

PART 2: PAYMENTS FOR SPECIFIC PURPOSES

The Commonwealth makes payments to the States support specific state services through National SPPs and National Partnership payments. The part discusses key reforms under new National Partnership Agreements.

From 1 January 2009, significant reforms to payments for specific purposes were implemented under the new framework for federal financial relations, including simplified and centrally administered payment arrangements.

OVERVIEW OF PAYMENTS

The Commonwealth provides three broad types of payments to the States:

- National SPPs in respect of key service delivery sectors;
- three types of National Partnership payments – project payments, facilitation payments and reward payments; and
- general revenue assistance, consisting of GST payments and other general revenue assistance.

This part contains information about payments in respect of the National SPPs and National Partnerships.

The Intergovernmental Agreement provides that all payments for specific purposes – all the payments covered in this Part – will be paid by the Commonwealth Treasury to each state treasury on the 7th day of each month.

Categories of payments for specific purposes

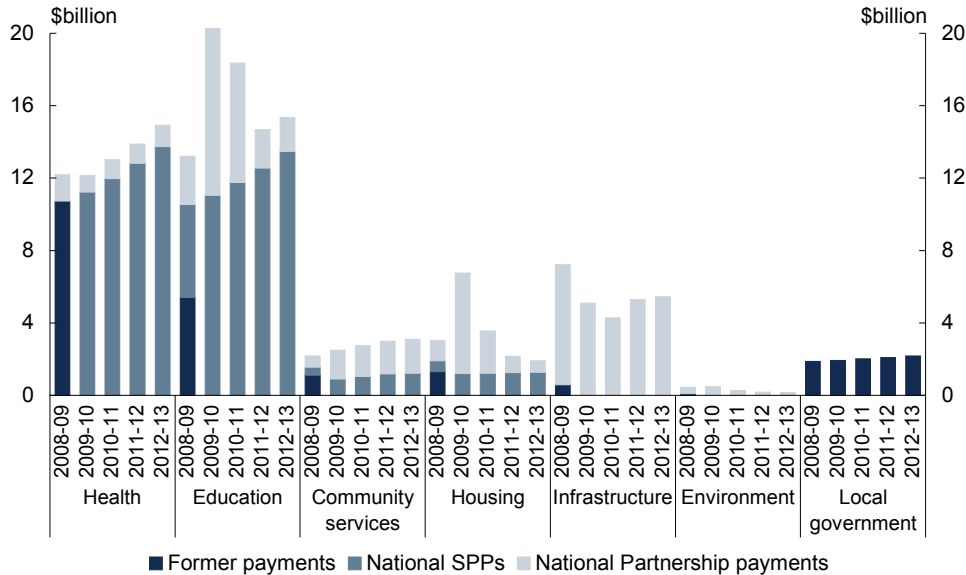
The Commonwealth has significantly increased the amount of funding provided to the States for specific purposes from \$41.9 billion in 2008-09 to \$50.1 billion in 2009-10.

The Commonwealth provides payments to the States for specific purposes to enable important national policy objectives in areas that may be administered by the States to be pursued. These payments cover most functional areas of state and local government activity – including health, education, skills and workforce development, community services, housing, Indigenous reform, infrastructure and environment.

This section outlines payments to the States under the framework for federal financial relations.

Payments for specific purposes are expected to increase on average by 19.4 per cent in 2009-10 compared with 2008-09 (Chart 2.1).

Chart 2.1: Composition of payments for specific purposes



National SPPs

Under the new framework for federal financial relations, many payments have been rationalised into one of the five new National SPPs:

- National Healthcare SPP;
- National Schools SPP;
- National Skills and Workforce Development SPP;
- National Disability Services SPP; and
- National Affordable Housing SPP.

These new National SPPs are the primary way that the Commonwealth supports the States' efforts in delivering services in the major service delivery sectors.

The Intergovernmental Agreement specifies that each National SPP will be on-going and indexed on 1 July 2010 and each year thereafter by a growth factor which is specified in the Intergovernmental Agreement.

Payments made through the year for National SPPs will be advances and based on Commonwealth estimates of the growth factors. A balancing adjustment in respect of

the advances will be made after the end of the financial year once outcome data are available.

The National SPPs will be distributed among the States in accordance with population shares based on the Australian Statistician's determination of States' population shares as at 31 December of that year. In recognition that distributing National SPPs according to population shares will result in a shift in notional payment shares, the new method of distribution will be phased in over five years from 2009-10.

- An equal per capita distribution of National SPPs ensures that all Australians, regardless of the jurisdiction they live in, are provided with the same share of Commonwealth funding support for state service delivery.
- In the case of the government schools component of the National Schools SPP, the relevant population will be each State's share of full-time equivalent student enrolments in government schools.

Box 2.1: National SPPs — expenditure benchmarking

National SPPs are provided under the *Federal Financial Relations Act 2009*. Under the Act, the States are required to spend National SPPs in the sector for which they are paid.

Each state and territory Treasurer is required to report to the Ministerial Council for Federal Financial Relations within six months of the end of each financial year on:

- (a) gross state or territory expenditure in each sector;
- (b) National SPPs received in respect of each sector;
- (c) of the amount referred to in (b), how much was spent in the relevant sector;
and
- (d) any discrepancy between the amounts specified in (b) and (c) above, including a detailed explanation for the discrepancy.

To ensure this condition is met, the Heads of Treasuries will monitor state expenditure in each sector relevant to the National SPPs. So long as States meet these benchmarks, they have full budget flexibility to allocate funds within that sector as they see fit to achieve the mutually-agreed objectives for that sector.

National Partnership payments

The Commonwealth will provide National Partnership payments to the States to support the delivery of specified projects, to facilitate reforms, or to reward those jurisdictions that deliver on nationally-significant reforms. Some payments for specific purposes under the previous federal financial arrangements have become National Partnership project payments.

The Government recognises the need to support the States to undertake priority national reforms. Consequently, when an area emerges as a national priority, National Partnership facilitation payments may be paid in advance of the States implementing reforms. This recognises the administrative and other costs associated with undertaking the reforms.

National Partnership incentive payments can be used to reward those States that deliver reform progress or continuous improvement in service delivery. The National Partnership agreements will set out clear, mutually-agreed and ambitious performance benchmarks that encourage the achievement of far-reaching reforms and continuous improvement in service delivery.

The COAG Reform Council will assess achievement against the performance benchmarks and will make a recommendation as to whether they have been met. The relevant Commonwealth minister will make a determination as to whether the incentive payment will be made.

As part of the federal finances reform package agreed by COAG in November 2008, the Commonwealth and the States implemented several important reform-based National Partnership agreements:

- Hospitals and Health Workforce Reform;
- Preventive Health;
- Taking Pressure off Public Hospitals;
- Smarter Schools – Quality Teaching;
- Smarter Schools – Low Socio-economic Status (SES) School Communities;
- Smarter Schools – Literacy and Numeracy;
- Productivity Places Program;
- Early Childhood Education;
- TAFE Fee Waiver for Childcare Places;

- Indigenous Remote Service Delivery;
- Indigenous Economic Participation;
- Remote Indigenous Housing;
- Indigenous Health;
- Social Housing;
- Homelessness; and
- Seamless National Economy.

TOTAL PAYMENTS FOR SPECIFIC PURPOSES

Total payments to the States for specific purposes constitute a significant proportion of Commonwealth expenditure. In 2009-10, they are estimated to total \$50.1 billion, representing 14.8 per cent of total Commonwealth expenditure.

Total payments for specific purposes, including new National SPPs and National Partnership payments are shown in Table 2.1.

Table 2.1: Total payments for specific purposes, 2008-09 to 2012-13

\$million	2008-09	2009-10	2010-11	2011-12	2012-13
Health	12,179	12,153	13,022	13,872	14,918
Education	13,212	21,138	18,351	14,672	15,350
Community services	2,284	2,496	2,746	2,992	3,089
Housing	3,031	6,751	3,558	2,160	1,906
Infrastructure	7,204	5,099	4,265	5,286	5,442
Environment	448	479	260	174	154
Local government	2,352	1,441	2,018	2,091	2,181
Other	1,349	519	278	491	526
Total payments for specific purposes	42,058	50,076	44,499	41,737	43,565

HEALTH

In 2009-10, the States will receive \$12.2 billion in payments from the Commonwealth for health services, including \$2.1 billion over five years for health services as part of the COAG reform package agreed on 29 November 2008. This includes:

- an additional \$500 million in recurrent base funding in 2008-09 for the National Healthcare SPP – the Government is also providing a new indexation formula, which will deliver an estimated indexation rate of 6.7 per cent in 2010-11;
- a \$1.4 billion package of reforms under the *National Partnership Agreement on Hospital and Health Workforce*, including \$150 million for activity-based funding, \$750 million in 2008-09 to relieve pressure on public hospital emergency departments and \$500 million in 2008-09 to enhance sub-acute care services; and
- funding of \$800 million over six years from 2009-10 under the *National Partnership Agreement on Preventive Health* to address the rising prevalence of lifestyle-related chronic diseases.

Policy decisions included in this Budget that will be implemented through National Partnership payments include:

- \$3 billion over seven years from 2008-09 under the Health and Hospital Fund on three reform priorities: expanding and modernising key public hospitals; funding infrastructure to deliver nationally consistent cancer services; and investing in translational research;
- \$4 million over three years from 2010-11 for the Northern Territory Medical School;
- \$16 million over four years to the Queensland government to continue to provide health care to Papua New Guinean nationals in Queensland's public hospitals under the Torres Strait Treaty;
- \$4 million over four years for the Torres Strait Islander health protection strategy to continue mosquito control and eradication in the region; and
- \$2 million over three years to fund health infrastructure projects in Tasmania..

The Torres Strait Islander health protection strategy and the Tasmanian health infrastructure fund payments have been integrated into the National Partnership for Health Services and the National Partnership for Health Infrastructure, respectively. Further information on these two policy decisions is included in Budget Paper No. 2, *Budget Measures 2009-10*.

From 1 July 2009, the Government will provide a financial contribution to support state health services under the new National Healthcare SPP, including an additional

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\$500 million in recurrent base funding from 2008-09 and new indexation arrangements. The National Healthcare SPP will also incorporate the following payments under the previous payment arrangements:

- \$10.3 billion in 2008-09 under the Australian Health Care Agreements, which assist in the provision of public hospital services free of charge to eligible individuals;
- \$239 million in 2008-09 in broad-banded payments and other arrangements under the national public health program, to provide subsidies for health promotion and disease prevention – covering areas such as women’s health, cancer screening, and AIDS control and drug strategies;
- \$8 million in 2008-09 for the service delivery component of the essential vaccines program for the delivery of immunisation vaccines; and
- \$3 million in 2008-09 under the Youth health services program to develop and implement innovative primary health care services for homeless and at-risk youth.

Table 2.2 provides information on payments to support state health services, including the new National Partnership payments and existing payments, including those that will be paid under the Health Infrastructure or Health Services National Partnerships.

Table 2.2: Payments to the States to support health services

\$million	2008-09	2009-10	2010-11	2011-12	2012-13
National Healthcare SPP	-	11,224.2	11,978.4	12,819.9	13,747.2
Healthcare grants	10,257.0	-	-	-	-
National public health	239.3	-	-	-	-
Youth health services	2.6	-	-	-	-
Essential vaccines (service delivery)	7.8	-	-	-	-
National Partnership payments					
Health and hospital workforce reform	1,286.5	-	-	41.4	55.5
Preventive health	-	2.5	8.5	74.5	136.0
Health and Hospital Fund	109.2	234.0	275.4	382.7	469.0
Commonwealth dental health program	-	46.0	94.3	99.0	50.7
Elective surgery waiting list reduction program	155.0	150.0	220.0	-	-
Essential vaccines	-	324.2	329.1	335.0	340.4
Indigenous early childhood development	-	15.0	19.8	22.8	23.8
Health infrastructure	58.0	41.2	8.3	5.8	2.3
Health services	59.1	83.3	87.7	89.2	91.1
NT medical school funding contribution	-	-	0.5	1.6	2.2
Repatriation general hospitals	2.1	14.3	-	-	-
Health program grants	..	-	-	-	-
Organ transplantation services	2.1	18.2	-	-	-
Total	12,178.8	12,152.9	13,022.0	13,871.9	14,918.2

National Healthcare SPP

The Commonwealth will provide a financial contribution to support state healthcare services. This funding includes a \$500 million increase in recurrent base funding for 2008-09 and a new rate of indexation, placing public hospital funding on a more sustainable footing. The 2009-10 base funding for the National Healthcare SPP will be provided on an on-going basis and indexed from 1 July 2010 by a growth factor.

The additional funding will be used to improve health outcomes for all Australians and the sustainability of the health system, including with respect to prevention, primary and community health, hospital and related care, aged care, patient experience, promoting social inclusion and improving Indigenous health.

Table 2.3: National Healthcare SPP

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2008-09	-	-	-	-	-	-	-	-	-
2009-10	3,711.0	2,710.7	2,206.4	1,135.6	920.2	246.1	148.6	145.6	11,224.2
2010-11	3,928.7	2,906.3	2,382.6	1,224.2	957.8	263.6	165.6	149.6	11,978.4
2011-12	4,169.8	3,126.0	2,580.1	1,323.7	999.2	282.9	184.5	153.7	12,819.9
2012-13	4,439.6	3,371.2	2,792.6	1,430.1	1,046.2	304.6	205.1	157.9	13,747.2

Growth factor

The Intergovernmental Agreement defines the growth factor for the National Healthcare SPP as the product of:

- a health-specific cost index (the Australian Institute of Health and Welfare health price index);
- the growth in population estimates weighted for hospital utilisation; and
- a technology factor (the Productivity Commission-derived index of technology growth).

In November 2008, the growth factor was estimated at 7.3 per cent per annum. The growth factor is estimated to fall to 6.7 per cent in 2010-11, mainly due to a decrease in the estimate of the health-specific cost index. However, the payment for 2009-10 is provided for in the *Federal Financial Relations Act 2009* and will not change from the estimate that was agreed by COAG in November 2008.

The Commonwealth will provide advances to the States in respect of the National SPPs, based on estimates of the growth factor. Once outcomes data for each component of the growth factor is available, a balancing adjustment will be made to ensure that the States receive their correct entitlement.

National Partnership on Hospital and Health Workforce Reform

The Commonwealth will provide \$3.0 billion over 5 years from 2008-09 under the *National Partnership Agreement on Hospital and Health Workforce Reform*. This National Partnership aims to improve the efficiency of public hospital services, enhance health workforce capability and supply, increase the volume and quality of sub-acute care services, and improve the operations of emergency departments. It will support an efficient and effective public hospital system that delivers high-quality and safe services to patients.

The outputs of this National Partnership include a nationally consistent approach to activity-based funding of public hospital services, increased capacity and productivity for the health workforce, enhanced sub-acute care services and better outcomes for emergency department patients.

Table 2.4: Estimated payments for the National Partnership on Hospital and Health Workforce Reform

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
Payments to the States									
2008-09	425.0	316.1	250.1	127.5	104.9	30.0	18.2	14.7	1,286.5
2009-10	-	-	-	-	-	-	-	-	-
2010-11	-	-	-	-	-	-	-	-	-
2011-12	12.3	11.0	7.0	4.1	3.6	1.2	1.0	1.2	41.4
2012-13	16.5	14.7	9.4	5.5	4.8	1.7	1.3	1.7	55.5
Commonwealth own-purpose expense									
2008-09									-
2009-10									166.0
2010-11									294.8
2011-12									338.4
2012-13									320.2
State contribution									
2008-09	-	-	-	-	-	-	-	-	-
2009-10	23.3	17.7	14.3	7.2	5.4	1.7	1.2	0.7	71.5
2010-11	47.9	36.4	29.3	14.8	11.0	3.4	2.4	1.5	146.7
2011-12	49.9	37.9	30.6	15.4	11.5	3.6	2.5	1.6	152.9
2012-13	54.9	41.7	33.6	17.0	12.6	3.9	2.7	1.7	168.2
Total									
2008-09	425.0	316.1	250.1	127.5	104.9	30.0	18.2	14.7	1,286.5
2009-10	23.3	17.7	14.3	7.2	5.4	1.7	1.2	0.7	237.5
2010-11	47.9	36.4	29.3	14.8	11.0	3.4	2.4	1.5	441.5
2011-12	62.2	48.9	37.6	19.6	15.1	4.8	3.4	2.8	532.7
2012-13	71.3	56.4	43.0	22.5	17.4	5.6	4.0	3.4	543.9

Note: In addition, the Commonwealth will incur flow-on costs to the Medicare Benefits Schedule and Pharmaceutical Benefits Scheme as a result of the measure.

Activity-based funding

In addition to its own-purpose funding for national leadership and coordination, the Commonwealth will provide funding to the States to assist with the development and implementation of nationally consistent activity-based funding for public hospital services. Activity-based funding is a management tool that has the potential to enhance public accountability and drive technical efficiency in the delivery of health services.

Table 2.5: Estimated payments to the States for activity-based funding

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2008-09	10.8	9.7	6.2	3.6	3.2	1.1	0.9	1.1	36.5
2009-10	-	-	-	-	-	-	-	-	-
2010-11	-	-	-	-	-	-	-	-	-
2011-12	12.3	11.0	7.0	4.1	3.6	1.2	1.0	1.2	41.4
2012-13	16.5	14.7	9.4	5.5	4.8	1.7	1.3	1.7	55.5

Taking pressure off public hospitals

The Commonwealth will provide \$750 million to the States to improve the operations of emergency departments. This funding will relieve some of the pressure on public hospitals, while initiatives to improve the efficiency of public hospitals and the primary care reforms of the Commonwealth are implemented.

Table 2.6: Estimated payments to the States for taking pressure off public hospitals

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2008-09	248.6	181.3	146.7	75.3	61.8	16.6	10.0	9.8	750.0
2009-10	-	-	-	-	-	-	-	-	-
2010-11	-	-	-	-	-	-	-	-	-
2011-12	-	-	-	-	-	-	-	-	-
2012-13	-	-	-	-	-	-	-	-	-

Sub-acute care

In addition, the Commonwealth will provide funding of \$500 million to the States for the enhancement of sub-acute care services. This funding will assist the States to expand the volume and quality of the sub-acute care services in hospital and community settings, and better address regional availability.

