizenship Visit Programme — increase in funding

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|--|---------|---------|---------|---------|
| Department of the House of Representatives | 0.1 | 0.1 | 0.1 | 0.1 |
| Department of the Senate | 0.1 | 0.1 | 0.1 | 0.1 |

The Citizenship Visit Programme provides a subsidy for final year primary and secondary school students when they visit Parliament House. Currently each of the chamber departments receives about \$0.5 million per annum for this programme. The additional funding of \$0.8 million over four years will provide an increased subsidy for growing travel costs of the visiting students.

Parliamentary Departments — efficiency measures

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---|---------|---------|---------|---------|
| Joint House Department | - | -1.2 | -1.3 | -1.3 |
| Department of the House of Representatives | - | -1.2 | -1.3 | -1.3 |
| Department of the Senate | - | -1.2 | -1.3 | -1.3 |
| Department of the Parliamentary Library | - | -1.2 | -1.3 | -1.3 |
| Department of the Parliamentary Reporting Staff | - | -1.2 | -1.3 | -1.3 |

Expenses in the forward years for enhanced security at Parliament House are to be offset by savings over 2004-05 to 2006-07, to be achieved through introduction of efficiencies, either by implementation of the recommendations of the *Review of Aspects of the Administration of the Parliament*, or by alternative means, against the appropriations for the parliamentary departments.

The savings are to be derived from each of the five parliamentary departments. These are the Departments of the House of Representatives and the Senate, the Parliamentary Library, the Joint House Department and the Department of Parliamentary Reporting Staff.

See also the related expense measure titled *A Safer Australia – enhanced Parliament House Security* in the *A Safer Australia* package in the Attorney-General's portfolio.

PRIME MINISTER AND CABINET

Australian Honours and Awards System — administration

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|--|---------|---------|---------|---------|
| Office of the Official Secretary to the Governor-General | 0.4 | 0.4 | 0.4 | 0.4 |

The Government will provide additional funding of \$1.6 million over four years to the Office of the Official Secretary to the Governor General to cover the additional expenses for processing an increased number of nominations and granting an increased number of Australian Honours and Awards.

Since 1998-99 there has been an increase of 53 per cent in the number of nominations received and processed and an increase of 55 per cent in the number of awards granted.

Commonwealth Ombudsman — maintaining services

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|--------------------------------------|---------|---------|---------|---------|
| Office of the Commonwealth Ombudsman | 0.8 | 0.8 | 0.5 | 0.5 |
| Australian Taxation Office | -0.3 | -0.3 | - | - |

The Government will provide additional funding of \$2.6 million over four years to the Office of the Commonwealth Ombudsman to meet an expected increase in law enforcement complaints arising and to manage complex tax related complaints. Funding of \$0.3 million in 2003-04 and 2004-05 has been offset by a reduction in the appropriation for the Australian Taxation Office to assist meeting costs associated with this increased work load.

Policy advice and the coordination of government policy — increased capacity

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|--|---------|---------|---------|---------|
| Department of the Prime Minister and Cabinet | 4.2 | 3.6 | 3.6 | 3.7 |

The Government is providing additional funding of \$15.1 million over four years to enable the Department of Prime Minister and Cabinet to provide high quality policy advice and coordination for the Prime Minister and Cabinet. The need for additional

capacity primarily reflects the increased focus of Cabinet on strategic policy areas and the changed security environment.

The additional funding will also provide for enhanced building security arrangements and information technology services for the Department of the Prime Minister and Cabinet.

Women's Programme — funding

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|--|---------|---------|---------|---------|
| Department of the Prime Minister and Cabinet | 7.6 | 2.5 | - | - |

The Government will provide funding of \$10.1 million over two years from 2003-04 which includes funding of \$5 million in 2003-04 and \$2.5 million in 2004-05 to the *Partnerships Against Domestic Violence* programme and funding of \$2.6 million in 2003-04 for the *National Initiative to Combat Sexual Assault*. This measure also extends the *Partnerships Against Domestic Violence* programme by one year to 2004-05.

