

PART 3: CAPITAL MEASURES

Table 3: Capital measures since the 2013-14 MYEFO^(a)

| Page | | 2013-14 \$m | 2014-15 \$m | 2015-16 \$m | 2016-17 \$m | 2017-18 \$m |
|------|---|----------------|----------------|----------------|----------------|-----------------|
| | AGRICULTURE | | | | | |
| | <i>Department of Agriculture</i> | | | | | |
| 49 | A Competitive Agriculture Sector — stronger biosecurity and quarantine arrangements(b) | - | 0.1 | .. | .. | .. |
| | Portfolio total | - | 0.1 | .. | .. | .. |
| | ATTORNEY-GENERAL'S | | | | | |
| | <i>Attorney-General's Department</i> | | | | | |
| 62 | Royal Commission into Trade Union Governance and Corruption — establishment(b) | 5.0 | 0.3 | - | - | - |
| 64 | Smaller Government — Privacy and Freedom of Information functions — new arrangements(b) | - | 0.4 | - | - | - |
| | <i>Australian Federal Police</i> | | | | | |
| 56 | Australian Federal Police — savings from efficiencies(b) | - | 0.3 | .. | .. | .. |
| 56 | Australian Federal Police officers — cessation of additional recruitment(b) | - | -2.5 | - | - | - |
| 59 | Hobart Airport(b) | - | -6.9 | - | - | - |
| 60 | National Anti-Gang Squad(b) | - | 0.2 | - | - | - |
| 65 | Timor-Leste Police Development Programme — continuation(b) | - | 0.1 | .. | - | - |
| | <i>Australian Financial Security Authority</i> | | | | | |
| 228 | Australian Financial Security Authority — departmental capital budget supplementation | - | 4.8 | 2.3 | 2.5 | 2.5 |
| | Portfolio total | 5.0 | -3.4 | 2.4 | 2.5 | 2.5 |
| | COMMUNICATIONS | | | | | |
| | <i>Department of Communications</i> | | | | | |
| 67 | Enhancing Online Safety for Children(b) | - | 0.2 | - | - | - |
| | Portfolio total | - | 0.2 | - | - | - |
| | CROSS PORTFOLIO | | | | | |
| | <i>Various Agencies</i> | | | | | |
| 69 | Efficiency Dividend — a further temporary increase of 0.25 per cent(b) | - | -2.6 | -5.4 | -8.2 | -8.6 |
| | Portfolio total | - | -2.6 | -5.4 | -8.2 | -8.6 |
| | DEFENCE | | | | | |
| | <i>Department of Defence</i> | | | | | |
| 229 | Defence funding profile | 500.0 | 300.0 | 550.0 | 150.0 | -2,020.0 |
| 229 | Defence real estate sales — direction of proceeds towards Defence projects | 45.5 | 37.9 | 45.2 | 13.5 | 14.1 |
| 74 | Middle East Area of Operations — continuation of Australia's military contribution(b) | - | .. | - | - | - |
| 230 | United States Force Posture Initiative | - | - | - | - | - |
| | Portfolio total | 545.5 | 337.9 | 595.2 | 163.5 | -2,005.9 |

Table 3: Capital measures since the 2013-14 MYEFO^(a) (continued)