Table 2.7: Estimated payments to the States for sub-acute care

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2008-09	165.7	125.1	97.3	48.6	40.0	12.2	7.3	3.8	500.0
2009-10	-	-	-	-	-	-	-	-	-
2010-11	-	-	-	-	-	-	-	-	-
2011-12	-	-	-	-	-	-	-	-	-
2012-13	-	-	-	-	-	-	-	-	-

National Partnership on Preventive Health

The Commonwealth will provide \$872.1 million over six years from 2009-10 for the *National Partnership Agreement on Preventive Health*. This National Partnership has been established to address the rising prevalence of lifestyle-related chronic diseases. It will lay the foundations for healthy behaviours in the daily lives of Australians, including instituting programs across the risk factors related to smoking, nutrition, alcohol, and physical activity.

The National Partnership will contribute to increasing the proportion of children and adults at healthy body weight and meeting national guidelines for healthy eating and physical activity; reducing the proportion of adults smoking daily; and reducing harmful consumption of alcohol. This will be achieved through the delivery of a range of programs related to healthy children, workers and communities, as well as partnerships with industry, enabling infrastructure and social marketing campaigns.

Table 2.8: Estimated payments for the National Partnership on Preventive Health

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
Payments to the States									
2008-09	-	-	-	-	-	-	-	-	-
2009-10	0.8	0.6	0.5	0.3	0.2	0.1	0.0	0.0	2.5
2010-11	2.8	2.1	1.7	0.9	0.6	0.2	0.1	0.1	8.5
2011-12	24.1	18.2	15.2	7.8	5.4	1.7	1.3	0.9	74.6
2012-13	44.0	33.2	27.8	14.2	9.8	3.2	2.3	1.6	136.0
Commonwealth own-purpose expense									
2008-09	-	-	-	-	-	-	-	-	-
2009-10	-	-	-	-	-	-	-	-	15.1
2010-11	-	-	-	-	-	-	-	-	58.5
2011-12	-	-	-	-	-	-	-	-	70.8
2012-13	-	-	-	-	-	-	-	-	82.3
Total									
2008-09	-	-	-	-	-	-	-	-	-
2009-10	-	-	-	-	-	-	-	-	17.61
2010-11	0.8	0.6	0.5	0.3	0.2	0.1	0.0	0.0	17.6
2011-12	2.8	2.1	1.7	0.9	0.6	0.2	0.1	0.1	67.1
2012-13	24.1	18.2	15.2	7.8	5.4	1.7	1.3	0.9	145.3

Note: The National Partnership agreement provides funding over the six years from 2009-10 to 2014-15.

Healthy children

The Commonwealth will provide funding for the States to deliver a range of programs for children, covering physical activity, healthy eating and prevention in settings such as child care centres, pre-schools and schools. The payments to the States for healthy children programs will be structured as 50 per cent facilitation payment and 50 per cent reward payment.

Table 2.9: Estimated payments to the States for healthy children

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2008-09	-	-	-	-	-	-	-	-	-
2009-10	-	-	-	-	-	-	-	-	-
2010-11	-	-	-	-	-	-	-	-	-
2011-12	10.7	7.8	6.7	3.3	2.3	0.8	0.5	0.4	32.5
2012-13	21.3	15.7	13.3	6.6	4.6	1.6	1.0	0.8	64.9

Healthy workers

In addition to developing a national healthy workplace charter with peak employer groups, the Commonwealth will provide funding to the States to facilitate the delivery of healthy living programs in workplaces, covering topics such as physical activity, healthy eating, harmful consumption of alcohol and smoking cessation. The payments to the States will be structured as 50 per cent facilitation payment and 50 per cent reward payment.

Table 2.10: Estimated payments to the States for healthy workers

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2008-09	-	-	-	-	-	-	-	-	-
2009-10	-	-	-	-	-	-	-	-	-
2010-11	-	-	-	-	-	-	-	-	-
2011-12	10.7	8.3	6.9	3.6	2.5	0.7	0.6	0.4	33.6
2012-13	19.9	15.4	12.8	6.7	4.6	1.4	1.1	0.7	62.6

Social marketing

In addition to funding a social marketing campaign to extend and complement the Australian Better Health Initiative campaign, the Commonwealth will fund the States to provide reinforcing local activities. These payments will be provided as facilitation payments.

Table 2.11: Estimated payments to the States for social marketing

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2008-09	-	-	-	-	-	-	-	-	-
2009-10	-	-	-	-	-	-	-	-	-
2010-11	2.0	1.5	1.2	0.6	0.5	0.1	0.1	0.1	6.0
2011-12	2.0	1.5	1.2	0.6	0.5	0.1	0.1	0.1	6.0
2012-13	2.0	1.5	1.2	0.6	0.5	0.1	0.1	0.1	6.0

Enabling infrastructure

In addition to establishing a national preventive health agency and expanding the National Nutrition and Physical Activity Survey, the Commonwealth will fund the States to support soft infrastructure, such as a complementary system of more frequent health, nutrition and physical activity monitoring surveys. The payments will be provided as facilitation payments.

Table 2.12: Estimated payments to the States for enabling infrastructure

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2008-09	-	-	-	-	-	-	-	-	-
2009-10	0.8	0.6	0.5	0.3	0.2	0.1	..	..	2.5
2010-11	0.8	0.6	0.5	0.3	0.2	0.1	..	..	2.5
2011-12	0.8	0.6	0.5	0.3	0.2	0.1	..	..	2.5
2012-13	0.8	0.6	0.5	0.3	0.2	0.1	..	..	2.5

National Partnership on Closing the Gap in Indigenous Health Outcomes

The Commonwealth will provide \$805.5 million over four years under the *National Partnership Agreement on Closing the Gap in Indigenous Health Outcomes*. This National Partnership addresses the targets set by COAG, including to close the gap in life expectancy between Indigenous and non-Indigenous Australians within a generation. It implements initiatives with respect to preventive health, primary health care and hospitals and hospital-related care that also improve continuity of care for Indigenous patients.

The National Partnership is centred on five priority areas related to tackling smoking, delivering effective primary healthcare services, fixing the gaps and improving the patient journey through the health system, providing a healthy transition to adulthood and making Indigenous health everyone's business.

National Partnership for Health Infrastructure

Several payments will be integrated into a *National Partnership for Health Infrastructure*.

Tasmanian health package

The Commonwealth will provide funding to improve health services in Tasmania. The Tasmanian package includes expanded radiation oncology services in north/north west Tasmania, increased patient transport and accommodation services through the Tasmanian Patient Transport Initiative and investment in the Launceston Integrated Care Centre.

Table 2.13: Estimated payments for the Tasmanian health package

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2008-09	-	-	-	-	-	20.1	-	-	20.1
2009-10	-	-	-	-	-	5.5	-	-	5.5
2010-11	-	-	-	-	-	4.1	-	-	4.1
2011-12	-	-	-	-	-	1.9	-	-	1.9
2012-13	-	-	-	-	-	1.0	-	-	1.0

Tasmanian health package — PET scanner for the Royal Hobart Hospital

The Commonwealth will provide funding for the purchase of a positron emission tomography (PET) scanner at Royal Hobart Hospital.

Table 2.14: Estimated payments for the Tasmanian health package — PET scanner for the Royal Hobart Hospital

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2008-09	-	-	-	-	-	-	-	-	-
2009-10	-	-	-	-	-	3.5	-	-	3.5
2010-11	-	-	-	-	-	-	-	-	-
2011-12	-	-	-	-	-	-	-	-	-
2012-13	-	-	-	-	-	-	-	-	-

PET scanner for Calvary Mater Hospital, Newcastle

The Commonwealth will provide funding for the purchase of a PET scanner at Calvary Mater Newcastle Hospital. This will complement the Hunter New England region's major centre for oncology services.

Table 2.15: Estimated payments to New South Wales for a PET scanner for the Calvary Mater Hospital

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2008-09	0.4	-	-	-	-	-	-	-	0.4
2009-10	1.1	-	-	-	-	-	-	-	1.1
2010-11	-	-	-	-	-	-	-	-	-
2011-12	-	-	-	-	-	-	-	-	-
2012-13	-	-	-	-	-	-	-	-	-

PET scanner for the Westmead Hospital, Sydney

The Commonwealth will provide funding to New South Wales for the provision of PET services and research.

Table 2.16: Estimated payments to New South Wales for a PET scanner for the Westmead Hospital

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2008-09	1.3	-	-	-	-	-	-	-	1.3
2009-10	1.3	-	-	-	-	-	-	-	1.3
2010-11	1.3	-	-	-	-	-	-	-	1.3
2011-12	1.3	-	-	-	-	-	-	-	1.3
2012-13	1.3	-	-	-	-	-	-	-	1.3

Olivia Newton-John Cancer Centre, Melbourne

The Commonwealth will contribute funding towards the establishment of the Olivia Newton-John Cancer Centre at the Austin Hospital, Melbourne. The centre will be a purpose-built facility that will combine cancer treatment services with the clinical research programs currently run by Austin Health and the International Ludwig Institute for Cancer Research.

Table 2.17: Estimated payments to Victoria for the Olivia Newton-John Cancer Centre

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2008-09	-	5.0	-	-	-	-	-	-	5.0
2009-10	-	10.0	-	-	-	-	-	-	10.0
2010-11	-	-	-	-	-	-	-	-	-
2011-12	-	-	-	-	-	-	-	-	-
2012-13	-	-	-	-	-	-	-	-	-

Children's cancer centre, Adelaide

The Commonwealth will provide funding to South Australia for the construction of a purpose-built children's cancer centre at the Women's and Children's Hospital in Adelaide. The new centre will establish a fully integrated, dedicated children's cancer facility that will provide state-of-the-art care and treatment facilities.

Table 2.18: Estimated payments to South Australia for the children's cancer centre

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2008-09	-	-	-	-	3.0	-	-	-	3.0
2009-10	-	-	-	-	12.0	-	-	-	12.0
2010-11	-	-	-	-	-	-	-	-	-
2011-12	-	-	-	-	-	-	-	-	-
2012-13	-	-	-	-	-	-	-	-	-

Lismore integrated cancer centre

The Commonwealth will contribute funding to bring forward the completion of the integrated cancer centre at the Lismore Base Hospital to March 2010. The integrated cancer centre will be a purpose-built facility offering a range of cancer treatments including a radiation oncology service.

Table 2.19: Estimated payments to New South Wales for the Lismore integrated cancer centre

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2008-09	3.5	-	-	-	-	-	-	-	3.5
2009-10	3.5	-	-	-	-	-	-	-	3.5
2010-11	-	-	-	-	-	-	-	-	-
2011-12	-	-	-	-	-	-	-	-	-
2012-13	-	-	-	-	-	-	-	-	-

Cairns Base Hospital chemotherapy cancer initiative

The Commonwealth will provide funding toward the Cairns Base Hospital chemotherapy initiative.

Table 2.20: Estimated payments to Queensland for the Cairns Base Hospital chemotherapy cancer initiative

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2008-09	-	-	0.5	-	-	-	-	-	0.5
2009-10	-	-	-	-	-	-	-	-	-
2010-11	-	-	-	-	-	-	-	-	-
2011-12	-	-	-	-	-	-	-	-	-
2012-13	-	-	-	-	-	-	-	-	-

Cairns integrated cancer centre

The Commonwealth will contribute funding towards the establishment of an integrated cancer centre at the Cairns Hospital. The integrated cancer centre will be a purpose-built facility offering a range of cancer treatments including a radiation oncology service.

Table 2.21: Estimated payments to Queensland for the Cairns integrated cancer centre

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2008-09	-	-	1.0	-	-	-	-	-	1.0
2009-10	-	-	3.3	-	-	-	-	-	3.3
2010-11	-	-	2.0	-	-	-	-	-	2.0
2011-12	-	-	2.0	-	-	-	-	-	2.0
2012-13	-	-	-	-	-	-	-	-	-

Health infrastructure projects in Tasmania

The Commonwealth will provide funding to Tasmania to upgrade chemotherapy and cancer facilities in north-west Tasmania, with a focus on the North West Region Hospital at Burnie. Funding will also be provided to upgrade a portion of the additional patient accommodation proposed for Launceston.

Table 2.22: Estimated payments to Tasmania for health infrastructure projects

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2008-09	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2009-10	0.0	0.0	0.0	0.0	0.0	0.9	0.0	0.0	0.9
2010-11	0.0	0.0	0.0	0.0	0.0	0.9	0.0	0.0	0.9
2011-12	0.0	0.0	0.0	0.0	0.0	0.6	0.0	0.0	0.6
2012-13	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Health infrastructure grants

This program covers a number of grants paid in 2008-09 including:

- \$1 million to upgrade the Bacchus Marsh and Melton Regional Hospitals in Victoria;
- \$1 million to support the purchase of a computed tomography (CT) scanner and ultrasound machine for the Kempsey District Hospital in New South Wales;
- \$4 million for the purchase of an MRI unit and other supporting equipment as well as contributing towards associated building works at the Cairns Base Hospital in Queensland; and
- \$5 million for a renal dialysis unit in the North Lakes Health Precinct.

Table 2.23: Estimated payments to the States for health infrastructure grants

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2008-09	1.0	1.0	9.0	-	-	-	-	-	11.0
2009-10	-	-	-	-	-	-	-	-	-
2010-11	-	-	-	-	-	-	-	-	-
2011-12	-	-	-	-	-	-	-	-	-
2012-13	-	-	-	-	-	-	-	-	-

National Partnership for Health Services

Several payments will be integrated into a *National Partnership for Health Services*.

Healthy kids health checks

The Commonwealth will provide funding to the States for the healthy kids health check program. The program will support medical practitioners and practice nurses to undertake healthy kids health checks to ensure every four-year-old child in Australia has a basic health check to see if they are healthy, fit and ready to learn when they start school. The program will promote early detection of lifestyle risk factors, delayed development and illness, and introduce guidance for healthy lifestyles and early intervention strategies.

Table 2.24: Estimated payments to the States for healthy kids health checks

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2008-09	0.6	0.4	0.4	0.2	0.2	0.1	0.1	0.1	1.9
2009-10	0.5	0.4	0.3	0.2	0.1	0.1	0.1	0.1	1.7
2010-11	0.5	0.4	0.3	0.2	0.1	0.1	0.1	0.1	1.8
2011-12	0.6	0.4	0.4	0.2	0.2	0.1	0.1	0.1	1.9
2012-13	0.6	0.4	0.4	0.2	0.2	0.1	0.1	0.1	1.9

Reducing rheumatic heart fever for Indigenous children

The Commonwealth will provide funding to support disease registers and control programs for acute rheumatic fever and rheumatic heart disease to reduce rheumatic heart fever for Indigenous children.

Table 2.25: Estimated payments to the States for reducing rheumatic heart fever for Indigenous children

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2008-09	-	-	0.4	0.4	-	-	-	0.4	1.1
2009-10	-	-	0.8	0.8	-	-	-	0.8	2.3
2010-11	-	-	0.8	0.8	-	-	-	0.8	2.4
2011-12	-	-	0.8	0.8	-	-	-	0.8	2.4
2012-13	-	-	0.8	0.8	-	-	-	0.8	2.5

National bowel cancer screening program

The Commonwealth will provide funding to the States to support follow-up for national bowel cancer screening program participants with a positive test result. The second phase of the program commenced on 1 July 2008 and offers testing to people turning 50, 55 or 65 years of age between January 2008 and December 2010. The program is being phased in gradually to help ensure that health services, such as colonoscopy and treatment services, are able to meet any increased demand.

Table 2.26: Estimated payments to the States for the national bowel cancer screening program

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2008-09	0.6	0.4	0.4	0.2	0.1	0.1	0.1	0.1	2.0
2009-10	0.6	0.4	0.4	0.2	0.1	0.1	0.1	0.1	2.0
2010-11	0.6	0.4	0.4	0.2	0.1	0.1	0.1	0.1	2.0
2011-12	-	-	-	-	-	-	-	-	-
2012-13	-	-	-	-	-	-	-	-	-

National perinatal depression Initiative

The Commonwealth will provide funding to the States for the national perinatal depression initiative. The initiative aims to improve prevention and early detection of antenatal and postnatal depression and provide better support and treatment for expectant and new mothers experiencing depression.

Table 2.27: Estimated payments to the States for the national perinatal depression initiative

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2008-09	0.5	0.4	0.3	0.2	0.1	0.1	0.1	0.1	1.8
2009-10	1.0	0.8	0.7	0.4	0.3	0.1	0.1	0.1	3.6
2010-11	1.8	1.5	1.3	0.8	0.5	0.2	0.2	0.2	6.4
2011-12	2.7	2.3	1.9	1.2	0.7	0.3	0.2	0.3	9.5
2012-13	2.5	2.1	1.7	1.1	0.6	0.3	0.2	0.3	8.7

Victorian cytology service

The Commonwealth will provide funding for the Victorian cytology service. The service is a Government-funded pathology laboratory, responsible for reporting cervical cytology tests.

Table 2.28: Estimated payments to Victoria for the Victorian cytology service

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2008-09	-	-	-	-	-	-	-	-	-
2009-10	-	7.0	-	-	-	-	-	-	7.0
2010-11	-	7.3	-	-	-	-	-	-	7.3
2011-12	-	7.7	-	-	-	-	-	-	7.7
2012-13	-	8.1	-	-	-	-	-	-	8.1

OzFoodNet

The Commonwealth will provide funding for OzFoodNet. OzFoodNet is a collaborative initiative with state health authorities for enhanced food-borne disease surveillance to provide a better understanding of the causes and incidence of food-borne disease in the community and to provide an evidence base for policy formulation. Enhanced food-borne disease surveillance has been recognised by the World Health Organization and many countries around the world as an essential tool to help reduce the global burden of food-borne disease.

Table 2.29: Estimated payments to the States for OzFoodNet

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2008-09	0.3	0.2	0.2	0.2	0.2	0.2	0.1	0.1	1.6
2009-10	0.3	0.2	0.2	0.2	0.2	0.2	0.1	0.1	1.6
2010-11	0.3	0.2	0.2	0.2	0.2	0.2	0.1	0.1	1.6
2011-12	0.3	0.2	0.2	0.2	0.2	0.2	0.1	0.1	1.6
2012-13	0.3	0.2	0.2	0.2	0.2	0.2	0.1	0.1	1.6

Pneumococcal disease surveillance

The Commonwealth will provide funding for the vaccine-preventable pneumococcal disease surveillance program. The program will measure the incidence of pneumococcal disease in the community and provide an evidence base for policy formulation.