This funding will ensure the Government maintains its high level of commitment to these programmes.

The prevention of domestic violence is a major part of the Government's strategy to strengthen families and to create healthy and safe communities. The current programme focuses on Indigenous communities, children, men who use violence, women's services and national community awareness.

The initiative to combat sexual assault aims to establish partnerships to develop, test and implement strategies to address the incidence of sexual assault in the community, including campaigns to promote community awareness.

TRANSPORT AND REGIONAL SERVICES

Airservices Australia — extension of the Location Specific Pricing Subsidy

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---|---------|---------|---------|---------|
| Department of Transport and Regional Services | 7.0 | - | - | - |

The Government will provide funding of \$7 million in 2003-04 to continue the Location Specific Pricing Subsidy for Airservices Australia to provide air traffic control services at some regional and general aviation airports. The purpose of the subsidy is to limit the effect of location specific pricing on smaller airports with limited ability to meet the real costs of air traffic control services due to less traffic. Fourteen airports currently benefit from this subsidy. Continuation of the subsidy enables affordable air traffic control services to continue to be provided at these airports.

This subsidy will continue to be funded by the excise and customs duty on aviation gasoline and aviation turbine fuels.

See also the related revenue measure titled *Aviation fuel excise – extension of excise collection for the Location Specific Pricing Subsidy* and related expense measure titled *Australian Competition and Consumer Commission – cessation of cost recovery for airport regulation* in the Treasury portfolio.

Auslink development and national transport regulation

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---|---------|---------|---------|---------|
| Department of Transport and Regional Services | 3.8 | 2.5 | 2.6 | 2.6 |

The Government will provide \$11.5 million over four years to support the National Transport Commission and the National Transport Advisory Council, and to continue work on the integrated land transport planning framework, AusLink.

Australian Capital Territory sawmills

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

The Government is to provide a one-off payment of \$1 million in 2002-03 to the ACT Government to assist the ACT softwood sawmills to upgrade equipment to

enable the use of alternatively sourced logs for processing. This will assist in maintaining timber processing operations after the loss of the primary source of logs in the Canberra bushfires in January 2003.

Australian Transport Safety Bureau — new safety functions

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---|---------|---------|---------|---------|
| Department of Transport and Regional Services | 3.2 | 3.3 | 3.3 | 3.4 |

The Government will provide funding of \$13.2 million over four years for the Australian Transport Safety Bureau to undertake the new role of interstate rail safety investigation, to establish a confidential marine safety occurrence reporting system, and to undertake aviation research and data analysis in accordance with Australia's obligations under International Civil Aviation Organisation requirements.

These initiatives will contribute to maintaining and improving Australia's transport safety.

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

Bushfire — aerial firefighting assistance

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---|---------|---------|---------|---------|
| Department of Transport and Regional Services | 5.5 | - | - | - |

The Government provided \$5.5 million in the additional estimates for 2002-03 to assist State and Territory governments with their aerial firefighting efforts. This funding met up to half the transportation and leasing costs for the three Erickson Airplane helitankers to be used nationally.

The Government subsequently provided an additional \$2.65 million in 2002-03. Funding of \$2.1 million was provided to Victoria to meet up to half the transportation and leasing costs for two more Erickson Airplane helitankers to be used nationally. Operating costs of the helitankers were met by the states. Funding of \$0.3 million and \$0.25 million was provided to Western Australia and South Australia respectively, recognising that the use of fixed wing aircraft is required in these states due to the large distances that need to be covered.

The Government will provide up to \$5.5 million to assist States and Territories to meet their aerial firefighting needs for the 2003-04 fire season. Consistent with current

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natural disaster management responsibilities, State and Territory governments will be responsible for meeting the remaining costs.

Future funding levels will be determined following continuing negotiations with State and Territory governments and with regard to the outcome of the National Inquiry into Bushfire Prevention and Mitigation.