| Page | | 2013-14 \$m | 2014-15 \$m | 2015-16 \$m | 2016-17 \$m | 2017-18 \$m |
|------|--|----------------|----------------|----------------|----------------|----------------|
| | EDUCATION | | | | | |
| | <i>Department of Education</i> | | | | | |
| 231 | Upholding quality — Higher Education Information Management System — expansion | - | 0.9 | 1.0 | 1.0 | 1.0 |
| | Portfolio total | - | 0.9 | 1.0 | 1.0 | 1.0 |
| | EMPLOYMENT | | | | | |
| | <i>Department of Employment</i> | | | | | |
| 97 | Restart — boosting the wage subsidy for mature age job seekers(b) | - | 1.2 | - | - | - |
| 210 | Stronger participation incentives for job seekers under 30(b) | - | 4.7 | - | - | - |
| | Portfolio total | - | 5.9 | - | - | - |
| | ENVIRONMENT | | | | | |
| | <i>Bureau of Meteorology</i> | | | | | |
| 100 | Bureau of Meteorology — improved efficiency(b) | - | 0.1 | - | - | - |
| 232 | — supercomputer | - | nfp | nfp | nfp | nfp |
| | <i>Department of the Environment</i> | | | | | |
| 111 | Sustainable Rural Water Use and Infrastructure Programme — reduced funding(b) | -10.1 | -9.2 | - | - | -98.0 |
| | <i>Great Barrier Reef Marine Park Authority</i> | | | | | |
| 104 | Great Barrier Reef Marine Park Authority — reduced funding(b) | - | -0.1 | -0.1 | -0.1 | -0.1 |
| | Portfolio total | -10.1 | -9.2 | -0.1 | -0.1 | -98.1 |
| | FINANCE | | | | | |
| | <i>ComSuper</i> | | | | | |
| 75 | Military Superannuation — establish new accumulation arrangements(b) | - | - | 1.5 | 1.5 | - |
| | <i>Department of Finance</i> | | | | | |
| 113 | Improving small business access to Commonwealth contracts(b) | - | - | 0.3 | 0.1 | 0.1 |
| 114 | Infrastructure Growth Package — Asset Recycling Fund(b) | * | * | * | * | * |
| 233 | Smaller Government — Surplus Commonwealth Properties — divestment | - | -15.2 | -9.3 | -0.4 | - |
| 233 | The Lodge refurbishment — additional funding | - | nfp | - | - | - |
| | Portfolio total | - | -15.2 | -7.5 | 1.2 | 0.1 |
| | FOREIGN AFFAIRS AND TRADE | | | | | |
| | <i>Department of Foreign Affairs and Trade</i> | | | | | |
| 118 | Australia's diplomatic engagement in Afghanistan — continuation(b) | - | 2.0 | - | - | - |
| 118 | Baghdad Embassy — relocation(b) | - | 8.2 | - | - | - |
| 234 | Export Finance and Insurance Corporation — capital injection | - | - | - | - | - |

Table 3: Capital measures since the 2013-14 MYEFO^(a) (continued)

| Page | | 2013-14 \$m | 2014-15 \$m | 2015-16 \$m | 2016-17 \$m | 2017-18 \$m |
|------|--|----------------|----------------|----------------|----------------|----------------|
| | FOREIGN AFFAIRS AND TRADE (continued) | | | | | |
| 234 | Relocation of the Tehran Embassy — cessation | -79.4 | - | - | - | - |
| 65 | Timor-Leste Police Development Programme — continuation(b) | - | - | - | - | - |
| | Portfolio total | -79.4 | 10.3 | - | - | - |
| | HEALTH | | | | | |
| | <i>Australian Sports Commission</i> | | | | | |
| 146 | Sporting Schools Initiative(b) | - | 1.5 | - | - | - |
| | <i>Department of Health</i> | | | | | |
| 124 | Aligning Australia and New Zealand Therapeutic Arrangements(b) | - | nfp | - | - | - |
| 141 | Pharmaceutical Benefits Scheme — Medication Charts for Public and Private Hospitals(b) | - | 0.1 | - | - | - |
| 235 | Routine Replenishment of the National Medical Stockpile | - | 5.7 | - | - | - |
| 146 | Sporting Schools Initiative(b) | - | - | - | - | - |
| | Portfolio total | - | 7.3 | - | - | - |
| | HUMAN SERVICES | | | | | |
| | <i>Department of Human Services</i> | | | | | |
| 133 | Medicare Benefits Schedule — introducing patient contributions for general practitioner, pathology and diagnostic imaging services(b) | - | 5.4 | 2.4 | - | - |
| 140 | Personally Controlled Electronic Health Record System — continuation(b) | - | 1.0 | - | - | - |
| 145 | Simplifying Medicare safety net arrangements(b) | - | 2.0 | 1.6 | - | - |
| 210 | Stronger participation incentives for job seekers under 30(b) | - | - | - | - | - |
| | Portfolio total | - | 8.4 | 4.0 | - | - |
| | IMMIGRATION AND BORDER PROTECTION | | | | | |
| | <i>Australian Customs and Border Protection Service</i> | | | | | |
| 157 | Smaller Government — strengthen and enhance Australia's border protection services(b) | - | -2.7 | 43.0 | 43.5 | 36.5 |
| | <i>Department of Immigration and Border Protection</i> | | | | | |
| 153 | Migration Programme — allocation of places for 2014-15(b) | - | .. | - | - | - |
| 154 | Offshore Biometrics Programme — expansion(b) | - | 1.5 | 0.5 | - | - |
| 155 | Onshore Immigration Detention Network — estate management plan(b) | - | - | - | - | - |