Table 2.30: Estimated payments to the States for pneumococcal disease surveillance

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2008-09	-	..	-	-	0.1	0.2
2009-10	-	..	-	-	0.1	0.2
2010-11	-	..	-	-	0.1	0.2
2011-12	-	..	-	-	0.1	0.2
2012-13	-	..	-	-	0.1	0.2

Vaccine-preventable diseases surveillance program

The Commonwealth will provide funding for the vaccine-preventable diseases surveillance program. The program will measure the incidence of selected vaccine-preventable diseases in the community and provide an evidence base for policy formulation.

Table 2.31: Estimated payments to the States for vaccine-preventable diseases surveillance program

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2008-09	-	-	-	-	-	-	-	-	-
2009-10	0.2	0.1	0.2	0.1	..	..	..	..	0.6
2010-11	0.2	0.1	0.2	0.1	..	..	..	..	0.6
2011-12	0.2	0.1	0.2	0.1	..	..	..	..	0.6
2012-13	0.2	0.1	0.2	0.1	..	..	..	..	0.6

National public health — human quarantine services

The Commonwealth will provide funding for the provision of human quarantine services to support the implementation of health measures at our international borders. The aim of these health measures is to manage the risk of travellers bringing designated quarantinable diseases into Australia.

Table 2.32: Estimated payments to the States for human quarantine services

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2008-09	0.1
2009-10	0.1
2010-11	0.1
2011-12	0.1
2012-13	0.1

Royal Darwin Hospital — equipped, prepared and ready

The Commonwealth will provide funding for the provision of the National Critical Care and Trauma Response Centre at Royal Darwin Hospital and to maintain it in a state of readiness to respond to a major incident in the region.

Table 2.33: Estimated payments to the Northern Territory for Royal Darwin Hospital — equipped, prepared and ready

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2008-09	-	-	-	-	-	-	-	13.7	13.7
2009-10	-	-	-	-	-	-	-	14.0	14.0
2010-11	-	-	-	-	-	-	-	14.2	14.2
2011-12	-	-	-	-	-	-	-	14.5	14.5
2012-13	-	-	-	-	-	-	-	14.8	14.8

Health care grants for the Torres Strait

The Commonwealth will provide funding to assist in providing health services to Papua New Guinea citizens exercising their right to move freely across the Torres Strait.

Table 2.34: Estimated payments to Queensland for health care grants for the Torres Strait

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2008-09	-	-	-	-	-	-	-	-	-
2009-10	-	-	3.8	-	-	-	-	-	3.8
2010-11	-	-	4.0	-	-	-	-	-	4.0
2011-12	-	-	4.2	-	-	-	-	-	4.2
2012-13	-	-	4.4	-	-	-	-	-	4.4

Torres Strait Islander health protection strategy — mosquito control

The Government will provide funding to Queensland to assist in mosquito detection and eradication in the region.

Table 2.35: Estimated payments for the Torres Strait Islander health protection strategy – mosquito control

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2008-09	-	-	-	-	-	-	-	-	-
2009-10	-	-	0.9	-	-	-	-	-	0.9
2010-11	-	-	0.9	-	-	-	-	-	0.9
2011-12	-	-	0.9	-	-	-	-	-	0.9
2012-13	-	-	0.9	-	-	-	-	-	0.9

Sexual assault counselling in remote Northern Territory areas

The Commonwealth will provide funding to the Northern Territory to assist Indigenous communities affected by sexual assault-related trauma. Small teams of professionally qualified counsellors and Aboriginal sexual assault workers will provide culturally safe mobile outreach services to children, families and communities in remote Northern Territory communities from regionally-based sexual assault referral centres in Tennant Creek, Darwin, Katherine and Alice Springs.

Table 2.36: Estimated payments to the Northern Territory for sexual assault counselling in remote Northern Territory areas

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2008-09	-	-	-	-	-	-	-	1.5	1.5
2009-10	-	-	-	-	-	-	-	1.4	1.4
2010-11	-	-	-	-	-	-	-	1.4	1.4
2011-12	-	-	-	-	-	-	-	1.5	1.5
2012-13	-	-	-	-	-	-	-	-	-

Satellite renal dialysis facilities in remote Northern Territory communities

The Commonwealth will provide funding to the Northern Territory to improve access to renal dialysis services for remote communities in the Northern Territory, to help reduce the pressure on existing renal services. In the Northern Territory, Aboriginal and Torres Strait Islander people have an incidence of end-stage renal disease 28 times higher than that for non-Indigenous Australians.

Table 2.37: Estimated payments to the Northern Territory for satellite renal dialysis facilities in remote Northern Territory communities

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2008-09	-	-	-	-	-	-	-	1.2	1.2
2009-10	-	-	-	-	-	-	-	0.6	0.6
2010-11	-	-	-	-	-	-	-	-	-
2011-12	-	-	-	-	-	-	-	-	-
2012-13	-	-	-	-	-	-	-	-	-

Supporting nurses to return to the workforce

The Commonwealth will provide funding to encourage qualified nurses to return to the nursing workforce in the public health system. This is part of the bringing nurses back into the workforce program to provide places for 7,750 extra nurses and midwives in the public and private sectors and 1,000 nurses in the aged care sector.

Table 2.38: Estimated payments to the States for supporting nurses to return to the workforce

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2008-09	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2009-10	1.2	0.8	0.7	0.3	0.3	0.1	0.0	0.0	3.4
2010-11	2.1	1.6	1.2	0.6	0.5	0.1	0.1	0.1	6.2
2011-12	2.4	1.8	1.5	0.7	0.6	0.1	0.1	0.1	7.4
2012-13	2.9	2.2	1.7	0.9	0.6	0.2	0.1	0.1	8.8

Helping public patients in public hospitals waiting for nursing homes

The Commonwealth will provide funding to assist long-stay older patients in public hospitals who no longer require acute care or rehabilitation and who are waiting for residential aged care. The funding enables the States to provide a range of services relevant to their own service systems, to enhance the care of older people in public hospitals and reduce the risk of hospitalisation.

Table 2.39: Estimated payments to the States for helping public patients in public hospitals waiting for nursing homes

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2008-09	12.8	8.1	6.5	4.0	4.5	1.0	0.3	0.3	37.5
2009-10	13.0	9.5	6.8	3.3	3.3	1.0	0.3	0.3	37.5
2010-11	13.0	9.5	6.8	3.3	3.3	1.0	0.3	0.3	37.5
2011-12	13.0	9.5	6.8	3.3	3.3	1.0	0.3	0.3	37.5
2012-13	13.0	9.5	6.8	3.3	3.3	1.0	0.3	0.3	37.5

Other National Partnership payments for health

Essential vaccines

The Commonwealth will provide funding for essential vaccines for immunisation to be included in the National Vaccine Schedule. The essential vaccines program was intended to be a Commonwealth own-purpose expense from 1 July 2009. To allow time for the Commonwealth to enter into centralised purchasing arrangements for individual vaccines, this program will be paid as a National Partnership payment to the States. The Commonwealth will negotiate a National Partnership agreement which provides for the transition of this program to a Commonwealth own-purpose expense.

Table 2.40: Estimated payments to the States for essential vaccines

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2008-09	-	-	-	-	-	-	-	-	-
2009-10	98.1	83.3	70.5	31.5	24.7	7.3	4.9	3.9	324.2
2010-11	99.2	84.6	71.7	32.2	25.0	7.4	4.9	4.0	329.1
2011-12	100.6	86.3	73.1	33.0	25.4	7.5	5.0	4.1	335.0
2012-13	101.8	87.7	74.6	33.7	25.8	7.5	5.1	4.2	340.4

Organ transplantation services

The Commonwealth will meet its future payment commitments to the States in respect of organ transplantation by providing a single payment in 2008-09 and ceasing future annual payments.

Under long-standing arrangements, the Commonwealth reimburses New South Wales and South Australia for 40 per cent of the cost of certain organ and tissue transplantation-related services that are conducted by the Australian Red Cross Blood Service.

Table 2.41: Estimated payments to the States for organ transplantation services

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2008-09	1.6	-	-	-	0.5	-	-	-	2.1
2009-10	13.7	-	-	-	4.6	-	-	-	18.2
2010-11	-	-	-	-	-	-	-	-	-
2011-12	-	-	-	-	-	-	-	-	-
2012-13	-	-	-	-	-	-	-	-	-

Repatriation general hospitals

The Commonwealth will meet its future payment commitments to the States in respect of repatriation general hospitals by providing a single payment in 2008-09 and ceasing future annual payments. The final payment represents the present value of the stream of future annual payment.

The Commonwealth provides funds for payments of a non-treatment nature (for example, staff transfer costs such as accrued leave credits, income maintenance,

superannuation differential) to the States in accordance with agreements reached on integration of repatriation general hospitals.

Table 2.42: Estimated payments to the States for repatriation general hospitals

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2008-09	0.9	0.1	-	-	1.0	0.2	-	-	2.1
2009-10	6.3	0.4	-	-	6.5	1.1	-	-	14.3
2010-11	-	-	-	-	-	-	-	-	-
2011-12	-	-	-	-	-	-	-	-	-
2012-13	-	-	-	-	-	-	-	-	-

Northern Territory Medical School — funding contribution

The Commonwealth will provide funding towards recurrent costs for the Northern Territory Medical School. This recurrent funding is in addition to the capital grant of \$27.8 million over three years provided by the Commonwealth for the establishment of the school. The capital grant will be funded from the Health and Hospitals Fund established in 2008-09.

Table 2.43: Estimated payments to the Northern Territory for the Northern Territory Medical School

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2008-09	-	-	-	-	-	-	-	-	-
2009-10	-	-	-	-	-	-	-	-	-
2010-11	-	-	-	-	-	-	-	0.5	0.5
2011-12	-	-	-	-	-	-	-	1.6	1.6
2012-13	-	-	-	-	-	-	-	2.2	2.2

Elective surgery waiting list reduction plan

The Commonwealth will provide funding under the elective surgery waiting list reduction plan. Funding will be provided for systemic improvements such as the construction of additional operating theatres and the purchase of new surgical equipment to improve long-term elective surgery performance. Funding will also be provided as performance rewards for those States which reduce elective surgery waiting times and increase surgery throughput.

Table 2.44: Estimated payments to the States for elective surgery waiting list reduction plan

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2008-09	30.6	48.0	42.3	14.3	8.2	6.4	1.7	3.5	155.0
2009-10	113.7	11.6	14.7	5.0	5.0	-	-	-	150.0
2010-11	71.6	54.5	44.2	22.4	16.4	5.1	3.5	2.3	220.0
2011-12	-	-	-	-	-	-	-	-	-
2012-13	-	-	-	-	-	-	-	-	-

Commonwealth dental health program

The Commonwealth dental health program will provide funding to reduce public dental waiting lists. The commencement of the program is on-hold pending the outcome of the Government's negotiations with the Senate.

Table 2.45: Estimated payments to the States for the Commonwealth dental health program

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2008-09	-	-	-	-	-	-	-	-	-
2009-10	14.6	11.6	8.4	3.8	3.9	1.9	0.9	0.9	46.0
2010-11	30.4	24.2	17.6	7.9	8.2	3.4	1.4	1.4	94.3
2011-12	31.9	25.4	18.5	8.3	8.6	3.5	1.4	1.5	99.0
2012-13	16.1	12.8	9.3	4.2	4.4	2.0	1.0	1.0	50.7

Health care grants

The Commonwealth will provide funding under the Australian Health Care Agreements, which assist in the provision of public hospital services free of charge to eligible persons. The Australian Health Care Agreements have been incorporated into the National Healthcare SPP.

Table 2.46: Estimated payments to the States for healthcare grants

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2008-09	3,397.6	2,486.1	2,008.3	1,032.3	844.0	223.5	133.8	131.3	10,257.0
2009-10	-	-	-	-	-	-	-	-	-
2010-11	-	-	-	-	-	-	-	-	-
2011-12	-	-	-	-	-	-	-	-	-
2012-13	-	-	-	-	-	-	-	-	-

National public health

The Commonwealth provides funding in broad-banded payments and other arrangements under the national public health program, to provide subsidies for health promotion and disease prevention. Elements of the national public health program have been incorporated into the National Healthcare SPP.

Table 2.47: Estimated payments to the States for national public health

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2008-09	75.6	57.4	47.1	22.2	18.8	7.9	4.9	5.3	239.3
2009-10	-	-	-	-	-	-	-	-	-
2010-11	-	-	-	-	-	-	-	-	-
2011-12	-	-	-	-	-	-	-	-	-
2012-13	-	-	-	-	-	-	-	-	-

Youth health services program

The Commonwealth will provide funding under the youth health services program to develop and implement innovative primary health care services for homeless and at-risk youth.

Table 2.48: Estimated payments to the States for youth health services

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2008-09	0.9	0.7	0.5	0.2	0.2	0.1	0.1	0.1	2.6
2009-10	-	-	-	-	-	-	-	-	-
2010-11	-	-	-	-	-	-	-	-	-
2011-12	-	-	-	-	-	-	-	-	-
2012-13	-	-	-	-	-	-	-	-	-

Essential vaccines – service delivery component

The Commonwealth will provide funding for the delivery of vaccines under the national immunisation program.

Table 2.49 Estimated payments to the States for essential vaccines — service delivery component

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2008-09	2.8	1.7	1.6	0.9	0.3	0.2	0.1	0.2	7.8
2009-10	-	-	-	-	-	-	-	-	-
2010-11	-	-	-	-	-	-	-	-	-
2011-12	-	-	-	-	-	-	-	-	-
2012-13	-	-	-	-	-	-	-	-	-

Health program grants

The Commonwealth provided \$11,000 to Victoria in 2008-09 for alternative funding to Medicare benefits, with the aim of improving access to approved health services.

Table 2.50: Estimated payments to the States for Health program grants

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2008-09	-	..	-	-	-	-	-	-	..
2009-10	-	-	-	-	-	-	-	-	-
2010-11	-	-	-	-	-	-	-	-	-
2011-12	-	-	-	-	-	-	-	-	-
2012-13	-	-	-	-	-	-	-	-	-

Indigenous reforms

The Government has committed to improving outcomes for Indigenous Australians, recognising that Indigenous Australians face significantly worse outcomes than non-Indigenous Australians across a range of areas including life expectancy, mortality rates, education, employment outcomes and opportunities.

The Commonwealth is working closely with the States to address six ambitious targets, agreed by COAG, to help close the gap in Indigenous disadvantage.

As part of the COAG package agreed on 29 November 2008, the Government will provide:

- \$173 million over five years from 2008-09 as part of the Indigenous Economic Participation National Partnership to improve opportunities for Indigenous people to engage in private and public sector jobs;
- \$188 million over six years from 2008-09 to implement a new service delivery model across 26 remote locations as part of the Remote Service Delivery National Partnership;
- \$806 million over four years from 2009-10 as part of the Closing the Gap in Indigenous Health Outcomes National Partnership with a focus on five key priority areas; and
- \$2.1 billion over five years and \$4.8 billion over ten years from 2008-09 as part of the Remote Indigenous Housing National Partnership to address significant overcrowding, homelessness, poor housing conditions and housing shortages in remote Indigenous communities.

The Government has also committed \$490 million over six years from 2008-09 as part of the Indigenous Early Childhood Development National Partnership to reduce the gap in health and developmental outcomes between Indigenous and non-Indigenous children.

EDUCATION

In 2009-10, the States will receive \$19.4 billion in payments from the Commonwealth to support state education services, an increase of 64.4 per cent compared with the \$11.8 billion the States will receive in 2008-09.

The additional funding to the States includes \$3.5 billion over five years for state education services as part of the COAG reform package agreed on 29 November 2008. This additional funding to the States includes:

- funding of \$1.0 billion over five years in recurrent base funding for the National Schools SPP, including \$412.0 million over five years from indexing the government schools component of the National Schools SPP each year using a more generous indexation arrangement, and \$635.0 million over five years to align historic Commonwealth funding rates between primary and secondary government schools;
- funding of \$1.1 billion over five years for the National Partnership on Low Socio-economic Status School Communities to facilitate reforms to address the needs of disadvantaged schools;
- funding of \$807 million in 2008-09 for the legitimate additional costs of implementing the National Secondary Schools Computer Fund – this measure complements the *Education Revolution – Improving our Schools – Digital Education Revolution* measure previously announced; and
- funding of \$550 million over five years for the National Partnership on Improving Teacher Quality that will address the significant challenges Australia faces in maintaining the quality of its teaching workforce, with a specific focus on professional development and support for principals.

The additional funding to the States also includes \$14.7 billion over three years from 2008-09 to improve capital infrastructure for the benefit of schools and their local communities, announced as part of the Nation Building and Jobs Plan on 3 February 2009.

From 1 January 2009, the Commonwealth has provided financial contributions to support state education services under the new National Schools SPP. This National SPP encompasses payments to the States for both government and non-government schools.

The government schools component of the National Schools SPP replaces the following payments to the States which were paid until 31 December 2008:

- \$1.2 million in 2008-09 for government schools to provide supplementary assistance as general recurrent grants which can be applied to staff salaries, teacher

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professional development and general operational provisions in government schools;

- \$250 million in 2008-09 under targeted programs for government schools and joint, which provides assistance for: improving literacy, numeracy and education outcomes for educationally disadvantaged students; promoting the study of other languages; and assisting the transition from school to work; and
- \$55 million in 2008-09 under the Indigenous education strategic initiatives program, which provides recurrent funding to education providers in the pre-school, school and vocational education and training sectors, as well as project-based funding aimed at improving Indigenous education outcomes.

The non-government schools component of the National Schools SPP incorporates the following existing payments:

- \$3.0 billion in 2008-09 to provide supplementary assistance as general recurrent grants to non-government schools; and
- \$115 million in 2008-09 under targeted programs for non-government schools, which provides assistance for: improving literacy, numeracy and education outcomes for educationally disadvantaged students; promoting the study of other languages; and assisting the transition from school to work in non-government schools.

Some payments under the former federal financial relations arrangements continue to be paid separately as National Partnership project payments.

Policy decisions included in this Budget that will be implemented through National Partnerships include up to \$100 million for reward payments in 2010-11 and 2013-14 to States that achieve mutually agreed Year 12 or equivalent attainment rate targets for young people in their jurisdiction, as announced by COAG on 30 April 2009.