Bushfire Appeals — contributions to New South Wales, Victoria and the Australian Capital Territory

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

In 2002-03, the Government contributed \$1 million to the 2002 NSW Bushfire Appeal, \$1 million to the Victorian Bushfire Appeal and \$0.5 million to the Canberra Bushfire Recovery Appeal. These appeals were established by the respective State and Territory governments to assist those affected by the severe 2002-03 bushfires.

Civil Aviation Safety Authority — supplementary funding to cover the shortfall in aviation fuel excise revenue

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---------------------------------|---------|---------|---------|---------|
| Civil Aviation Safety Authority | 6.5 | - | - | - |

The Government will provide additional funding of \$6.5 million in 2003-04 to the Civil Aviation Safety Authority (CASA) to supplement a shortfall in its revenue from aviation fuel excise following changes in the aviation industry which have resulted in lower fuel consumption.

This measure will enable CASA to maintain its regulation of the safety of civil air operations in Australia and the operation of Australian aircraft overseas at existing levels.

See also the related revenue measure titled *Aviation fuel excise – excise increase to provide supplementary funding for the Civil Aviation Safety Authority* in the Treasury portfolio.

Disaster Mitigation Australia Package

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---|---------|---------|---------|---------|
| Department of Transport and Regional Services | 6.2 | 13.2 | 6.9 | 6.7 |

The Government will provide funding of \$68.5 million over five years including \$16.3 million in 2007-08 to establish a new Disaster Mitigation Australia Package. This funding will be used to support cost-effective mitigation policies and reduce the economic and social costs of natural disasters to individuals, communities and governments, especially in rural and regional Australia.

The package will include the establishment of a Disaster Mitigation Programme to support cost-effective mitigation activity based on nationally consistent data, research and disaster risk assessments. The package will also include the continuation of the Regional Flood Mitigation Programme in 2005-06 and 2006-07, for which \$19.2 million has already been included in the forward estimates.

The provision of Commonwealth funding to the package will be conditional on matching funding from States and Territories and the introduction of more effective statutory land use planning, development and building controls by other governments.

Melbourne Airport — additional quarantine infrastructure

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---|---------|---------|---------|---------|
| Department of Transport and Regional Services | 7.7 | - | - | - |
| Department of Agriculture, Fisheries and Forestry | -3.9 | - | - | - |
| Australian Customs Service | -3.9 | - | - | - |

The Government will re-allocate funding of \$7.7 million in 2003-04 (\$3.9 million from each of the Australian Customs Service and Department of Agriculture, Fisheries and Forestry — which incorporates the Australian Quarantine Inspection Service) to undertake infrastructure works at Melbourne Airport to facilitate increased quarantine intervention. This is part of the Government's \$600 million package, announced in the 2001-02 Budget, in response to foot and mouth disease and other quarantine risks. This funding will complete the programme of works at international gateway airports.

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National Airspace Reforms — supplementary funding

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---|---------|---------|---------|---------|
| Department of Transport and Regional Services | 2.1 | - | - | - |

The Government will provide additional funding of \$2.1 million in 2003-04 to implement the National Airspace System. This system was adopted in 2002 as the Government's preferred model of airspace management, based on the US airspace system and consistent with International Civil Aviation Organisation airspace classifications.

National Highway and Roads of National Importance Programme — additional funding

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---|---------|---------|---------|---------|
| Department of Transport and Regional Services | - | - | 25.0 | - |

The Government will provide increased funding of \$25 million in 2005-06 to the National Highway and Roads of National Importance Programme. The additional funding will improve road access, road safety and road transport efficiency for regional communities.

Regional office network

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---|---------|---------|---------|---------|
| Department of Transport and Regional Services | 0.9 | 0.9 | 0.9 | 1.0 |

The Government will provide additional funding of \$3.8 million over four years to assist the Department of Transport and Regional Services to maintain its network of regional offices.