Table 3: Capital measures since the 2013-14 MYEFO^(a) (continued)

| Page | | 2013-14 \$m | 2014-15 \$m | 2015-16 \$m | 2016-17 \$m | 2017-18 \$m |
|------|--|----------------|----------------|----------------|----------------|----------------|
| | IMMIGRATION AND BORDER PROTECTION (continued) | | | | | |
| 159 | Supporting Rapid Transfers and Operation Sovereign Borders(b) | - | - | - | - | - |
| 160 | Visa simplification to support the vocational education and training sector(b) | - | .. | - | - | - |
| | Portfolio total | - | -1.1 | 43.5 | 43.5 | 36.5 |
| | INDUSTRY | | | | | |
| | <i>Department of Industry</i> | | | | | |
| 164 | Entrepreneurs' Infrastructure Programme — establishment(b) | - | 9.2 | 6.5 | 4.3 | 3.3 |
| | Portfolio total | - | 9.2 | 6.5 | 4.3 | 3.3 |
| | PRIME MINISTER AND CABINET | | | | | |
| | <i>Department of the Prime Minister and Cabinet</i> | | | | | |
| 210 | Stronger participation incentives for job seekers under 30(b) | - | - | - | - | - |
| | <i>Office of the Australian Information Commissioner</i> | | | | | |
| 64 | Smaller Government — Privacy and Freedom of Information functions — new arrangements(b) | - | - | - | - | - |
| | Portfolio total | - | - | - | - | - |
| | SOCIAL SERVICES | | | | | |
| | <i>Department of Social Services</i> | | | | | |
| 189 | ACT Accommodation — Department of Social Services(b) | - | - | 11.6 | 6.9 | - |
| 195 | Disability Employment Services — Disability Management Services — partial tender(b) | - | 1.4 | - | - | - |
| 210 | Stronger participation incentives for job seekers under 30(b) | - | - | - | - | - |
| | Portfolio total | - | 1.4 | 11.6 | 6.9 | - |
| | TREASURY | | | | | |
| | <i>Australian Competition and Consumer Commission</i> | | | | | |
| 213 | Australian Competition and Consumer Commission — additional funding(b) | - | - | - | - | 0.6 |
| | <i>Australian Taxation Office</i> | | | | | |
| 209 | Social Security Agreement with India(b) | - | 0.8 | - | - | - |
| 172 | Trade Support Loans — establishment(b) | 0.4 | 2.8 | - | - | - |
| | <i>Department of the Treasury</i> | | | | | |
| 213 | Addressing insurance costs in North Queensland — establishment of an insurance comparison website(b) | - | nfp | nfp | nfp | nfp |
| | Portfolio total | 0.4 | 3.6 | - | - | 0.6 |

Table 3: Capital measures since the 2013-14 MYEFO^(a) (continued)

| Page | | 2013-14 | 2014-15 | 2015-16 | 2016-17 | 2017-18 |
|------|---|--------------|--------------|--------------|--------------|-----------------|
| | | \$m | \$m | \$m | \$m | \$m |
| | VETERANS' AFFAIRS | | | | | |
| | <i>Department of Veterans' Affairs</i> | | | | | |
| 193 | Commonwealth Seniors Health Card — include untaxed superannuation income in the eligibility assessment(b) | - | 0.5 | - | - | - |
| 201 | Housing Help for Seniors — pilot — reversal(b) | -1.5 | - | - | - | - |
| 221 | Veterans' Disability Pensions — commencement of payments from date of claim(b) | - | - | - | - | - |
| 222 | Western Front Interpretive Centre — Villers-Bretonneux, France — initial funding(b) | - | 6.1 | - | - | - |
| | Portfolio total | -1.5 | 6.6 | - | - | - |
| | Decisions taken but not yet announced | - | 27.5 | 38.9 | 5.0 | 10.9 |
| | Depreciation expense | - | 0.5 | -1.9 | -3.1 | -2.5 |
| | Total capital measures(c) | 459.9 | 388.1 | 688.2 | 216.5 | -2,060.2 |

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

.. Not zero, but rounded to zero.

- Nil.

nfp not for publication.

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

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

(c) Measures may not add due to rounding.