Table 2.51 provides information on payments to support state education services, including the new National Partnership payments and existing payments.

Table 2.51: Payments to support state education services

\$million	2008-09	2009-10	2010-11	2011-12	2012-13
National Schools SPP	4,480.9	9,742.3	10,422.8	11,187.3	11,998.5
Government schools	1,186.0	-	-	-	-
Indigenous education strategic initiatives - government	55.4	-	-	-	-
Targeted programs - government schools and joint	249.6	-	-	-	-
Non-government schools	3,013.5	-	-	-	-
Targeted programs - non-government schools	115.2	-	-	-	-
National Partnership payments					
Education Investment Fund	-	40.9	25.9	9.2	-
Building the Education Revolution	987.2	8,513.6	5,219.0	-	-
Children's services	42.1	-	-	-	-
Digital Education Revolution	1,197.3	277.1	200.0	200.0	200.0
Early childhood education	39.0	77.0	97.0	297.0	447.0
Improving teacher quality	22.0	40.0	60.0	243.0	185.0
Indigenous early childhood development	17.5	74.6	67.8	55.2	38.8
Literacy and numeracy	94.2	80.0	175.0	175.0	-
Low SES school communities	11.3	151.9	205.0	375.0	363.8
National solar schools plan	74.6	46.3	46.3	46.1	46.3
Quality on-the-job workplace learning	13.3	13.3	26.6	26.6	26.6
Schools security program	1.0	2.0	-	-	-
Trade training centres	233.4	352.9	143.1	263.7	274.1
Youth attainment and training	-	-	-	50.0	-
Total	11,833.5	19,411.9	16,688.5	12,928.1	13,580.1
<i>Memorandum item</i>					
National SPP - government schools	1,507.8	3,286.6	3,487.9	3,710.3	3,954.2
National SPP - non-government schools	2,973.1	6,455.7	6,934.9	7,477.0	8,044.4

National Schools SPP

The Government will provide \$52.4 billion over five years from 2008-09 to the States to support schools under the National Schools SPP. This is an increase of \$1.0 billion over the funding previously included in the forward estimates.

The National Schools SPP brings total government and non-government schools support to around \$42 billion from 2009 to 2012 (excluding Indigenous funding), compared to \$34.1 billion in the previous schools agreement.

Table 2.52: Payments to the States for the National Schools SPP

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2008-09	1,489.7	1,105.6	860.7	435.2	355.2	103.0	88.7	42.8	4,480.9
2009-10	3,165.7	2,413.7	1,914.6	968.9	760.5	222.9	176.4	119.6	9,742.3
2010-11	3,400.3	2,555.9	2,084.5	1,025.2	813.5	234.4	191.4	117.7	10,422.8
2011-12	3,565.9	2,752.8	2,302.6	1,115.7	860.0	253.0	202.7	134.6	11,187.3
2012-13	3,713.4	2,950.4	2,561.5	1,221.5	905.7	272.9	214.1	159.0	11,998.5

Growth factor

The Intergovernmental Agreement defines the growth factor for the government schools component of the National Schools SPP as the product of:

- the growth in average government schools recurrent cost; and
- the growth in full-time equivalent enrolment in government schools.

The growth factor for the non-government schools component of the National Schools SPP will be determined in accordance with the *Schools Assistance Act 2008*.

In November 2008, the growth factor was estimated at 6.3 per cent per annum. The growth factor is currently estimated to be 6.1 per cent in 2010-11. However, the payment for non-government schools for 2009-10 is provided for in the *Federal Financial Relations Act 2009* and will not change from the estimate that was agreed by COAG in November 2008.

The Commonwealth will provide advances to the States in respect of the government schools component of the National Schools SPPs, based on estimates of the growth factor. Once outcomes data for each component of the growth factor is available, a balancing adjustment will be made to ensure that the States receive their correct entitlement.

National Partnership for Low Socio-economic Status School Communities

The Commonwealth will provide \$1.5 billion over seven years from 2008-09 under the *National Partnership Agreement on Low Socio-economic Status School Communities*. The objective of the National Partnership is to create sustained improvements in education outcomes in low socio-economic status (SES) communities. The National Partnership will contribute to COAG's social inclusion and Indigenous disadvantage agendas through the identification of reforms and models of service delivery that achieve improved educational outcomes for low SES school communities.

The National Partnership aims to improve the learning, engagement, well-being and education outcomes of students from low SES backgrounds, especially Indigenous students. The National Partnership will focus on the achievement of specific reforms which include:

- incentives to attract high-performing principals and teachers;
- adoption of best practice performance management and staffing arrangements that articulate a clear role for principals;
- changes to school operational arrangements which encourage innovation and flexibility;
- provision of innovative and tailored learning opportunities;
- strengthened school accountability; and
- new external partnerships with other schools, businesses or communities.

Table 2.53: Estimated payments for the National Partnership Agreement on Low Socio-economic Status School Communities

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
Payments to the States									
2008-09	3.6	2.7	2.4	1.1	0.8	0.3	0.2	0.1	11.3
2009-10	48.6	36.0	33.0	15.3	11.0	3.7	2.4	1.9	151.9
2010-11	65.4	48.5	44.8	20.8	14.8	5.0	3.2	2.7	205.0
2011-12	119.2	88.5	82.3	38.4	26.9	9.0	5.8	5.0	375.0
2012-13	115.2	85.7	80.1	37.6	25.9	8.7	5.6	5.0	363.8
State contribution									
2008-09	4.5	2.1	1.7	0.7	1.2	0.5	0.0	0.5	11.3
2009-10	60.1	27.9	23.5	9.8	16.2	7.1	0.3	7.1	151.9
2010-11	81.1	37.6	31.7	13.2	21.8	9.6	0.4	9.6	205.0
2011-12	148.3	68.8	57.9	24.2	39.9	17.5	0.8	17.5	375.0
2012-13	143.9	66.8	56.2	23.5	38.7	17.0	0.7	17.0	363.8
Total									
2008-09	8.1	4.8	4.1	1.9	2.0	0.8	0.2	0.7	22.5
2009-10	108.7	63.8	56.4	25.1	27.2	10.8	2.7	9.0	303.8
2010-11	146.4	86.1	76.5	34.0	36.6	14.6	3.6	12.3	410.0
2011-12	267.5	157.3	140.2	62.5	66.8	26.5	6.6	22.5	750.0
2012-13	259.1	152.4	136.3	61.1	64.7	25.7	6.4	22.0	727.5

National Partnership on Improving Teacher Quality

The Commonwealth will provide \$550 million under the *National Partnership Agreement on Improving Teacher Quality*. The National Partnership includes reforms to target critical points in the teacher 'lifecycle' to attract, train, place, develop and retain quality teachers and leaders in our schools and classrooms. These reforms will provide a platform for raising student performance and will also support other school reforms targeting low SES school communities and literacy and numeracy outcomes.

The National Partnership targets the following outcomes:

- attracting the best entrants to teaching, including mid-career entrants;
- more effective training of principals, teachers and school leaders;
- developing teachers and school leaders to enhance their skills and knowledge throughout their careers;
- retaining and rewarding quality principals, teachers and school leaders; and
- improving the quality and availability of teacher workforce data.

Table 2.54: Estimated payments for the National Partnership Agreement on Improving Teacher Quality

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
Payments to the States									
2008-09	7.1	5.3	4.6	2.2	1.6	0.5	0.4	0.3	22.0
2009-10	12.8	9.5	8.7	4.0	2.9	1.0	0.6	0.5	40.0
2010-11	19.1	14.2	13.1	6.1	4.3	1.5	0.9	0.8	60.0
2011-12	77.3	57.3	53.3	24.9	17.4	5.8	3.8	3.2	243.0
2012-13	58.6	43.6	40.7	19.1	13.2	4.4	2.9	2.5	185.0
State contribution									
2008-09	0.8	0.6	0.5	0.3	0.2	0.1	0.0	0.0	2.5
2009-10	2.1	1.6	1.3	0.7	0.5	0.2	0.1	0.1	6.4
2010-11	3.4	2.7	2.1	1.1	0.8	0.3	0.2	0.1	10.7
2011-12	3.2	2.5	2.0	1.0	0.7	0.2	0.2	0.1	10.0
2012-13	-	-	-	-	-	-	-	-	-
Total									
2008-09	7.8	5.9	5.1	2.5	1.8	0.6	0.4	0.3	24.5
2009-10	14.9	11.1	10.0	4.7	3.4	1.1	0.7	0.6	46.4
2010-11	22.6	16.9	15.2	7.2	5.1	1.7	1.1	0.9	70.7
2011-12	80.5	59.9	55.3	25.9	18.1	6.1	3.9	3.4	253.0
2012-13	58.6	43.6	40.7	19.1	13.2	4.4	2.9	2.5	185.0

National Partnership on Literacy and Numeracy

The Commonwealth will provide \$524 million over four years under the *National Partnership Agreement on Literacy and Numeracy*. The National Partnership supports reforms to drive accelerated improvements in literacy and numeracy. It will have a priority focus on primary-aged students at risk of falling behind, including Indigenous students. The reforms will contribute to literacy and numeracy outcomes identified in the National Education Agreement and the COAG target to halve the gap for Indigenous students in reading, writing and numeracy within a decade.

The National Partnership aims to deliver improved literacy and numeracy outcomes for targeted schools or school communities and students. Data from the National Assessment Program for Literacy and Numeracy and appropriate local data will be identified to measure literacy and numeracy outcomes for participating schools.

Table 2.55: Estimated payments for the National Partnership on Literacy and Numeracy

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
Payments to the States									
2008-09	30.3	22.0	20.6	9.4	6.8	2.4	1.4	1.2	94.2
2009-10	25.7	18.7	17.6	8.0	5.8	2.0	1.2	1.1	80.0
2010-11	56.0	40.9	38.7	17.7	12.5	4.4	2.6	2.3	175.0
2011-12	55.9	40.8	38.8	17.9	12.4	4.3	2.5	2.3	175.0
2012-13	-	-	-	-	-	-	-	-	-
State contribution									
2008-09	19.1	12.5	19.4	8.6	5.7	1.8	0.9	2.1	70.0
2009-10	21.8	14.3	22.2	9.9	6.5	2.1	1.0	2.4	80.0
2010-11	-	-	-	-	-	-	-	-	-
2011-12	-	-	-	-	-	-	-	-	-
2012-13	-	-	-	-	-	-	-	-	-
Total									
2008-09	49.3	34.6	40.0	18.1	12.5	4.2	2.3	3.3	164.2
2009-10	47.4	33.0	39.8	17.9	12.2	4.1	2.1	3.4	160.0
2010-11	56.0	40.9	38.7	17.7	12.5	4.4	2.6	2.3	175.0
2011-12	55.9	40.8	38.8	17.9	12.4	4.3	2.5	2.3	175.0
2012-13	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

National Partnership on Early Childhood Education

The Commonwealth will provide \$957 million under the *National Partnership Agreement on Early Childhood Education*. The objective of the National Partnership is that by 2013 every child will have access to a pre-school program in the 12 months prior to full-time schooling. This program will be delivered by four-year university qualified early childhood teachers for 15 hours a week, 40 weeks a year.

The reforms will mean all children have access to affordable, quality early childhood education in the year before formal schooling, with a focus on ensuring access for children from Indigenous communities.

Table 2.56: Estimated payments for the National Partnership on Early Childhood Education

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
Payments to the States									
2008-09	12.2	8.9	8.3	4.0	2.9	1.2	0.8	0.7	39.0
2009-10	24.7	18.0	16.9	7.7	5.5	1.9	1.1	1.0	77.0
2010-11	31.0	22.6	21.5	9.8	6.9	2.4	1.4	1.3	97.0
2011-12	94.9	69.2	65.9	30.3	21.1	7.3	4.3	4.0	297.0
2012-13	142.4	104.0	99.5	46.2	31.6	10.9	6.5	6.0	447.0

National Partnership on Indigenous Early Childhood Development

The Commonwealth will provide \$253.9 million under the *Indigenous Early Childhood Development National Partnership*. The National Partnership provides a commitment between all levels of government to reduce the gap in developmental outcomes between Indigenous and non-Indigenous children by improving mortality rates and access to early childhood education. The National Partnership will contribute to the outcomes of Indigenous children participating in quality early childhood education and development and child care services, Indigenous people using parent and family support services, Indigenous children's health programs, and antenatal, sexual and reproductive health programs.

The outputs of the National Partnership include:

- a minimum of 35 Children and Family Centres established in urban, regional and remote areas with high Indigenous populations and disadvantage;
- the provision of early learning, childcare and parent and family support services to Indigenous families at or through each of the Children and Family Centres; and
- the provision of antenatal care services targeted at young Indigenous women, sexual and reproductive health services for Indigenous teenagers, and maternal and child health services for Indigenous children and their mothers.

Table 2.57: Estimated payments for the National Partnership for Indigenous Early Childhood Development

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
Payments to the States									
2008-09	4.5	1.0	4.5	2.5	1.5	0.5	0.5	2.5	17.5
2009-10	19.0	4.2	19.2	10.8	6.4	2.1	2.1	10.8	74.6
2010-11	17.3	3.9	17.4	9.8	5.8	1.9	1.9	9.8	67.8
2011-12	14.1	3.1	14.2	8.0	4.8	1.5	1.5	8.0	55.2
2012-13	9.9	2.2	10.0	5.6	3.4	1.1	1.1	5.6	38.8

National Partnership on Youth Attainment and Transitions

The Commonwealth will provide up to an additional \$100 million over six years, including up to \$50 million in 2013-14, to the States for a *National Partnership on Youth Attainment and Transitions* that will also support the delivery of a Compact with Young Australians.

The National Partnership supports the bring forward from 2020 to 2015 of COAG's Year 12 or equivalent attainment rate target. The reward funding of up to \$100 million in the National Partnership will be tied to the following specific outcomes:

- improved retention of young people in Year 10 and Year 12 in 2010; and
- improved Year 12 or equivalent attainment rates in 2012, consistent with the agreed trajectory towards the national 90 per cent Year 12 or equivalent attainment rate by 2015.

Determination of reward payments will be assessed against agreed differential target rates across jurisdictions. This will include recognition of current achievement and increases over current baseline Year 12 or equivalent attainment rates.

Table 2.58: Estimated payments for the National Partnership for Youth Attainment and Transition

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
Payments to the States									
2008-09	-	-	-	-	-	-	-	-	-
2009-10	-	-	-	-	-	-	-	-	-
2010-11	-	-	-	-	-	-	-	-	-
2011-12	16.0	12.0	11.0	5.0	4.0	1.0	1.0	1.0	50.0
2012-13	-	-	-	-	-	-	-	-	-

Other National Partnership payments for education

The following existing payments will continue to be paid from 1 July 2009 as National Partnership payments under the new federal financial relations framework.

Building the Education Revolution

The Commonwealth will provide \$14.7 billion over three years from 2008-09 to improve capital infrastructure for the benefit of schools and their local communities in Australia. This measure is part of the Nation Building and Jobs Plan announced by the Government in February 2009.

Table 2.59: Estimated payments to the States for Building the Education Revolution

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2008-09	315.8	232.7	191.1	108.2	81.6	27.3	15.6	14.9	987.2
2009-10	2,725.1	2,016.5	1,848.6	856.5	616.7	208.6	133.0	108.7	8,513.6
2010-11	1,664.0	1,234.4	1,140.0	529.4	375.9	126.4	81.1	67.9	5,219.0
2011-12	-	-	-	-	-	-	-	-	-
2012-13	-	-	-	-	-	-	-	-	-

Digital Education Revolution

The Commonwealth will provide \$2.1 billion to the States over five years to implement the Digital Education Revolution. A National Secondary School Computer Fund has been established to provide grants of up to \$1 million to eligible secondary schools to assist them in providing new or upgraded information and communication technology to students in Years 9 to 12.

Table 2.60: Estimated payments to the States for the Digital Education Revolution

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2008-09	410.4	277.9	243.0	119.0	87.1	27.4	21.1	11.4	1,197.3
2009-10	88.7	65.6	60.2	27.9	20.1	6.8	4.3	3.5	277.1
2010-11	63.8	47.3	43.7	20.3	14.4	4.9	3.1	2.6	200.0
2011-12	63.6	47.2	43.9	20.5	14.3	4.8	3.1	2.7	200.0
2012-13	63.3	47.1	44.0	20.7	14.3	4.8	3.1	2.7	200.0

Trade Training Centres in Schools

The Commonwealth will provide \$1.3 billion over five years to implement the Trade Training Centres in Schools Program. The program will provide facilities to enhance vocational education opportunities for students in Years 9 to 12 in every government and non-government secondary school.

Table 2.61: Estimated payments to the States for Trade Training Centres in Schools

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2008-09	74.8	55.3	50.5	23.6	16.9	5.7	3.7	2.9	233.4
2009-10	113.0	83.6	76.6	35.5	25.6	8.7	5.5	4.5	352.9
2010-11	45.6	33.9	31.3	14.5	10.3	3.5	2.2	1.9	143.1
2011-12	83.9	62.2	57.9	27.0	18.9	6.3	4.1	3.5	263.7
2012-13	86.8	64.6	60.4	28.4	19.5	6.5	4.2	3.7	274.1

Quality On-The-Job Workplace Learning

The Commonwealth will provide \$106 million to the States over five years as part of the quality on-the-job workplace learning initiative to coordinate work placements for school students participating in vocational education and training.

Table 2.62: Estimated payments to the States for Quality On-The-Job Workplace Learning

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2008-09	4.3	3.3	2.7	1.4	1.0	0.3	0.2	0.1	13.3
2009-10	4.3	3.3	2.7	1.4	1.0	0.3	0.2	0.1	13.3
2010-11	8.6	6.6	5.4	2.8	2.0	0.6	0.4	0.3	26.6
2011-12	8.5	6.6	5.5	2.8	2.0	0.6	0.4	0.3	26.6
2012-13	8.5	6.6	5.5	2.8	1.9	0.6	0.4	0.3	26.6

National Solar Schools Plan

The Commonwealth will provide \$260 million to the States to help primary and secondary schools around the country take practical action to save energy and water while cutting their utility bills.

The National Solar Schools Plan offers grants of up to \$50 000 (GST exclusive) to install solar and other renewable power systems, rainwater tanks and a range of energy efficiency measures such as energy efficiency lighting, skylights, ceiling fans, insulation, sensors, automatic doors and external window fittings (for example double glazing, awnings and shutters).