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

Regional Partnerships

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

From 1 July 2003, the Government will incorporate a range of its regional programmes into a new integrated programme to be called Regional Partnerships. The new programme will support initiatives in Australia's regions in four key areas: strengthening growth and opportunities; improving access to services; supporting planning; and assisting structural adjustments for communities. On top of existing allocations, funding will be boosted by \$61.8 million over three years from 2004-05 to 2006-07. Provision for this funding has already been included in the forward estimates.

Sydney Airport Noise Amelioration Programme

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---|---------|---------|---------|---------|
| Department of Transport and Regional Services | 9.9 | 6.3 | 0.6 | 0.1 |

The Government will provide additional funding of \$17 million over four years for the Sydney Airport Noise Amelioration Programme. This funding will allow completion of noise insulation on remaining residences and public buildings, and seismic upgrading work on blocks of units.

See also the related revenue measure titled *Sydney Airport Noise Levy – extension* in the Transport and Regional Services portfolio.

Weipa electricity generation compensation package

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---|---------|---------|---------|---------|
| Department of Transport and Regional Services | 2.2 | 2.2 | 2.2 | 2.2 |

The Government will provide funding of \$8.8 million over four years to the Weipa community to compensate it for the loss of access to the Diesel Fuel Rebate for electricity generation that was available to the previous electricity provider, Comalco Limited, following transfer of responsibility to a new local government.

TREASURY

Australian Competition and Consumer Commission — cessation of cost recovery for airport regulation

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|--|---------|---------|---------|---------|
| Australian Competition and Consumer Commission | -0.9 | - | - | - |

The Government has decided to reallocate funding previously provided to the Australian Competition and Consumer Commission (ACCC) for administering price regulation of airport services to partially fund a one year extension of the Location Specific Pricing Subsidy for air traffic control services provided by Airservices Australia.

Following the Government's decision to remove price controls from airports from 1 July 2002, the ACCC's regulatory responsibilities have diminished and this appropriation is no longer required. This expense was recovered by excise and customs duty of 0.036 cents per litre on aviation turbine fuel (avtur). Revenue will be redirected to the Transport and Regional Services portfolio.

See also the related expense measure titled *Airservices Australia – extension of the Location Specific Pricing Subsidy* in the Transport and Regional Services portfolio and revenue measure titled *Aviation fuel excise – extension of excise collection for the Location Specific Pricing Subsidy* in the Treasury portfolio.

Australian Competition and Consumer Commission — implementation of the Wilkinson Report

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|--|---------|---------|---------|---------|
| Australian Competition and Consumer Commission | 1.5 | 0.6 | 0.2 | - |

The Government will provide additional funding of \$2.3 million over three years to the Australian Competition and Consumer Commission, to implement the Government's response to the findings and recommendations of the Wilkinson Report on the impact of the competition provisions of the *Trade Practices Act 1974*, on recruitment and retention of medical practitioners in rural and regional Australia.

Funding ends in the calendar year 2005 to coincide with the review of the implementation of the recommendations of the Wilkinson Report.

Australian Competition and Consumer Commission — monitoring medical indemnity insurance premiums

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|--|---------|---------|---------|---------|
| Australian Competition and Consumer Commission | 0.5 | 0.5 | - | - |

The Government will provide funding of \$1 million over two years to the Australian Competition and Consumer Commission (ACCC) to monitor medical indemnity premiums to ensure that they are actuarially and commercially justified.

In October 2002, the Government announced a package of measures aimed at ensuring key private medical services, including in rural and regional areas, are maintained, and providing a new framework for the provision of medical indemnity insurance in Australia. The Government considers it important that the benefits of reforms are passed on to the practitioners, to patients and to the community.

Funding of \$0.5 million was provided in the *Mid-Year Economic and Fiscal Outlook 2002-03* to enable the ACCC to commence monitoring of medical indemnity premiums in January 2003. The additional funding will allow the ACCC to continue in its monitoring role to the end of June 2005.