ATTORNEY-GENERAL'S

Australian Financial Security Authority — departmental capital budget supplementation

| Capital (\$m) | 2013-14 | 2014-15 | 2015-16 | 2016-17 | 2017-18 |
|---|---------|---------|---------|---------|---------|
| Australian Financial Security Authority | - | 4.8 | 2.3 | 2.5 | 2.5 |
| <i>Related revenue (\$m)</i> | | | | | |
| Australian Financial Security Authority | 2.4 | 2.4 | 2.3 | 2.5 | 2.5 |

The Government will provide \$12.1 million over four years to supplement the Australian Financial Security Authority's departmental capital budget. Funding will be used for maintaining and upgrading core IT systems used for managing personal insolvency and proceeds of crime matters.

The cost of this measure is fully offset over five years through increased cost-recovery fees and charges.

DEFENCE

Defence funding profile

| Capital (\$m) | 2013-14 | 2014-15 | 2015-16 | 2016-17 | 2017-18 |
|-----------------------|---------|---------|---------|---------|----------|
| Department of Defence | 500.0 | 300.0 | 550.0 | 150.0 | -2,020.0 |

The Government is committed to rebuilding Defence and is taking decisive steps to recapitalise it after a number of years of underinvestment and deferred funding for major capability projects.

The Government will bring forward \$1.5 billion from 2017-18 and distribute it over the period 2013-14 to 2016-17. Funding of the *Approved Major Capital Investment Programme* and important capabilities to support networked operations will be accelerated to reduce the risk of capability gaps and reinforce the Government's commitment to strengthen Australia's defence force.

Bringing forward \$500 million to 2013-14 will assist Defence to fund priority foreign military asset purchases, including the Growler electronic attack aircraft, the Romeo Naval anti-submarine combat helicopter and the upgrade to the Naval Standard Missile-2 long range anti-aircraft missile.

The funds brought forward to the period 2014-15 to 2016-17 inclusive will address underinvestment in a range of important capabilities.

This measure also includes a movement of funds beyond the forward estimates period to smooth the Defence funding profile and put Defence spending back on an achievable growth path towards the Government's objective of Defence funding of 2 per cent as a share of GDP.

This measure will ensure a realistic Defence funding trajectory, with total Defence funding of \$29.2 billion in 2014-15, \$30.3 billion in 2015-16, \$30.4 billion in 2016-17 and \$32.9 billion in 2017-18.

Defence real estate sales — direction of proceeds towards Defence projects

| Capital (\$m) | 2013-14 | 2014-15 | 2015-16 | 2016-17 | 2017-18 |
|-----------------------|---------|---------|---------|---------|---------|
| Department of Defence | 45.5 | 37.9 | 45.2 | 13.5 | 14.1 |

The Government will direct the net proceeds from the sale of Defence real estate to approved Defence projects. Defence will receive additional funding, estimated to be \$156.2 million over five years, over and above the costs of preparing the land and buildings for sale.

Budget Measures 2014-15 – Part 3: Capital Measures

United States Force Posture Initiative

| Capital (\$m) | 2013-14 | 2014-15 | 2015-16 | 2016-17 | 2017-18 |
|-----------------------|---------|---------|---------|---------|---------|
| Department of Defence | - | - | - | - | - |

The Government will provide funding for the up-front costs of infrastructure development for the United States Force Posture Initiatives at Robertson Barracks and RAAF Base Darwin in the Northern Territory.

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

The financial arrangements with the United States are still under negotiation. The cost of the infrastructure development is not for publication due to the commercial-in-confidence nature of the tender processes involved.

EDUCATION

Upholding quality — Higher Education Information Management System — expansion

| Capital (\$m) | 2013-14 | 2014-15 | 2015-16 | 2016-17 | 2017-18 |
|-------------------------|---------|---------|---------|---------|---------|
| Department of Education | - | 0.9 | 1.0 | 1.0 | 1.0 |

The Government will provide \$3.8 million over four years to enhance and expand the Higher Education Information Management System (HEIMS).

The enhancements implement the Government's response to several recommendations of the 2012 *Review of Reporting Requirements for Universities* and will establish a single national higher education data collection and information repository. The expanded information management system will improve access to data, under appropriate protocol and privacy provisions, for universities and other higher education providers.

The enhancement of HEIMS will support the Government's objective of reducing red tape in the higher education sector.