Table 2.63: Estimated payments to the States for the National Solar Schools Plan

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2008-09	23.9	18.0	15.7	7.5	5.5	1.8	1.3	0.9	74.6
2009-10	14.8	11.2	9.9	4.7	3.4	1.1	0.8	0.6	46.3
2010-11	14.7	11.2	9.9	4.7	3.4	1.1	0.8	0.6	46.3
2011-12	14.6	11.1	10.0	4.7	3.3	1.1	0.8	0.6	46.1
2012-13	14.6	11.1	10.1	4.8	3.3	1.1	0.8	0.6	46.3

Secure Schools Program

The Commonwealth will provide up to \$20 million over four years for the Secure Schools Program to assist at-risk religious, ethnic and secular schools meet their particular security needs.

Table 2.64: Estimated payments to the States for the Secure Schools Program

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2008-09	1.0	-	-	-	-	-	-	-	1.0
2009-10	2.0	-	-	-	-	-	-	-	2.0
2010-11	-	-	-	-	-	-	-	-	-
2011-12	-	-	-	-	-	-	-	-	-
2012-13	-	-	-	-	-	-	-	-	-

SKILLS AND WORKFORCE DEVELOPMENT

In 2009-10, the States will receive \$1.7 billion in payments from the Commonwealth for skills and workforce development-related services, an increase of 25.3 per cent compared with the \$1.4 billion the States will receive in 2008-09.

The additional funding to the States includes \$45 million over five years for state skills and workforce development-related services as part of the COAG reform package agreed on 29 November 2008. The additional funding to the States includes:

- \$36.7 million over five years in recurrent base funding for the National Skills and Workforce Development SPP using a more generous indexation arrangement; and
- a \$8.5 million package in 2008-09 for the TAFE Fee Waivers for Childcare Qualifications National Partnership.

The additional funding to the States also includes \$200 million towards positioning Technical and Further Education (TAFE) infrastructure for tomorrow's challenges to revitalise teaching and learning spaces in TAFE institutes and other public providers, to respond to areas of current and expected future demand as part of the Nation Building Package announced by the Australian Government on 12 December 2008.

From 1 January 2009, the Commonwealth has provided a financial contribution to support state skills and workforce development-related services under the new National Skills and Workforce Development SPP. This new National SPP incorporates new indexation arrangements and replaces the following existing payments made up to 31 December 2008:

- \$642 million in funding previously provided under the Skilling Australia's Workforce Agreements, excluding payments that have been subsumed under the National Training System Commonwealth own-purpose expense;
- COAG agreed that funding of \$47.4 million annually (plus indexation) for management of the National Training System be quarantined from the agreement and that training ministers and senior officials monitor and advise on how this funding is allocated.

Table 2.65 provides information on all payments to the States to support state skills and workforce development-related services.

Table 2.65: Payments to support state skills and workforce development services

\$million	2008-09	2009-10	2010-11	2011-12	2012-13
National Skills and Workforce Development SPP	656.7	1,317.9	1,343.1	1,367.5	1,394.1
Skilling Australia's Workforce	642.2	-	-	-	-
National Partnership payments					
Better TAFE facilities	-	200.0	-	-	-
New National Partnership payments					
TAFE fee waivers for childcare qualifications	8.5	-	-	-	-
Productivity Places Program	70.4	208.2	319.4	375.9	375.9
Total	1,377.8	1,726.1	1,662.5	1,743.4	1,770.0

National Skills and Workforce Development SPP

The Government will provide \$6.1 billion over five years from 2008-09 to work towards increasing the skill levels of all Australians, including Indigenous Australians. The 2009-10 base funding will be provided on an on-going basis and indexed from 1 July 2010 by a growth factor.

As part of the related *National Agreement for Skills and Workforce Development*, each State will oversee the delivery of publicly funded training within its jurisdiction, ensuring the effective operation of the training market, including in relation to market information.

The Commonwealth and the States will also have joint responsibility to deliver some outcomes under the agreement, including a nationally consistent system of teaching standards, the development and maintenance of a national curriculum, and the development of policy and reform directions to support the achievement of Indigenous education outcomes.

Table 2.66: Estimated payments for the National Skills and Workforce Development SPP

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2008-09	202.9	162.5	143.3	71.0	47.1	13.8	10.6	5.6	656.7
2009-10	438.6	326.3	255.0	131.7	99.1	30.9	22.6	13.7	1,317.9
2010-11	444.2	332.6	262.6	135.2	100.6	31.3	22.7	14.0	1,343.1
2011-12	448.6	338.8	270.8	139.0	101.8	31.6	22.8	14.2	1,367.5
2012-13	452.8	345.5	280.1	143.5	102.8	31.9	22.9	14.5	1,394.1

Growth factor

The Intergovernmental Agreement defines the growth factor for the National Skills and Workforce Development SPP as the product of :

$$0.85 \times \text{wage cost index one} + 0.15 \times \text{wage cost index six} .$$

In November 2008, the growth factor was estimated at 2.5 per cent per annum. The growth factor is estimated to be 1.9 per cent in 2010-11. The fall in the growth factor is due to a decrease in both wage cost indices.

National Partnership on Productivity Places Program

The Productivity Places Program is part of the Government's Skilling Australia for the Future initiative and aims to reduce skills shortages and increase the productivity of industry and enterprises. The *National Partnership Agreement on Productivity Places Program* is a component of the Productivity Places Program.

The program aims to deliver up to 557,556 course enrolments and 402,881 qualification commencements. The National Partnership includes the additional 15,000 jobseeker places announced by the Commonwealth on 10 September 2008, with additional resourcing of \$45.5 million in 2008-09.

Funding under the National Partnership requires 50/40/10 cost sharing across the Commonwealth, States and private sources.

The Commonwealth will provide data to Skills Australia to assist in identifying industries, occupations and regions with skill shortages. Additionally, the Commonwealth will work in conjunction with the States to ensure the outcomes of the National Partnership are being met effectively. The States will have responsibility for implementing and managing the National Partnership.

Table 2.67: Estimated payments for the Productivity Places Program

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
Payments to the States									
2008-09	30.3	-	18.6	9.5	7.1	2.2	1.6	1.0	70.4
2009-10	89.2	-	56.1	28.5	21.7	4.9	4.7	3.1	208.2
2010-11	139.0	-	85.9	43.7	32.5	6.3	7.3	4.7	319.4
2011-12	161.2	-	98.7	50.3	37.0	14.9	8.5	5.3	375.9
2012-13	161.2	-	98.7	50.3	37.0	14.9	8.5	5.3	375.9
State contribution									
2008-09	12.5	-	7.7	3.9	2.8	0.9	0.6	0.4	28.8
2009-10	40.8	-	26.2	13.3	10.2	3.1	2.1	1.5	97.0
2010-11	67.1	-	41.7	21.2	15.7	4.8	3.5	2.3	156.3
2011-12	79.7	-	48.8	24.8	18.1	5.6	4.2	2.6	183.8
2012-13	-	-	-	-	-	-	-	-	-
Total									
2008-09	42.8	0.0	26.3	13.4	9.9	3.1	2.3	1.4	99.2
2009-10	130.0	0.0	82.3	41.8	31.9	8.0	6.8	4.5	305.3
2010-11	206.2	0.0	127.6	64.9	48.2	11.2	10.8	6.9	475.7
2011-12	240.8	0.0	147.5	75.1	55.1	20.5	12.7	8.0	559.6
2012-13	161.2	0.0	98.7	50.3	37.0	14.9	8.5	5.3	375.9

National Partnership on TAFE fee Waivers for Childcare Qualifications

The *National Partnership Agreement on TAFE Fee Waivers for Childcare Qualifications* provides \$8 million to remove fees for the diploma and advanced diploma of children's services courses delivered at TAFE institutions, or other government VET providers.

This agreement will assist in meeting the objectives of the *National Partnership Agreement on Early Childhood Education*, agreed by COAG on 29 November 2008.

Table 2.68: Estimated payments for the National Partnership on TAFE Fee Waivers for Childcare Qualifications

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
Payments to the States									
2008-09	4.3	1.6	0.8	0.6	0.6	0.2	0.3	0.1	8.5
2009-10	-	-	-	-	-	-	-	-	-
2010-11	-	-	-	-	-	-	-	-	-
2011-12	-	-	-	-	-	-	-	-	-
2012-13	-	-	-	-	-	-	-	-	-

Better TAFE Facilities

The Commonwealth will provide \$200 million to the States in 2009-10 towards improving infrastructure in TAFE facilities. These payments are part of the overall \$500 million being invested under the Teaching and Learning Capital Fund for Vocational Education and Training announced as part of the Nation Building Package on 12 December 2008.

Table 2.69: Estimated payments to the States for better TAFE facilities

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2008-09	-	-	-	-	-	-	-	-	-
2009-10	63.4	49.0	39.1	22.0	14.6	4.7	3.2	4.0	200.0
2010-11	-	-	-	-	-	-	-	-	-
2011-12	-	-	-	-	-	-	-	-	-
2012-13	-	-	-	-	-	-	-	-	-

COMMUNITY SERVICES

Payments to support state community services

In 2009-10 the States will receive \$2.5 billion in payments from the Commonwealth for state community services, an increase of 14.8 per cent compared with the \$2.2 billion the States will receive in 2008-09. This includes \$4.8 billion in funding over five years to support state disability services through the National Disability SPP.

The additional funding includes an injection of \$70 million recurrent base funding from 2008-09 to the National Disability SPP. The Commonwealth is also applying a higher level of indexation to the base funding. A further \$901 million from the Disabilities Assistance Package will be rolled into the base of the National Disability SPP.

Policy decisions included in this Budget that will be implemented through National Partnership payments include payments to the Northern Territory across areas including law and order, community safety, education, health, food security and interpreters as part of the *Closing the Gap – Northern Territory Emergency Response*.

From 1 January 2009, the Government has provided a financial contribution to support state disability services under the new National Disability SPP. This new National Disability SPP incorporates the following existing payments:

- \$643 million in 2008-09 under the existing disability services payment, which assists in the provision of accommodation support and other services for people with disabilities;
- \$28 million in 2008-09 under the existing young people with disabilities payments, which assists in reducing the number of younger people with a disability in residential aged care, with priority given to people under 50; and
- \$104 million in 2008-09 under the existing Disabilities Assistance Package, which assists in the provision of services for children with a disability and their families, and for older carers and their children.

Some payments under the former federal financial relations arrangements continue to be paid as National Partnership project payments.

Table 2.70 provides all the payments to the States to support state community services.

Table 2.70: Payments to support state community services

\$million	2008-09	2009-10	2010-11	2011-12	2012-13
National Disability SPP	431.1	903.7	1,038.9	1,180.2	1,229.3
Disability services	415.1	-	-	-	-
Young people with disabilities	16.6	-	-	-	-
National Partnership payments					
Aged care assessment	72.4	75.6	78.2	81.4	83.8
Certain concessions for pensioners and seniors card holders	219.7	230.6	238.6	246.5	255.6
Closing the Gap - Northern Territory	-	59.1	76.8	73.3	-
Home and community care	1,096.2	1,197.4	1,283.4	1,379.8	1,488.9
Home and community care services for veterans	17.2	18.0	18.5	18.4	18.4
National reciprocal transport concessions	12.0	12.0	12.0	12.0	12.5
Unaccompanied humanitarian minors	1.0	-	-	-	-
National action plan to build on social cohesion, harmony and security	3.2	-	-	-	-
Total	2,284.5	2,496.4	2,746.4	2,991.6	3,088.5

National Disability SPP

The Commonwealth will provide funding to the States under the National Disability SPP as a financial contribution to support state community services. At its meeting of 29 November 2008, COAG agreed to a one-off payment of \$70 million to the States in 2008-09, and to roll the Disabilities Assistance Package into the base National Disability SPP. The 2009-10 base funding for the National Disability SPP will be provided on an on-going basis and indexed from 1 July 2010 by a growth factor.

Table 2.71: National Disability SPP

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2008-09	142.8	99.9	83.2	37.7	43.1	13.5	6.3	4.6	431.1
2009-10	302.2	208.2	171.7	77.6	93.1	28.2	13.1	9.7	903.7
2010-11	344.8	243.9	199.2	93.2	99.9	31.1	15.5	11.4	1,038.9
2011-12	390.0	281.5	227.7	110.3	106.3	33.2	18.2	13.0	1,180.2
2012-13	399.3	295.4	245.4	119.3	105.5	32.6	18.8	13.0	1,229.3

Growth factor

The Intergovernmental Agreement defines the growth factor for the National Disability SPP as the rolling five-year average of year-on-year growth in nominal gross domestic product.

For the purpose of calculating indexation, the Disabilities Assistance Package will be deducted from the base to calculate 2010-11 and 2011-12 funding as the package already includes a high rate of escalation. The package will form part of the base to calculate funding for 2012-13 onwards.

The growth factor is estimated to be 5.0 per cent in 2010-11. The growth factor is lower than estimated at November 2008, owing to lower-than-anticipated growth in nominal gross domestic product.

National Partnership on Indigenous Economic Participation

The Commonwealth will provide \$173 million over five years under the *National Partnership Agreement on Indigenous Economic Participation*. The National Partnership establishes that the Commonwealth and the States aspire to halving the gap in employment outcomes between Indigenous and non-Indigenous Australians within a decade. Up to 13,000 Indigenous Australians will be assisted into employment over five years.

The National Partnership will significantly improve opportunities for Indigenous people to engage in private and public sector employment through a number of elements, including creating real sustainable employment in areas of government service delivery that have previously relied on subsidisation through the Community Development Employment Projects program, strengthening public sector Indigenous employment and career development strategies, and changes to current government procurement policies to maximise Indigenous employment.

Table 2.72: Estimated payments for the National Partnership on Indigenous Economic Participation

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
Commonwealth									
own-purpose expense									
2008-09	-	-	-	-	-	-	-	-	15.0
2009-10	-	-	-	-	-	-	-	-	39.8
2010-11	-	-	-	-	-	-	-	-	39.8
2011-12	-	-	-	-	-	-	-	-	38.9
2012-13	-	-	-	-	-	-	-	-	39.2
State contribution									
2008-09	0.2	-	1.6	2.0	0.4	-	-	-	4.3
2009-10	0.7	-	4.9	6.1	1.3	-	-	-	13.0
2010-11	0.7	-	4.9	6.1	1.3	-	-	-	13.0
2011-12	0.7	-	4.9	6.1	1.3	-	-	-	13.0
2012-13	0.7	-	4.9	6.1	1.3	-	-	-	13.0
Total									
2008-09	0.2	0.0	1.6	2.0	0.4	0.0	0.0	0.0	19.3
2009-10	0.7	0.0	4.9	6.1	1.3	0.0	0.0	0.0	52.7
2010-11	0.7	0.0	4.9	6.1	1.3	0.0	0.0	0.0	52.8
2011-12	0.7	0.0	4.9	6.1	1.3	0.0	0.0	0.0	51.9
2012-13	0.7	0.0	4.9	6.1	1.3	0.0	0.0	0.0	52.1

National Partnership on Remote Service Delivery

The Commonwealth will provide \$154 million to the States over five years and an additional \$34 million in 2013-14 under the *National Partnership Agreement on Remote Service Delivery*. The National Partnership implements a new service delivery model that clearly identifies service standards, roles and responsibilities and service delivery parameters to ensure that Indigenous Australians living in 26 selected remote locations receive and actively participate in services to close the gap in Indigenous disadvantage.

Locations have been agreed with respective jurisdictions having regard to a range of criteria, including a willingness to participate in the change process and rebuild social norms, and capacity for the locations to be developed and utilised as regional service hubs.

Table 2.73: Estimated payments for the National Partnership on Remote Service Delivery

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
Commonwealth									
own-purpose expense									
2008-09	-	-	-	-	-	-	-	-	24.5
2009-10	-	-	-	-	-	-	-	-	31.2
2010-11	-	-	-	-	-	-	-	-	32.4
2011-12	-	-	-	-	-	-	-	-	33.4
2012-13	-	-	-	-	-	-	-	-	32.5
State contribution									
2008-09	0.8	-	1.6	1.2	0.8	-	-	6.2	10.6
2009-10	1.6	-	2.9	2.9	1.7	-	-	9.7	18.7
2010-11	1.8	-	3.0	2.9	1.9	-	-	10.0	19.4
2011-12	1.8	-	3.0	2.9	1.9	-	-	10.0	19.4
2012-13	1.7	-	2.7	2.2	1.7	-	-	9.0	17.2
Total									
2008-09	0.8	0.0	1.6	1.2	0.8	0.0	0.0	6.2	35.1
2009-10	1.6	0.0	2.9	2.9	1.7	0.0	0.0	9.7	49.8
2010-11	1.8	0.0	3.0	2.9	1.9	0.0	0.0	10.0	51.8
2011-12	1.8	0.0	3.0	2.9	1.9	0.0	0.0	10.0	52.8
2012-13	1.7	0.0	2.7	2.2	1.7	0.0	0.0	9.0	49.7

Other National Partnership payments for community services

A number of National Partnership payments will continue to be paid under the new federal financial arrangements. A description of each of the payments for state community services to be made in 2009-10 is provided below.

Home and Community Care

The Commonwealth will provide \$1.2 billion to States in 2009-10 for the provision of services to frail older people and people with a disability and their carers through the Home and Community Care (HACC) Program. The HACC Program delivers high-quality, affordable and accessible services in the community, such as domestic assistance and personal care.

Table 2.74: Estimated payments to the States for Home and Community Care

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2008-09	328.5	265.3	249.7	110.3	93.0	28.9	13.0	7.6	1,096.2
2009-10	354.3	285.7	280.0	120.7	101.3	31.8	14.6	8.9	1,197.4
2010-11	375.8	302.7	308.6	129.6	108.1	34.2	15.5	9.1	1,283.4
2011-12	403.2	325.2	334.0	139.7	115.1	36.4	16.5	9.7	1,379.8
2012-13	434.1	350.4	362.6	151.3	123.3	39.0	17.8	10.5	1,488.9

Home and Community Care — services for veterans

The Commonwealth will provide \$18.0 million in 2009-10 to support Home and Community Care program provision of community care services to veterans.