Australian Competition and Consumer Commission — telecommunications competition regulation

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|--|---------|---------|---------|---------|
| Australian Competition and Consumer Commission | 5.8 | 5.6 | 5.7 | 5.8 |

The Government will provide the Australian Competition and Consumer Commission with additional funding of \$22.9 million over four years, with ongoing funding subject to review by October 2006, to continue its current regulatory role in the telecommunications sector under the *Trade Practices Act 1974*, and to undertake additional tasks and responsibilities arising from reforms enacted by the *Telecommunications Competition Act 2002*.

Expenses for this proposal are fully recovered from the telecommunications industry under the *Telecommunications (Carrier Licence Charges) Act 1997*, in the year following the expense.

See also the related revenue measure titled *Telecommunications competition regulation – cost recovery* in the Communications, Information Technology and the Arts portfolio.

Australian Prudential Regulation Authority — strengthened capabilities in prudential regulation

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|--|---------|---------|---------|---------|
| Australian Prudential Regulation Authority | 5.9 | 5.2 | 5.3 | 5.5 |

The Government will provide \$21.9 million over four years (with ongoing funding subject to review by October 2006) to enable the Australian Prudential Regulation Authority to employ additional technical experts and attract and retain appropriately skilled front-line supervisory staff to enhance its supervisory and information technology capabilities.

Funding will be fully recovered through levies on the financial sector.

See also the related revenue measure titled *Australian Prudential Regulation Authority – strengthened capabilities in prudential regulation* in the Treasury portfolio.

Australian Securities and Investments Commission — corporate disclosure initiatives

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|--|---------|---------|---------|---------|
| Australian Securities and Investments Commission | 3.0 | 3.0 | 3.1 | 3.2 |

The Government will provide the Australian Securities and Investments Commission (ASIC) with funding of \$12.3 million over four years for its role in the implementation of Part 9 of the Corporate Law Economic Reform Programme (CLERP 9). Ongoing funding is subject to a review in 2003-04 in light of the findings of the HIH Royal Commission.

Under the CLERP 9 reforms, ASIC will be provided with additional powers to deal with inadequate disclosure. This funding will enable ASIC to conduct surveillance, investigate and take enforcement action in relation to alleged contraventions of these provisions.

Australian Securities and Investments Commission — corporate insolvency initiative

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|--|---------|---------|---------|---------|
| Australian Securities and Investments Commission | 3.0 | 3.0 | 3.1 | 3.2 |

The Government will provide the Australian Securities and Investments Commission (ASIC) with funding of \$12.3 million over four years for a programme directed at targeted surveillance of misconduct by company officers in small/medium enterprises (SMEs) and identified high-risk industry sectors. ASIC will increase enforcement work and ASIC-initiated winding up action of SMEs to prevent abuse of the corporate form.

On-going funding will be reviewed in 2003-04 in light of the findings of the Cole Royal Commission.

Australian Securities and Investments Commission — funding for the HIH investigations taskforce

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|--|---------|---------|---------|---------|
| Australian Securities and Investments Commission | 17.5 | 10.7 | - | - |

The Government will provide additional funding of \$28.2 million over two years to the Australian Securities and Investments Commission (ASIC) to establish a dedicated taskforce to undertake investigations and civil litigation on possible breaches of the *Corporations Act 2001* as identified by the HIH Royal Commission.

Funding for the Taskforce will be subject to review by the end of 2003 in light of ASIC caseloads experience during the initial period.

Funding has also been earmarked for possible criminal prosecutions arising from the investigations and/or identified by the HIH Royal Commission.

Financial Reporting Council — funding to support expanded role

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|----------------------------|---------|---------|---------|---------|
| Department of the Treasury | 1.0 | 1.0 | 1.0 | 1.0 |

The Government will provide \$4 million over four years to support the expanded role of the Financial Reporting Council under Part 9 of the Government's Corporate Law Economic Reform Programme (CLERP 9). This expanded role will include oversight of audit standard setting and auditor independence issues. The Auditing and Assurance

Budget Measures 2003-04

Standards Board will be moved under the control of the Financial Reporting Council with auditing standards being given the force of law.

On-going funding will be subject to a review by October 2006.