ENVIRONMENT

Bureau of Meteorology — supercomputer

| Capital (\$m) | 2013-14 | 2014-15 | 2015-16 | 2016-17 | 2017-18 |
|------------------------------|---------|---------|---------|---------|---------|
| Bureau of Meteorology | - | nfp | nfp | nfp | nfp |
| <i>Related expense (\$m)</i> | | | | | |
| <i>Department of Finance</i> | - | 0.1 | 0.1 | 0.1 | 0.1 |
| <i>Bureau of Meteorology</i> | - | nfp | nfp | nfp | nfp |
| <i>Total — Expense</i> | - | 0.1 | 0.1 | 0.1 | 0.1 |

The Government will replace the Bureau of Meteorology’s existing supercomputer, which will reach its expected end-of-life in mid-2016. The supercomputer is used for the Bureau’s weather forecasts and warnings across Australia. The project includes the purchase and installation of the supercomputer, with a mid-life upgrade in 2018-19, associated supporting infrastructure, the progressive integration of new modelling and prediction systems, and the operation of the associated data centre and network links.

The cost of this measure will be partly met from within the existing resources of the Bureau.

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

The Government will provide a further \$0.4 million over four years to the Department of Finance for the Gateway Review Process for the implementation of the project.

FINANCE

Smaller Government — Surplus Commonwealth Properties — divestment

| Capital (\$m) | 2013-14 | 2014-15 | 2015-16 | 2016-17 | 2017-18 |
|------------------------------|---------|---------|---------|---------|---------|
| Department of Finance | - | -15.2 | -9.3 | -0.4 | - |
| <i>Related expense (\$m)</i> | | | | | |
| <i>Department of Finance</i> | - | 2.2 | 0.1 | 0.1 | - |

The Government will achieve savings of \$22.5 million over three years through the progressive sale of a number of non-Defence surplus Commonwealth properties.

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

The Lodge refurbishment — additional funding

| Capital (\$m) | 2013-14 | 2014-15 | 2015-16 | 2016-17 | 2017-18 |
|-----------------------|---------|---------|---------|---------|---------|
| Department of Finance | - | nfp | - | - | - |

The Government will provide additional funding to finalise essential maintenance and refurbishment work for the Lodge which commenced in 2013. The cost of this measure is not for publication due to commercial-in-confidence considerations.

This measure extends on the *2013-14 Budget* measure titled *Maintenance work for the Lodge and the John Gorton Building*.

FOREIGN AFFAIRS AND TRADE

Export Finance and Insurance Corporation — capital injection

| Capital (\$m) | 2013-14 | 2014-15 | 2015-16 | 2016-17 | 2017-18 |
|---|---------|---------|---------|---------|---------|
| Department of Foreign Affairs and Trade | - | - | - | - | - |

The Government will provide \$200.0 million of additional capital in 2014-15 to the Export Finance and Insurance Corporation (EFIC). This equity injection reverses the decision of the previous Government to take a one-off special dividend from EFIC in 2012-13 and will allow EFIC to better support Australian exporters and trade.

Relocation of the Tehran Embassy — cessation

| Capital (\$m) | 2013-14 | 2014-15 | 2015-16 | 2016-17 | 2017-18 |
|---|---------|---------|---------|---------|---------|
| Department of Foreign Affairs and Trade | -79.4 | - | - | - | - |

The Government will achieve savings of \$79.4 million by not proceeding with the relocation of the Australian Embassy in Tehran, following a long period of delays and cost escalations.

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

HEALTH

Routine Replenishment of the National Medical Stockpile

| Capital (\$m) | 2013-14 | 2014-15 | 2015-16 | 2016-17 | 2017-18 |
|------------------------------|---------|---------|---------|---------|---------|
| Department of Health | - | 5.7 | - | - | - |
| <i>Related expense (\$m)</i> | | | | | |
| <i>Department of Health</i> | - | 1.8 | - | - | - |

The Government will provide \$7.5 million in 2014-15 for the replenishment of antidotes and antitoxins used in response to chemical, biological, radiological or nuclear events and pandemic influenza medicines as part of the National Medical Stockpile.

The National Medical Stockpile is a strategic reserve of medicines, vaccines, antidotes and protective equipment for use in the national response to a public health emergency.

See also the related expense measure titled *Reform of the Operation and Management of the National Medical Stockpile* in the Health Portfolio.