Table 2.75: Estimated payments to the States for Home and Community Care — services for veterans

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2008-09	6.0	4.1	3.4	1.4	1.4	0.6	0.2	..	17.2
2009-10	6.3	4.3	3.6	1.4	1.5	0.6	0.3	0.1	18.0
2010-11	6.5	4.5	3.7	1.5	1.5	0.6	0.3	0.1	18.5
2011-12	6.4	4.4	3.7	1.5	1.5	0.6	0.3	0.1	18.4
2012-13	6.4	4.4	3.7	1.5	1.5	0.6	0.3	0.1	18.4

Aged care assessment

The Commonwealth will provide \$76 million in 2009-10 to the States to enable Aged Care Assessment Teams to comprehensively assess the care needs of frail older people and to establish their eligibility for appropriate residential aged care, transitional care and community care services. A proportion of the estimated payments to the States will be tied to achieving key performance indicators as specified in the National Partnership agreement.

Table 2.76: Estimated payments to the States for aged care assessment

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2008-09	25.1	17.4	12.2	7.2	6.7	1.9	0.8	1.0	72.4
2009-10	26.2	18.2	12.8	7.6	7.0	2.0	0.8	1.1	75.6
2010-11	27.1	18.8	13.2	7.8	7.3	2.1	0.8	1.1	78.2
2011-12	28.2	19.6	13.8	8.1	7.6	2.2	0.8	1.2	81.4
2012-13	29.0	20.2	14.2	8.4	7.8	2.2	0.9	1.2	83.8

Certain concessions for pensioners

The Commonwealth will provide \$231 million in 2009-10 to contribute towards the cost of certain concessions for pensioners.

Table 2.77: Estimated payments to the States for certain concessions for pensioners

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2008-09	76.4	54.6	38.1	19.2	21.7	7.0	1.6	1.1	219.7
2009-10	80.2	57.3	40.0	20.2	22.8	7.3	1.6	1.1	230.6
2010-11	83.0	59.3	41.4	20.9	23.6	7.6	1.7	1.2	238.6
2011-12	85.7	61.3	42.8	21.6	24.4	7.8	1.7	1.2	246.5
2012-13	88.9	63.6	44.4	22.4	25.3	8.1	1.8	1.2	255.6

National reciprocal transport concessions for seniors card holders

The Commonwealth will provide \$12 million in 2009-10 to enable Seniors Card holders to access public transport concessions when they travel outside their home State.

Table 2.78: Estimated payments to the States for national reciprocal transport concessions for seniors card holders

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2008-09	12.0	-	-	-	-	-	-	-	12.0
2009-10	12.0	-	-	-	-	-	-	-	12.0
2010-11	12.0	-	-	-	-	-	-	-	12.0
2011-12	12.0	-	-	-	-	-	-	-	12.0
2012-13	12.5	-	-	-	-	-	-	-	12.5

Closing the Gap — Northern Territory

This Budget provides funding of \$807 million over three years to continue and strengthen the measures initiated under the Northern Territory Emergency Response (NTER). Of this funding, \$209 million over three years will be provided to the Northern Territory Government to deliver initiatives across law and order, community safety, education, health, food security, and interpreters. The Australian Government will work in partnership with the Northern Territory Government and Indigenous communities to move the NTER into a long term development phase. The Australian Government will work to negotiate a National Partnership agreement with the Northern Territory Government by the end of June 2009.

Table 2.79: Estimated payments to the Northern Territory for Closing the Gap

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2008-09	-	-	-	-	-	-	-	0.0	0.0
2009-10	-	-	-	-	-	-	-	59.1	59.1
2010-11	-	-	-	-	-	-	-	76.8	76.8
2011-12	-	-	-	-	-	-	-	73.3	73.3
2012-13	-	-	-	-	-	-	-	0.0	0.0

Unaccompanied humanitarian minors

The Commonwealth will provide \$3 million in 2008-09 to assist humanitarian minors without parents in Australia and the families providing their care through early intervention, counselling and assistance by State welfare agencies.

Table 2.80: Estimated payments to the States for unaccompanied humanitarian minors

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2008-09	0.1	1.5	0.5	..	1.2	-	-	-	3.2
2009-10	-	-	-	-	-	-	-	-	-
2010-11	-	-	-	-	-	-	-	-	-
2011-12	-	-	-	-	-	-	-	-	-
2012-13	-	-	-	-	-	-	-	-	-

National action plan to build on social cohesion, harmony and security

The Commonwealth will provide \$1 million in 2008-09 as a contribution to partnership projects with the States aimed at further integrating the migrant community into broader Australian society.

Table 2.81: Estimated payments to the States for a national action plan to build on social cohesion, harmony and security

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2008-09	0.3	0.3	0.2	-	..	0.1	..	..	1.0
2009-10	-	-	-	-	-	-	-	-	-
2010-11	-	-	-	-	-	-	-	-	-
2011-12	-	-	-	-	-	-	-	-	-
2012-13	-	-	-	-	-	-	-	-	-

AFFORDABLE HOUSING

Payments to support affordable housing

In 2009-10, the States will receive \$6.8 billion in payments from the Commonwealth for state housing services, compared with the \$3.0 billion the States will receive in 2008-09.

The additional funding to the States includes around \$1.7 billion over five years for state housing services as part of the COAG reform package agreed on 29 November 2008. This includes:

- \$46 million over five years from 2008-09 to the States for housing investment under the National Affordable Housing SPP;
- \$400 million over four years from 2009-10 to the States as part of the *National Partnership Agreement on Homelessness*;
- \$400 million over 2008-09 and 2009-10 to the States to increase the supply of new social housing as part of the *National Partnership Agreement on Social Housing*; and
- \$834.6 million over five years from 2008-09 to the States for the *National Partnership Agreement on Remote Indigenous Housing* to improve housing outcomes for Indigenous Australians, which is critical to meeting the COAG-agreed Closing the Gap targets of improved Indigenous health, life expectancy and educational attainment.

In addition, the Government has provided up to \$6.4 billion over four years to meet priority social housing needs as part of the Nation Building and Jobs Plan announced by the Australian Government on 3 February 2009.

Policy decisions included in this Budget that will be implemented through National Partnership payments include the cashing out of the Social Housing Subsidy Program.

Further information on these policy decisions is included in Budget Paper No. 2, *Budget Measures 2009-10*.

From 1 January 2009, the Government has provided a financial contribution to support state housing services under the new National Affordable Housing SPP. This new National Affordable Housing SPP incorporates the following existing payments:

- \$777 million in 2008-09 under the existing *Commonwealth-State Housing Agreement* (block assistance/base funding);
- \$69 million in 2008-09 to develop community housing which provides appropriate and affordable rental accommodation for low- to middle-income earners;

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- \$42 million in 2008-09 to assist people who are homeless and in crisis;
- \$97 million in 2008-09 to assist Indigenous people on low- to moderate-incomes to access rental housing; and
- \$189 million in 2008-09 for the acquisition of accommodation for use under the Supported Accommodation Assistance Program.

Some payments under the former federal financial relations arrangements continue to be paid as National Partnership project payments.

Table 2.82 provides information on all the payments to support state affordable housing services.

Table 2.82: Payments to the States to support affordable housing services

\$million	2008-09	2009-10	2010-11	2011-12	2012-13
National Affordable Housing SPP	586.1	1,202.6	1,225.1	1,247.2	1,270.9
Commonwealth-State Housing Agreement block assistance/base funding	388.3	-	-	-	-
Community housing	34.3	-	-	-	-
Crisis accommodation assistance	21.2	-	-	-	-
Housing assistance for Indigenous people	48.7	-	-	-	-
Supported accommodation assistance	95.9	-	-	-	-
New National Partnership payments					
Remote Indigenous housing	540.0	432.7	412.8	463.9	479.0
Social housing	200.0	200.0	-	-	-
Homelessness	22.0	97.7	128.5	131.5	156.5
Investment in social housing	260.0	4,072.0	1,744.0	312.0	-
National Partnership Payments					
First Home Owners Boost	830.6	733.7	47.3	5.5	-
Social housing subsidy program	2.0	11.9	-	-	-
Total	3,029.1	6,750.6	3,557.7	2,160.1	1,906.4

National Affordable Housing SPP

The Commonwealth will provide \$5.5 billion over five years from 2008-09 to the States under the National Affordable Housing SPP as a financial contribution to support state services in the housing sector. This represents an additional \$46.4 million in funding from 2008-09 over the five years.

This funding will be used to support a range of measures including social housing, assistance to people in the private rental market, support and accommodation for people who are homeless or at risk of homelessness, and home purchase assistance.

Table 2.83: National Affordable Housing SPP

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2008-09	185.2	129.5	114.3	60.9	46.2	16.8	12.7	20.4	586.1
2009-10	380.0	265.8	234.5	125.0	94.9	34.4	26.1	41.9	1,202.6
2010-11	388.7	277.4	241.0	127.2	95.4	33.7	25.2	36.7	1,225.1
2011-12	396.6	289.1	248.0	129.8	95.6	32.7	24.3	31.2	1,247.2
2012-13	404.3	301.4	256.2	132.9	95.6	31.7	23.3	25.7	1,270.9

Growth factor

The Intergovernmental Agreement outlines the agreed growth factor for the National Affordable Housing SPP. The growth factor is the Wage Cost Index 1, comprising a safety net wage adjustment weighted by 75 per cent and the all groups Consumer Price Index weighted by 25 per cent.

In November 2008, the growth factor was estimated at 2.1 per cent. The growth factor is estimated to be 1.9 per cent in 2010-11. This compares to around 1.6 per cent under the previous agreement.

National Partnership on Remote Indigenous Housing

The *National Partnership Agreement on Remote Indigenous Housing* aims to facilitate significant reform in the provision of housing for Indigenous people in remote communities and to address overcrowding, homelessness, poor housing conditions and severe housing shortages in remote Indigenous communities.

Table 2.84: Estimated payments to the States for the National Partnership on Remote Indigenous Housing

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
Payments to the States									
2008-09	107.1	5.8	109.5	107.9	59.3	1.7	0.2	148.5	540.0
2009-10	63.2	4.5	69.2	105.8	52.7	4.9	-	132.4	432.7
2010-11	22.9	2.5	66.8	81.8	20.3	2.1	-	216.4	412.8
2011-12	26.2	2.5	96.5	98.5	23.3	3.1	-	213.9	463.9
2012-13	26.6	2.5	145.7	128.7	27.9	2.8	-	144.9	479.0
Commonwealth own-purpose expense									
2008-09	-	-	-	-	-	-	-	-	171.8
2009-10	-	-	-	-	-	-	-	-	55.3
2010-11	-	-	-	-	-	-	-	-	55.3
2011-12	-	-	-	-	-	-	-	-	55.2
2012-13	-	-	-	-	-	-	-	-	58.0
Total									
2008-09	107.1	5.8	109.5	107.9	59.3	1.7	0.2	148.5	711.8
2009-10	63.2	4.5	69.2	105.8	52.7	4.9	0.0	132.4	488.1
2010-11	22.9	2.5	66.8	81.8	20.3	2.1	0.0	216.4	468.1
2011-12	26.2	2.5	96.5	98.5	23.3	3.1	0.0	213.9	519.1
2012-13	26.6	2.5	145.7	128.7	27.9	2.8	0.0	144.9	536.9

National Partnership on Social Housing

The Commonwealth will provide \$400 million over two years under the *National Partnership Agreement on Social Housing*. The National Partnership provides for the establishment of a Social Housing Growth Fund which will provide capital funding to support a range of projects to increase the supply of social housing and enable more disadvantaged households to access safe and secure housing that meets their needs. Funding is offered to the States on a per capita basis, subject to each State submitting suitable proposals.

Proposals for funding under the Social Housing Growth Fund must involve:

- the construction of new social housing dwellings;
- add to the supply of social housing dwellings within a jurisdiction;
- be completed and ready for occupation within two years of funding being allocated; and
- provide an appropriate response to an area of unmet need for social housing within the jurisdiction.

Table 2.85: Estimated payments to the States for the National Partnership on Social Housing

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
Payments to the States									
2008-09	65.1	49.6	40.2	20.3	15.0	4.6	3.2	2.1	200.0
2009-10	64.8	49.6	40.5	20.4	14.9	4.6	3.2	2.1	200.0
2010-11	-	-	-	-	-	-	-	-	-
2011-12	-	-	-	-	-	-	-	-	-
2012-13	-	-	-	-	-	-	-	-	-
Total									
2008-09	65.1	49.6	40.2	20.3	15.0	4.6	3.2	2.1	200.0
2009-10	64.8	49.6	40.5	20.4	14.9	4.6	3.2	2.1	200.0
2010-11	-	-	-	-	-	-	-	-	-
2011-12	-	-	-	-	-	-	-	-	-
2012-13	-	-	-	-	-	-	-	-	-

National Partnership on Homelessness

The Commonwealth will provide \$400 million over four years under the *National Partnership Agreement on Homelessness*. The National Partnership provides funding for the States to support homelessness initiatives consistent with the priorities identified in the Australian Government's *White Paper on Homelessness: The Road Home*, with a focus on prevention, early intervention and breaking the cycle of homelessness through a better connected service system.

Table 2.86: Estimated payments to the States for the National Partnership on Homelessness

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
Payments to the States									
2008-09	6.4	2.4	5.9	2.8	1.8	0.4	1.0	1.3	22.0
2009-10	25.0	18.8	24.1	11.9	7.2	4.3	1.9	4.5	97.7
2010-11	33.2	24.9	32.1	15.9	9.6	4.5	2.3	6.0	128.5
2011-12	34.5	25.9	33.4	16.6	10.0	2.6	2.4	6.2	131.5
2012-13	41.4	31.2	39.7	19.6	12.0	2.6	2.4	7.6	156.5
Commonwealth									
own-purpose expense									
2008-09	-	-	-	-	-	-	-	-	-
2009-10	-	-	-	-	-	-	-	-	3.9
2010-11	-	-	-	-	-	-	-	-	2.5
2011-12	-	-	-	-	-	-	-	-	2.5
2012-13	-	-	-	-	-	-	-	-	2.5
State contribution									
2008-09	6.4	4.9	5.9	2.8	1.8	0.4	1.0	1.3	24.4
2009-10	26.0	19.6	25.1	12.4	7.5	4.4	2.0	4.7	101.6
2010-11	33.8	25.4	32.7	16.2	9.8	4.5	2.4	6.1	131.0
2011-12	35.1	26.4	34.0	16.9	10.2	2.6	2.4	6.3	134.0
2012-13	42.1	31.7	40.4	19.9	12.2	2.6	2.4	7.7	159.0
Total									
2008-09	12.7	7.3	11.7	5.6	3.6	0.8	2.0	2.6	46.4
2009-10	50.9	38.3	49.1	24.3	14.8	8.7	3.9	9.3	203.2
2010-11	67.0	50.4	64.8	32.2	19.4	9.0	4.7	12.1	262.0
2011-12	69.6	52.3	67.4	33.4	20.2	5.2	4.8	12.5	268.0
2012-13	83.5	62.9	80.1	39.5	24.1	5.2	4.8	15.3	318.0

Other National Partnership payments for state housing services

A number of National Partnership payments will continue to be paid under the new federal financial arrangements. A description of each of the payments for state housing services to be made in 2009-10 is provided below.

First Home Owners Boost

The Commonwealth will provide \$734 million to the States in 2009-10 for the First Home Owners Boost as part of the Economic Security Strategy. More information on the First Home Owners Boost can be found in Box 1.3 of this Budget Paper.

Table 2.87: Estimated payments to the States for the First Home Owners Boost

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2008-09	263.9	225.1	161.3	89.4	54.9	15.9	13.4	6.7	830.6
2009-10	233.1	198.9	142.5	79.0	48.5	14.0	11.8	6.0	733.7
2010-11	15.0	12.8	9.2	5.1	3.1	0.9	0.8	0.4	47.3
2011-12	1.7	1.5	1.1	0.6	0.4	0.1	0.1	..	5.5
2012-13	-	-	-	-	-	-	-	-	-

Social Housing Subsidy Program

The Commonwealth has committed to provide around \$2 million each year to New South Wales until 30 June 2016, to expand housing options for low- to moderate-income earners as part of the social housing subsidy program. The Commonwealth will meet its future payment commitments to New South Wales under this program by providing a single payment in 2009-10 and ceasing future annual payments.

The program subsidises recurrent costs of financing rental accommodation in the private and non government sectors for low- to moderate-income earners.

Table 2.88: Estimated payments to New South Wales for the Social Housing Subsidy Program

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2008-09	2.0	-	-	-	-	-	-	-	2.0
2009-10	11.9	-	-	-	-	-	-	-	11.9
2010-11	-	-	-	-	-	-	-	-	-
2011-12	-	-	-	-	-	-	-	-	-
2012-13	-	-	-	-	-	-	-	-	-

Nation Building and Jobs Plan — social housing

The Commonwealth will provide \$4.1 billion to the States in 2009-10 to invest in additional public and community housing to meet priority social housing needs, including reducing homelessness. This includes \$200 million in 2009-10 for repairs to existing public housing stock.

Table 2.89: Estimated payments to the States for the Nation Building and Jobs Plan — social housing

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2008-09	84.8	64.5	52.1	26.3	19.5	6.1	4.2	2.7	260.0
2009-10	1,326.7	1,009.5	816.4	413.4	304.2	94.4	65.5	41.8	4,072.0
2010-11	568.1	432.4	349.8	177.2	130.2	40.4	28.1	17.9	1,744.0
2011-12	101.6	77.4	62.6	31.7	23.3	7.2	5.0	3.2	312.0
2012-13	-	-	-	-	-	-	-	-	-

INFRASTRUCTURE

In 2009-10 the Commonwealth will provide \$5.1 billion to support infrastructure. These payments include \$3.8 billion for the Nation Building Program (previously Auslink).

Further information on these policy decisions is included in Budget Paper No. 2, *Budget Measures 2009-10*.

Payments to the States for the interstate road transport program, the Kings Highway upgrade and the East Kimberley development package are being made as National Partnership payments.