Fuel tax reform

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---|---------|---------|---------|---------|
| Australian Taxation Office — fuel tax framework | - | - | - | - |
| Australian Taxation Office — biodiesel production grants | 15.0 | 44.0 | 76.0 | 99.0 |
| Industry, Tourism and Resources — ethanol production grants | 27.0 | 45.0 | 61.0 | 62.0 |

From 1 July 2008, the Government will provide grants to the producers and importers of fuels that are currently exempt from excise (and customs) duty and which are used in internal combustion engines. These grants are part of arrangements to make these fuels subject to fuel excise and will apply for a transitional period. The grants will be progressively reduced, raising the effective excise (that is, excise less grant) for untaxed fuels from zero prior to 1 July 2008, to their final rates in five even annual steps commencing from 1 July 2008.

The transitional grants form part of a programme that will establish a long term sustainable taxation framework for fuels by addressing a number of anomalies in the current fuel tax system and providing increased certainty for investors, while meeting existing Government commitments and providing time for industry to adjust.

In addition, the Government will continue to provide production grants for fuel ethanol from 18 September 2003 under the same basis as announced in the *Mid-Year Economic and Fiscal Outlook 2002-03*. The Government will also provide grants for the production and importation of biodiesel, from 18 September 2003. Both grants will be reduced in five equal annual instalments from 1 July 2008.

See also the related revenue measure titled *Fuel tax reform* in the Treasury portfolio.

Languages Other Than English courses provided by ethnic schools — variation in Budget Balancing Assistance as a result of making courses GST-free

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|----------------------------|---------|---------|---------|---------|
| Department of the Treasury | 1.8 | 0.7 | 0.7 | 0.6 |

The Government will make State or Territory recognised Languages Other Than English (LOTE) courses provided by non-profit ethnic schools GST-free, with effect from 1 January 2002.

Currently, LOTE courses provided by ethnic schools are taxable supplies under the GST because the schools providing them do not qualify for GST-free treatment. The Minister for Education, Science and Training will make a determination under existing legislative provisions of the *A New Tax System (Goods and Services Tax) Act 1999* to make LOTE courses GST-free.

The reduction in GST revenues will result in increased Budget Balancing Assistance payments to the States and Territories.

See also the related revenue measure titled *GST Determination to make Languages Other Than English courses provided by ethnic schools GST-free* in Appendix A of Budget Paper No. 3.

Measures for a Better Environment — cleaner fuel

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---|---------|---------|---------|---------|
| Energy Grants (Credits) Scheme — inclusion of liquefied natural gas and biodiesel | 3.0 | 5.0 | 5.0 | 5.0 |
| Incentive to switch to low sulphur fuels | - | - | 1.0 | 41.0 |
| Ultra low sulphur diesel excise differential — compensation for the agricultural sector | 10.0 | 13.0 | 4.0 | - |

The Government will introduce a package of measures to deliver on its *Measures for a Better Environment* commitment to encourage conversion from the dirtiest fuels to the most appropriate and cleanest fuels as announced by the Prime Minister in May 1999.

The proposed Energy Grants (Credits) Scheme (EGCS) will be extended to include liquefied natural gas (LNG) and biodiesel (but not blends of biodiesel and diesel) as alternative fuels eligible for an on-road credit.

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LNG will be approved under the EGCS from 1 July 2003. Biodiesel will be approved once the fuel standard for biodiesel under the *Fuel Quality Standards Act 2000* has come into effect.

The grant rate for LNG will be 8.130 cents per litre and the grant rate for biodiesel will be 18.510 cents per litre.

From 1 January 2006, the Government will fund grant payments for a period of two years for the production or import of low sulphur premium unleaded petrol. This measure is part of the Government's approach to encourage the introduction of higher quality clean fuels into the market. A similar measure will be implemented for diesel with less than 10 parts per million sulphur from 1 January 2007 for two years duration.

The measure will bring forward production of higher quality fuels before they are mandated under the provisions included in the *Fuel Quality Standards Act 2000*. The initiative will be reviewed in the period prior to implementation to ensure that it aligns with the timing of new fuel standards and market conditions.

The off-road grant rates under the proposed EGCS will be increased for the agriculture sector to compensate for the additional excise (and customs) duty levied on high sulphur diesel between 1 July 2003 and 31 December 2005. The excise differential, designed to encourage the production of ultra low sulphur diesel, was announced as part of the *Measures for a Better Environment* package in May 1999.

The additional grant will apply to claims for an off-road credit made between 1 July 2003 and 31 December 2005 for fuel purchased for use in agriculture.

The additional grant amount will be a weighted average of the differences between the excise rates applying to ultra low sulphur diesel and high sulphur diesel, calculated based on the market share of each fuel.

Further details on the Government's *Measures for a Better Environment* commitment may be found in the Prime Minister's Press Release of 31 May 1999.

See also the related revenue measure titled *Measures for a Better Environment – cleaner fuel* in the Treasury portfolio.

Productivity Commission — reporting on key indicators of Indigenous disadvantage

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|-------------------------|---------|---------|---------|---------|
| Productivity Commission | 0.6 | 0.6 | 0.6 | 0.6 |

The Government will provide the Productivity Commission with additional funding of \$2.4 million over four years, with ongoing funding subject to a review by October 2005, to prepare an annual report on key indicators of Indigenous disadvantage.

As part of the Council of Australian Governments' reconciliation agenda, the objective is to identify key indicators that are of relevance to all Governments and Indigenous stakeholders and that can demonstrate the impact of programme and policy intervention on addressing Indigenous disadvantage.

Superannuation Complaints Tribunal — additional funding

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|--|---------|---------|---------|---------|
| Australian Securities and Investments Commission | 2.1 | 1.3 | 1.4 | 1.5 |

The Government will provide additional funding of \$6.3 million over four years to increase the base funding for the Superannuation Complaints Tribunal (SCT) to enable it to meet increasing demands on its services. This would also enable the SCT not to resort to supplementary funding to meet its needs as has been the case to date. The funding will allow the SCT to continue to service current and increasing complaints lodgements, retain technical skills and avoid delays in bringing cases to a conclusion.

See also the related revenue measure titled *Superannuation Complaints Tribunal – additional funding* in the Treasury portfolio.

VETERANS' AFFAIRS

Commemorative activities — increase funding

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---------------------------------|---------|---------|---------|---------|
| Department of Veterans' Affairs | 3.9 | 1.3 | 1.3 | 1.3 |

The Government will provide additional funding of \$7.8 million over four years for commemorative activities. This funding includes \$6.8 million for the maintenance of Australia's overseas war memorials and the construction of new overseas memorials by the Office of Australian War Graves. A further \$1 million is for the commemorative mission associated with the dedication of the Australian Memorial in London, which honours those Australians who served and died alongside Britons in both World Wars.

Community Care Grants Programme — maintain funding

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---------------------------------|---------|---------|---------|---------|
| Department of Veterans' Affairs | 1.5 | 1.5 | 1.6 | 1.6 |

The Government will provide funding of \$6.2 million over four years to continue the Community Care Grants Programme. This programme improves the independence and quality of life of veterans, war widows and war widowers living in the community by providing grants to community organisations to increase access to community care services and residential and community-based respite care. The programme also targets preventative health measures.

This measure ensures that veterans will continue to be provided with opportunities for community aged care and greater social, home and community support.

Enhanced compliance programme

| Expense (\$m) | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---------------------------------|---------|---------|---------|---------|
| Department of Veterans' Affairs | 0.9 | -1.3 | -4.9 | -7.1 |

The Government will provide funding of \$4.7 million over four years to introduce an enhanced compliance programme to review the circumstances of income support pensioners in the Veterans' Affairs portfolio who have not recently been reviewed. The programme is aimed at updating client details to ensure that these clients are receiving the correct level of benefit. The reviews are anticipated to result in changes to the payments of a significant number of pensioners, both upwards and downwards.

The measure is expected to result in savings commencing in 2004-05 of \$17.2 million over three years.