Table 2.90: Payments to support state infrastructure services

\$million	2008-09	2009-10	2010-11	2011-12	2012-13
National Partnership payments					
Nation Building program	5,599.5	3,821.6	3,221.8	3,669.4	3,625.5
Nation Building plan for the future	1,024.3	641.3	923.4	1,563.8	1,761.3
Community infrastructure program	250.0	-	-	-	-
Community infrastructure program - strategic	239.2	310.4	-	-	-
East Kimberley development package	16.4	178.8	-	-	-
Federation fund projects	1.0	-	-	-	-
Infrastructure employment projects	-	76.4	67.9	-	-
Interstate road transport	55.0	57.2	59.5	62.8	66.2
Kings Highway - upgrade	23.3	-	-	-	-
Local community sporting infrastructure	0.3	2.3	2.4	-	-
Supplementary road funding to South Australia	14.3	14.8	15.5	-	-
Total	7,209.0	5,088.0	4,275.0	5,296.0	5,453.0

National Partnership payments for infrastructure

Nation Building Program

The Commonwealth will provide \$3.8 billion to the States in 2009-10 for on-road and rail infrastructure through the Nation Building Program, formerly AusLink. The program assists national and regional economic and social development by the provision of funding aimed at improving the performance of land transport infrastructure.

Table 2.91: Estimated payments to the States for the Nation Building Program

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2008-09	1,941.2	739.5	1,838.6	526.3	358.6	94.3	7.6	93.4	5,599.5
2009-10	1,054.9	541.5	1,143.4	396.2	376.2	161.5	31.5	116.5	3,821.6
2010-11	881.2	528.6	1,031.7	345.3	216.3	83.6	40.6	94.7	3,221.8
2011-12	1,006.0	629.3	1,188.4	413.2	227.5	99.1	27.0	79.1	3,669.4
2012-13	1,022.6	639.4	1,079.6	453.4	231.1	117.8	7.1	74.5	3,625.5

Community infrastructure program

Construction of local community infrastructure will commence in 2008-09 with \$250 million in grants being provided to all local councils. The funding is being distributed to all local councils on the basis of a methodology which includes relative need, population and growth.

This rapid injection of funds into local communities is supporting local jobs in specific communities. Without this funding, important local projects which have been on the drawing board for some time would not be so close to becoming a reality.

Table 2.92: Estimated payments to the States for the Community infrastructure program

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2008-09	84.9	62.0	40.9	28.9	19.5	8.3	2.0	3.4	250.0
2009-10	-	-	-	-	-	-	-	-	-
2010-11	-	-	-	-	-	-	-	-	-
2011-12	-	-	-	-	-	-	-	-	-
2012-13	-	-	-	-	-	-	-	-	-

Community infrastructure program — strategic

The Government is making \$550 million available to local governments on a nationally competitive basis over two years from 2008-09.

The Government is conscious of the additional needs of local communities affected by the Victorian bushfires and the Queensland floods and is consulting with councils to determine options for assisting the rebuilding effort in their communities.

The Government will support major investments in a range of regional and local community infrastructure projects and take a strategic approach in responding to local priorities and needs.

Table 2.93: Estimated payments to the States for the Community infrastructure program — strategic

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2008-09	66.8	65.1	44.6	27.8	20.5	10.1	-	4.3	239.2
2009-10	71.7	87.3	85.7	30.8	20.5	10.1	-	4.3	310.4
2010-11	-	-	-	-	-	-	-	-	-
2011-12	-	-	-	-	-	-	-	-	-
2012-13	-	-	-	-	-	-	-	-	-

Federation Fund projects

The Commonwealth will provide funding from the Centenary of Federation Fund.

Table 2.94: Estimated payments for the Federation fund projects

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2008-09	-	1.0	-	-	-	-	-	-	1.0
2009-10	-	-	-	-	-	-	-	-	-
2010-11	-	-	-	-	-	-	-	-	-
2011-12	-	-	-	-	-	-	-	-	-
2012-13	-	-	-	-	-	-	-	-	-

Interstate road transport

The Commonwealth will provide funding under the *Interstate Road Transport Act 1985* (the Act), equal to total revenue received from the States from registrations made under the federal interstate registration scheme and payments of amounts equal to penalties arising from prosecutions under the Act.

Table 2.95: Estimated payments to the States for interstate road transport

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2008-09	25.4	14.8	5.2	2.2	6.7	0.3	0.3	0.3	55.0
2009-10	26.4	15.4	5.4	2.3	7.0	0.3	0.3	0.3	57.2
2010-11	27.4	16.0	5.7	2.4	7.2	0.3	0.3	0.3	59.5
2011-12	28.9	16.8	6.0	2.5	7.6	0.3	0.3	0.3	62.8
2012-13	30.5	17.8	6.3	2.6	8.0	0.3	0.3	0.3	66.2

Infrastructure employment projects

The Commonwealth will provide funding for new, extensions to or refurbishment of existing community infrastructure, including social, cultural, tourism and recreational infrastructure; road, rail and local government-owned airport-related infrastructure; and environmental initiatives.

Table 2.96: Estimated payments to the States for infrastructure employment programs^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2008-09	-	-	-	-	-	-	-	-	-
2009-10	24.6	18.9	15.5	7.9	5.6	1.7	1.2	0.8	76.4
2010-11	22.0	16.8	13.7	7.0	5.0	1.6	1.1	0.7	67.9
2011-12	-	-	-	-	-	-	-	-	-
2012-13	-	-	-	-	-	-	-	-	-

(a) Indicative distributions only.

East Kimberley development package

The Government will provide \$195 million to Western Australia, local governments and not-for-profit organisations to support economic development in the East Kimberley region through investment in social and common use infrastructure. The contribution is conditional on a joint assessment with the Western Australian Government of the most effective infrastructure investments to meet the social and economic development needs of the region. The Western Australian Government will match this contribution.

Table 2.97: East Kimberley development package

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2008-09	-	-	-	16.4	-	-	-	-	16.4
2009-10	-	-	-	178.8	-	-	-	-	178.8
2010-11	-	-	-	-	-	-	-	-	-
2011-12	-	-	-	-	-	-	-	-	-
2012-13	-	-	-	-	-	-	-	-	-

Kings Highway upgrade

The Government provided \$23.3 million in 2008-09 to upgrade the Kings Highway between Queanbeyan and Bungendore, New South Wales – the main link to the new Defence Headquarters Joint Operations Command – to improve road safety for local communities and reduce the impact of the new establishment on traffic volumes.

Table 2.98: Estimated payments to New South Wales for the Kings Highway upgrade

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2008-09	16.3	-	-	-	-	-	7.0	-	23.3
2009-10	-	-	-	-	-	-	-	-	-
2010-11	-	-	-	-	-	-	-	-	-
2011-12	-	-	-	-	-	-	-	-	-
2012-13	-	-	-	-	-	-	-	-	-

Local community sporting infrastructure

Table 2.99: Estimated payments to New South Wales for Local community sporting infrastructure

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2008-09	0.3	-	-	-	-	-	-	-	0.3
2009-10	2.3	-	-	-	-	-	-	-	2.3
2010-11	2.4	-	-	-	-	-	-	-	2.4
2011-12	-	-	-	-	-	-	-	-	-
2012-13	-	-	-	-	-	-	-	-	-

Supplementary road funding to South Australia

Since 2004-05, the Commonwealth has agreed to provide South Australia with supplementary funding to address its apparent disadvantage under the current distribution of the untied local roads grants. South Australia will receive \$14.8 million for this purpose in 2009-10.

Table 2.100: Estimated payments of Supplementary road funding to South Australia

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2008-09	-	-	-	-	14.3	-	-	-	14.3
2009-10	-	-	-	-	14.8	-	-	-	14.8
2010-11	-	-	-	-	15.5	-	-	-	15.5
2011-12	-	-	-	-	-	-	-	-	-
2012-13	-	-	-	-	-	-	-	-	-

ENVIRONMENT

In 2009-10, the States will receive \$479 million from the Commonwealth to support state environment services. This includes a number of payments under the former federal financial arrangements which are now being made as National Partnership payments.

Table 2.101: Payments to support state environmental services

\$million	2008-09	2009-10	2010-11	2011-12	2012-13
National Partnership payments					
Caring for our Country	159.0	138.0	138.0	138.0	138.0
Eradication of red imported fire ant	3.3	-	-	-	-
Environmental management of the former Rum Jungle mine site	-	2.0	1.2	3.3	0.4
Exotic disease preparedness	0.4	0.4	0.4	0.4	0.4
Great Artesian Basin sustainability initiative	8.3	14.9	14.9	14.9	14.9
Plant disease and eradication	0.4	-	-	-	-
Renewable remote power generation	56.0	40.5	25.0	-	-
The Living Murray	62.0	28.0	-	-	-
Water for the Future	158.2	240.0	80.9	17.4	-
Transfer of Commonwealth land to Victoria - Point Nepean	-	15.0	-	-	-
Total	447.6	478.8	260.4	174.0	153.7

National Partnership payments for the environment

Caring for our Country

Caring for our Country is the Government's natural resource management initiative, and aims to integrate delivery of the Commonwealth's previous natural resource management programs: the Natural Heritage Trust; the National Action Plan for Salinity and Water Quality; the National Landcare Program; the Environmental Stewardship Program; and the Working on Country Indigenous land and environmental program.

Under Caring for our Country, regional bodies will continue to receive guaranteed funding of at least 60 per cent of historical average funding to secure their operations. This funding, \$138 million in 2009-10, will be paid through the States.

Table 2.102: Estimated payments to the States for Caring for our Country^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2008-09	41.0	32.4	25.8	29.4	19.0	5.8	1.4	4.3	159.0
2009-10	35.6	28.1	22.4	25.5	16.5	5.1	1.2	3.7	138.0
2010-11	35.6	28.1	22.4	25.5	16.5	5.1	1.2	3.7	138.0
2011-12	35.6	28.1	22.4	25.5	16.5	5.1	1.2	3.7	138.0
2012-13	35.6	28.1	22.4	25.5	16.5	5.1	1.2	3.7	138.0

(a) State allocations are yet to be finalised. These indicative allocations are based on previous distributions of funding among the States.

Red imported fire ant eradication

Commonwealth funding provided \$3.3 million in 2008-09 to assist the Queensland Government to eradicate the red imported fire ant from Queensland. The fire ant, *Solenopsis invicta* is an insect pest that is considered to be a threat to lifestyle, the environment and the economy. The eradication program commenced in 2002.

Table 2.103: Estimated payments to Queensland for red imported fire ant eradication

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2008-09	-	-	3.3	-	-	-	-	-	3.3
2009-10	-	-	-	-	-	-	-	-	-
2010-11	-	-	-	-	-	-	-	-	-
2011-12	-	-	-	-	-	-	-	-	-
2012-13	-	-	-	-	-	-	-	-	-

Exotic disease preparedness program

The Commonwealth will provide \$400,000 in 2009-10 to fund the exotic disease preparedness program, which supports investigations into the role of wildlife species in the maintenance and spread of emerging animal diseases and incursion of major exotic diseases of animals.

Table 2.104: Estimated payments to the States for exotic disease preparedness program

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2008-09	0.2	..	0.1	..	-	-	-	-	0.4
2009-10	0.1	0.1	0.1	0.1	..	..	..	..	0.4
2010-11	0.1	0.1	0.1	0.1	..	..	..	..	0.4
2011-12	0.1	0.1	0.1	0.1	..	..	..	..	0.4
2012-13	0.1	0.1	0.1	0.1	..	..	..	..	0.4

Plant disease and eradication

The Commonwealth will provide no further funding in 2009-10 to assist the Queensland Government to manage and operate the National Citrus Canker Eradication Program as the disease was declared to have been eradicated from Australia on 23 January 2009.

Citrus canker is a bacterial disease caused by *Xanthomonas axonopodis* pv. *citri* and is considered to be a serious threat to Australia's citrus industry.

Table 2.105: Estimated payments to Queensland for plant disease and eradication

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2008-09	-	-	0.4	-	-	-	-	-	0.4
2009-10	-	-	-	-	-	-	-	-	-
2010-11	-	-	-	-	-	-	-	-	-
2011-12	-	-	-	-	-	-	-	-	-
2012-13	-	-	-	-	-	-	-	-	-

A number of other plant pest and weed eradication programs are subject to national funding agreements outside of formal emergency plant pest response arrangements. These remain unfunded in forward estimates.

Renewable Remote Power Generation

The Commonwealth will provide \$40.5 million to the States in 2009-10 to fund the Renewable Remote Power Generation program which provides financial support to increase the use of renewable generation in remote parts of Australia that presently rely on fossil fuel for electricity supply.

Table 2.106: Estimated payments to the States for renewable remote power generation

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2008-09	12.9	4.5	11.7	13.2	3.6	1.6	-	8.6	56.0
2009-10	6.8	3.5	6.7	11.8	3.3	1.2	-	7.2	40.5
2010-11	2.1	1.1	2.2	13.4	1.2	0.2	-	4.9	25.0
2011-12	-	-	-	-	-	-	-	-	-
2012-13	-	-	-	-	-	-	-	-	-

Environmental management of the former Rum Jungle mine site

The Commonwealth will provide \$7 million in financial assistance over four years to the Northern Territory to support the on-going management of the former Rum Jungle mine site.

The measure includes funding to:

- support the environmental management and monitoring of the site; and
- assist with the development of site management and rehabilitation strategies in partnership with the site's traditional owners and industry.

Table 2.107: Estimated payments to the Northern Territory for management of the former Rum Jungle mine site

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2008-09	-	-	-	-	-	-	-	-	-
2009-10	-	-	-	-	-	-	-	2.0	2.0
2010-11	-	-	-	-	-	-	-	1.2	1.2
2011-12	-	-	-	-	-	-	-	3.3	3.3
2012-13	-	-	-	-	-	-	-	0.4	0.4

Great Artesian Basin sustainability initiative

The Commonwealth will provide \$14.9 million in 2009-10 to continue work on the repair of uncontrolled artesian bores and the replacement of wasteful open-earthen bore drains with piped water reticulation systems through the Great Artesian Basin sustainability initiative

The Great Artesian Basin sustainability initiative is being delivered through state agencies and the Commonwealth makes its contributions jointly with other key stakeholders, state governments and pastoral bore owners.

Table 2.108: Estimated payments to the States for the Great Artesian Basin sustainability initiative

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2008-09	3.4	-	4.9	-	-	-	-	-	8.3
2009-10	6.0	-	7.9	-	1.0	-	-	-	14.9
2010-11	6.0	-	7.9	-	1.0	-	-	-	14.9
2011-12	6.0	-	7.9	-	1.0	-	-	-	14.9
2012-13	6.0	-	7.9	-	1.0	-	-	-	14.9

The Living Murray

The Commonwealth will provide \$28 million in 2009-10 to support the Living Murray program, Australia's most significant river restoration program.

The Living Murray program was established in 2002 in response to evidence showing the declining health of the River Murray system, and aims to achieve a healthy working River Murray system for the benefit of all Australians. This includes returning water to the River's environment. It is a partnership of the Australian, New South Wales, Victorian, South Australian and Australian Capital Territory Governments.

Table 2.109: Estimated payments to the States for the Living Murray

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2008-09	37.9	13.1	-	-	11.0	-	-	-	62.0
2009-10	6.8	21.3	-	-	-	-	-	-	28.0
2010-11	-	-	-	-	-	-	-	-	-
2011-12	-	-	-	-	-	-	-	-	-
2012-13	-	-	-	-	-	-	-	-	-

Water for the Future

The Commonwealth will provide \$240 million in 2009-10 to the States to support the sustainable rural water use and infrastructure program.

On 3 July 2008 the Commonwealth and State governments finalised the *Agreement on Murray-Darling Basin Reform* to secure a sustainable future for the Murray-Darling Basin.

The Commonwealth has agreed in-principle to provide about \$3.7 billion for significant state-based water infrastructure and reform projects in South Australia, New South Wales, Victoria, Queensland and the Australian Capital Territory, subject to a due diligence assessment of the social, economic, environmental, financial and technical aspects of the projects.

Table 2.110: Estimated payments to the States for Water for the Future

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2008-09	26.1	22.9	12.0	3.8	81.6	11.7	0.1	-	158.2
2009-10	10.1	19.9	33.1	12.8	144.7	18.5	1.0	-	240.0
2010-11	6.3	14.0	-	4.3	52.6	3.7	-	-	80.9
2011-12	6.0	5.5	-	3.9	2.0	-	-	-	17.4
2012-13	-	-	-	-	-	-	-	-	-

Transfer of Commonwealth land to Victoria – Point Nepean

The Commonwealth will provide \$15 million, currently held by the Point Nepean Community Trust, to the Victorian Government as part of the transfer of the ownership of the former Quarantine Station at Point Nepean, Victoria, from the Commonwealth to the Victorian Government

Table 2.111: estimated payments to the States for Transfer of Commonwealth land to Victoria

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2008-09	-	-	-	-	-	-	-	-	-
2009-10	-	15.0	-	-	-	-	-	-	15.0
2010-11	-	-	-	-	-	-	-	-	-
2011-12	-	-	-	-	-	-	-	-	-
2012-13	-	-	-	-	-	-	-	-	-

CONTINGENT PAYMENTS

Contingent payments arise where the Commonwealth has committed to provide compensation when an event occurs or otherwise guarantees the States' financial position. Payments to the States will only arise in the event that the relevant event occurs.

Table 2.112 contains existing payments that will continue to be paid from 1 January 2009 as National Partnership payments if a contingency arises.

Table 2.112: Contingent payments to the States

\$million	2008-09	2009-10	2010-11	2011-12	2012-13
National Partnership payments					
Exceptional circumstances assistance	589.0	227.0	-	-	-
Equine influenza emergency response	20.1	-	-	-	-
Hepatitis C settlement fund	1.4	1.4	1.4	1.4	-
Natural disaster relief	390.1	80.0	80.0	80.0	89.5
Total	1000.6	308.4	81.4	81.4	89.5

A brief description of all contingent payments including state allocations is listed below.

Exceptional Circumstances assistance

The Commonwealth will provide \$227 million in 2009-10 for Exceptional Circumstances interest rate subsidies to the States for Exceptional Circumstances support to eligible farmers and small business operators in a region that is experiencing a severe downturn due to a rare and severe climatic or other event.

Table 2.113: Estimated payments to the States for Exceptional Circumstances assistance

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2008-09	345.2	81.5	72.0	15.9	69.4	4.4	-	0.7	589.0
2009-10	129.1	71.1	-	-	24.5	2.2	-	-	227.0
2010-11	-	-	-	-	-	-	-	-	-
2011-12	-	-	-	-	-	-	-	-	-
2012-13	-	-	-	-	-	-	-	-	-

Equine influenza emergency response

The Commonwealth provided \$97.2 million to the States in 2007-08 towards response costs associated with eradication of the equine influenza. As not all response costs had been recognised at 30 June 2008, an amount of \$20.1 million was reallocated into 2008-09 to allow the Commonwealth to meet its obligations. No further funding is

required for this response as Australia was declared equine influenza-free according to international standards in December 2008.

Table 2.114: Estimated payments to the States for the equine influenza emergency response

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2008-09	9.8	0.2	9.9	-	0.2	-	..	-	20.1
2009-10	-	-	-	-	-	-	-	-	-
2010-11	-	-	-	-	-	-	-	-	-
2011-12	-	-	-	-	-	-	-	-	-
2012-13	-	-	-	-	-	-	-	-	-

Hepatitis C settlement fund

The Commonwealth will contribute up to \$1.4 million in 2009-10 to the States' schemes for out-of-court settlement costs for eligible individuals who contracted Hepatitis C through the blood supply between 1985 and 1991.

Table 2.115: Estimated payments to the States for the Hepatitis C settlement fund

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2008-09	1.1	-	-	..	0.2	-	..	0.1	1.4
2009-10	1.1	-	-	..	0.2	-	..	0.1	1.4
2010-11	1.1	-	-	..	0.2	-	..	0.1	1.4
2011-12	1.1	-	-	..	0.2	-	..	0.1	1.4
2012-13	-	-	-	-	-	-	-	-	-

Natural disaster relief

In 2009-10 the Commonwealth will provide \$80.0 million under the Natural Disaster Relief and Recovery Arrangements, to partially reimburse the States for their expenditure on relief assistance following an eligible natural disaster.

Table 2.116: Estimated payments to the States for natural disaster relief

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2008-09	-	265.0	124.5	-	-	0.6	-	-	390.1
2009-10	24.1	1.4	31.3	7.6	2.7	0.5	-	12.5	80.0
2010-11	24.1	1.4	31.3	7.6	2.7	0.5	-	12.5	80.0
2011-12	24.1	1.4	31.3	7.6	2.7	0.5	-	12.5	80.0
2012-13	27.0	1.0	35.0	8.5	3.5	0.5	-	14.0	89.5

OTHER

From time to time, the Commonwealth has also made various payments to the States to support other services, including payments in respect of:

- agriculture, forestry and fishing;
- public order and safety;
- fuel and energy; and
- recreation and culture.

A number of existing payments will continue to be paid from 1 January 2009 as National Partnership payments.

Table 2.117: Payments to support other state services

\$million	2008-09	2009-10	2010-11	2011-12	2012-13
National Partnership payments					
Disaster resilience Australia	26.1	21.0	5.0	5.0	5.0
Legal aid	176.4	165.6	170.7	173.9	170.8
Standard business reporting program	4.2	9.0	-	-	-
Restoration of Albert Hall, Canberra	-	0.5	-	-	-
Film and literature classification	0.6	5.3	-	-	-
Seamless national economy	100.0	-	-	200.0	250.0
CrimTrac police reference system	4.4	-	-	-	-
Improving policing in very remote areas	22.7	4.0	-	-	-
Indigenous communications program	-	0.6	2.3	2.0	2.1
Digital regions initiative(a)	-	2.8	16.9	25.4	8.2
North East Tasmania micro capital scheme	0.3	-	-	-	-
Sydney Cricket Ground - new grandstand	10.0	-	-	-	-
World sailing championships	1.0	2.0	2.0	3.6	-
Strengthening Tasmania	2.5	-	-	-	-
Total	348.2	210.8	196.9	409.9	436.1

(a) Includes payments direct to local government.

National Partnership to Deliver a Seamless National Economy

The *National Partnership Agreement to Deliver a Seamless National Economy* is intended to deliver reductions in unnecessary and inconsistent regulation across jurisdictions and to improve processes for regulation-making and review. The Commonwealth has committed to provide funding of \$550 million over five years from 2008-09 to facilitate the implementation of and reward the delivery of reform priorities.

Table 2.118: Estimated payments for a seamless national economy

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
Payments to the States									
2008-09	32.6	24.8	20.1	10.1	7.5	2.3	1.6	1.0	100.0
2009-10	-	-	-	-	-	-	-	-	-
2010-11	-	-	-	-	-	-	-	-	-
2011-12	64.2	49.6	41.0	20.7	14.7	4.5	3.2	2.1	200.0
2012-13	79.9	61.9	51.6	26.0	18.3	5.6	4.0	2.6	250.0

National Partnership on Disaster Resilience Australia

The Government will provide funding to the States over the next four years as part of an on-going program to strengthen efforts to combat man-made and natural threats and disasters across Australia.

The Government has reformed its approach to disaster management with a focus on community resilience which will be delivered in partnership with the States. In addition to undertaking projects of national significance, the Disaster Resilience Australia Package will provide grants for projects developed to address disaster risks through: disaster mitigation works which minimise the risks to communities, including increased risks resulting from the effects of climate change; supporting the work of volunteers in emergency management; assisting local government to meet its emergency management responsibilities; and building partnerships with business, non-government organisations and community groups to improve their ability to assist their communities during and following an emergency.

The package replaces a number of existing disaster mitigation programs, combining funds to allow the flexibility to address different priorities across the States over time, as well as projects of national importance.

Table 2.119: Estimated payments for Disaster Resilience Australia

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
Payments to the States									
2008-09	9.7	2.3	6.4	2.6	2.6	1.1	0.8	0.8	26.1
2009-10	6.5	2.1	5.7	2.3	2.3	1.0	0.7	0.8	21.0
2010-11	1.4	1.0	1.0	0.6	0.4	0.3	0.2	0.3	5.0
2011-12	1.4	1.0	1.0	0.6	0.4	0.3	0.2	0.3	5.0
2012-13	1.4	1.0	1.0	0.6	0.4	0.3	0.2	0.3	5.0
Commonwealth own-purpose expense									
2008-09									
2009-10									18.6
2010-11									19.0
2011-12									19.4
2012-13									19.9
Total									
2008-09	9.7	2.3	6.4	2.6	2.6	1.1	0.8	0.8	26.1
2009-10	6.5	2.1	5.7	2.3	2.3	1.0	0.7	0.8	39.6
2010-11	1.4	1.0	1.0	0.6	0.4	0.3	0.2	0.3	24.0
2011-12	1.4	1.0	1.0	0.6	0.4	0.3	0.2	0.3	24.4
2012-13	1.4	1.0	1.0	0.6	0.4	0.3	0.2	0.3	24.9

Bushfire Mitigation Program

The Commonwealth will provide funding to assist bushfire mitigation through the construction, maintenance and signage of fire trail networks to assist local communities to better prepare for bushfires. The Bushfire Mitigation Program is a national program aimed at identifying and addressing bushfire mitigation risk priorities across the nation. It funds construction and maintenance of fire trails and associated accessibility measures that contribute to safer, sustainable communities better able to prepare for, respond to and withstand the effects of bushfires.

Table 2.120: Estimated payments to the States for the Bushfire Mitigation program

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2008-09	3.8	1.0	1.0	0.6	0.4	0.3	0.2	0.3	7.5
2009-10	1.4	1.0	1.0	0.6	0.4	0.3	0.2	0.3	5.0
2010-11	1.4	1.0	1.0	0.6	0.4	0.3	0.2	0.3	5.0
2011-12	1.4	1.0	1.0	0.6	0.4	0.3	0.2	0.3	5.0
2012-13	1.4	1.0	1.0	0.6	0.4	0.3	0.2	0.3	5.0

Natural Disaster Mitigation Program

The Commonwealth will provide \$16.0 million in 2009-10 for the Natural Disaster Mitigation program. The Natural Disaster Mitigation program is a national program which aims to create safer, sustainable communities better able to withstand the effects of floods, storms, bushfires and other rapid-onset natural disasters. Projects that qualify for funding include risk management studies, early warning systems, community awareness and readiness measures, property buy-back schemes and structural works to protect against damage.

Table 2.121: Estimated payments to the States for the Natural Disaster Mitigation program

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2008-09	5.9	1.3	5.4	2.0	2.2	0.8	0.6	0.5	18.6
2009-10	5.1	1.1	4.7	1.7	1.9	0.7	0.5	0.5	16.0
2010-11	-	-	-	-	-	-	-	-	-
2011-12	-	-	-	-	-	-	-	-	-
2012-13	-	-	-	-	-	-	-	-	-

Other National Partnership payments

A number of National Partnership payments will continue to be paid under the new federal financial arrangements. A description of each of the payments to be made in 2009-10 is provided below.

Legal aid

The Commonwealth will provide \$165.5 million in 2009-10 to fund legal aid commissions in each State to provide legal assistance to disadvantaged persons in matters arising under the Commonwealth law.

The Commonwealth provides legal aid funding to enable disadvantaged Australians to access services which assist them to resolve their legal problems. Legal aid is not provided for every type of legal problem. Commonwealth funding is provided for matters of Commonwealth priority, particularly family law matters involving children. Legal aid services include legal education, early intervention advice, mediation and legal representation services.

Table 2.122: Estimated payments to the States for legal aid

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2008-09	55.7	37.2	37.2	17.2	14.4	6.1	4.3	4.2	176.4
2009-10	51.6	34.0	36.2	16.4	14.1	5.5	4.2	3.7	165.6
2010-11	53.9	35.9	36.7	16.0	14.4	5.6	4.3	3.8	170.7
2011-12	55.4	37.0	36.7	16.2	14.7	5.7	4.4	3.9	173.9
2012-13	54.4	36.4	36.0	15.9	14.4	5.6	4.3	3.8	170.8

Standard Business Reporting Program

The Commonwealth will provide \$9.0 million in 2009-10 to the States for the Standard Business Reporting Program. This program is a multi-agency initiative that will simplify business-to-government reporting by:

- making forms easier to understand;
- using accounting or record-keeping software to automatically pre-fill government forms; and
- introducing a single secure way to interact online with participating agencies.

Government agencies participating in the Standard Business Reporting Program include the Australian Treasury, Australian Bureau of Statistics, Australian Prudential Regulation Authority, Australian Securities and Investments Commission, Australian Taxation Office and all state government revenue offices.

Table 2.123: Estimated payments to the States for the Standard Business Reporting Program

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2008-09	0.7	0.8	1.0	0.3	0.4	0.5	0.4	0.2	4.2
2009-10	1.0	1.0	0.6	1.4	1.3	1.2	1.3	1.4	9.0
2010-11	-	-	-	-	-	-	-	-	-
2011-12	-	-	-	-	-	-	-	-	-
2012-13	-	-	-	-	-	-	-	-	-

CrimTrac Police Reference System

The Commonwealth provided \$4.4 million in 2008-09 to the States for their contribution toward a national information-sharing solution through the development of the CrimTrac Police Reference System.

Table 2.124: Estimated payments to the States for CrimTrac police reference system

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2008-09	0.4	-	1.0	-	1.0	-	-	2.0	4.4
2009-10	-	-	-	-	-	-	-	-	-
2010-11	-	-	-	-	-	-	-	-	-
2011-12	-	-	-	-	-	-	-	-	-
2012-13	-	-	-	-	-	-	-	-	-

Digital Regions Initiative

The Commonwealth will provide an estimated \$3 million to the States in 2009-10 for the Digital Regions Initiative, subject to the outcomes of a competitive assessment process. This initiative will co-fund innovative digital enablement projects to support improved education, health and emergency services in regional, rural and remote communities.

Table 2.125: Estimated payments to the States for the Digital Regions Initiative^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2008-09									
2009-10	0.9	0.7	0.6	0.3	0.2	..	..	..	2.8
2010-11	5.5	4.2	3.5	1.8	1.2	0.4	0.3	0.2	16.9
2011-12	8.2	6.3	5.2	2.6	1.9	0.6	0.4	0.3	25.4
2012-13	2.6	2.1	1.7	0.9	0.6	0.2	0.2	0.1	8.2

(a) State allocations have been notionally allocated on an equal per capita basis, as there is no alternative basis on which to estimate state allocations. Includes payments to local government.

Film and literature classifications

The Commonwealth will provide \$5.3 million in 2009-10 under the 1995 *Intergovernmental Agreement for a Revised Co-Operative Censorship Scheme* in Australia. The agreement establishes the National Classification Scheme with the aim of more uniform and simple censorship laws with consequential benefits to the public and industry.

The Commonwealth will meet its future payment commitments to the States under this program by providing a single payment in 2009-10 and ceasing future annual payments.

Table 2.126: Estimated payments to the States for film and literature classifications

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2008-09	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.6
2009-10	0.6	0.6	0.6	0.7	0.7	0.7	0.7	0.7	5.3
2010-11	-	-	-	-	-	-	-	-	-
2011-12	-	-	-	-	-	-	-	-	-
2012-13	-	-	-	-	-	-	-	-	-

Improving policing in very remote areas

Improving policing in very remote communities is part of the July 2006 COAG package addressing violence and child abuse in Indigenous communities. The Commonwealth will provide \$4.0 million in 2009-10 to the States for the completion of construction of police stations and related infrastructure including police housing, and to the Northern Territory for sniffer dog teams to reduce the use of illicit substances in some Indigenous communities.

Table 2.127: Estimated payments to the States for improving policing in very remote areas

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2008-09	-	-	4.3	10.0	4.0	-	-	4.4	22.7
2009-10	-	-	-	3.0	0.6	-	-	0.4	4.0
2010-11	-	-	-	-	-	-	-	-	-
2011-12	-	-	-	-	-	-	-	-	-
2012-13	-	-	-	-	-	-	-	-	-

Indigenous Communications Program

The Commonwealth will provide \$0.6 million to the States in 2009-10 for the Indigenous Communications Program. This program will provide funding in collaboration with the States for new or expanded public internet access and delivery of computer training in up to 120 remote Indigenous communities that have limited or no public access internet facilities.

Table 2.128: Estimated payments to the States for the Indigenous communications program — internet access and training^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2008-09	-	-	-	-	-	-	-	-	-
2009-10	..	-	0.1	0.2	..	..	-	0.2	0.6
2010-11	0.1	-	0.4	0.8	0.2	..	-	0.8	2.3
2011-12	0.1	-	0.3	0.7	0.1	..	-	0.7	2.0
2012-13	0.1	-	0.3	0.7	0.1	..	-	0.7	2.1

(a) State allocations are yet to be finalised. These indicative allocations are based on preliminary estimates provided by the States of potentially eligible remote Indigenous communities.

North-East Tasmania micro-capital scheme

The Commonwealth provided \$0.3 million to Tasmania in 2008-09 for the North-East Tasmania micro-capital scheme. The scheme provides business micro-capital to create sustainable jobs in the North-East regions of Tasmania, including Scottsdale and Launceston. Grants of up to \$50,000 are available to eligible applicants.

Table 2.129: Estimated payments to Tasmania for the North-East Tasmania micro-capital scheme

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2008-09	-	-	-	-	-	0.3	-	-	0.3
2009-10	-	-	-	-	-	-	-	-	-
2010-11	-	-	-	-	-	-	-	-	-
2011-12	-	-	-	-	-	-	-	-	-
2012-13	-	-	-	-	-	-	-	-	-

Restoration of Albert Hall, Canberra

The Commonwealth will provide \$500,000 to the Australian Capital Territory in 2009-10 for the restoration of the Albert Hall. The Albert Hall is a historical and cultural landmark of Canberra and is listed in the Register of the National Estate on the Australian Capital Territory Heritage Register. The Australian Capital Territory Government is responsible for the management and maintenance of the Albert Hall and is currently refurbishing it under a conservation plan. This grant is to assist the Australian Capital Territory Government in this \$2.7 million project.

Table 2.130: Estimated payments to the Australian Capital Territory for the restoration of Albert Hall, Canberra

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2008-09	-	-	-	-	-	-	-	-	-
2009-10	-	-	-	-	-	-	0.5	-	0.5
2010-11	-	-	-	-	-	-	-	-	-
2011-12	-	-	-	-	-	-	-	-	-
2012-13	-	-	-	-	-	-	-	-	-

Strengthening Tasmania

The Commonwealth provided \$2.5 million in 2008-09 to Tasmania to undertake refurbishment of buildings in the Low Head Historic Precinct to promote increased visitation, and economic viability and long-term sustainability to the precinct through the generation of sufficient revenue to provide for adequate management and maintenance of the site's heritage assets as a public facility

Table 2.131: Estimated payments to Tasmania for the North-East Tasmania micro-capital scheme

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2008-09	-	-	-	-	-	2.5	-	-	2.5
2009-10	-	-	-	-	-	-	-	-	-
2010-11	-	-	-	-	-	-	-	-	-
2011-12	-	-	-	-	-	-	-	-	-
2012-13	-	-	-	-	-	-	-	-	-

Sydney Cricket Ground — new grandstand

The Commonwealth contributed \$20 million to New South Wales over 2007-08 and 2008-09 to improve facilities and increase the capacity of the new Victor Trumper Grandstand at the Sydney Cricket Ground.

Table 2.132: Estimated payments to New South Wales for Sydney Cricket Ground — new grandstand

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2008-09	10.0	-	-	-	-	-	-	-	10.0
2009-10	-	-	-	-	-	-	-	-	-
2010-11	-	-	-	-	-	-	-	-	-
2011-12	-	-	-	-	-	-	-	-	-
2012-13	-	-	-	-	-	-	-	-	-

World sailing championships

The Commonwealth will provide \$2.0 million to Western Australia in 2009-10 to contribute to the successful staging of the International Sailing Federation World Championships in Western Australia in December 2011.

Table 2.133: Estimated payments to the States for the world sailing championships

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2008-09	-	-	-	1.0	-	-	-	-	1.0
2009-10	-	-	-	2.0	-	-	-	-	2.0
2010-11	-	-	-	2.0	-	-	-	-	2.0
2011-12	-	-	-	3.6	-	-	-	-	3.6
2012-13	-	-	-	-	-	-	-	-	-

LOCAL GOVERNMENT SERVICES

The Commonwealth provides a financial contribution in respect of the provision of local government services to the community. In 2009-10, payments for local government services will total \$1.4 billion.

Table 2.134: Payments to support local government

\$million	2008-09	2009-10	2010-11	2011-12	2012-13
Financial assistance grants					
General purpose assistance	1628.6	996.8	1396.3	1448.6	1510.6
Untied local roads grants	722.7	442.3	619.6	642.8	670.3
Total	2351.3	1439.1	2015.9	2091.4	2180.9

Financial assistance grants

The Commonwealth has provided general purpose assistance to local governments since 1974-75.

State grants commissions determine the intra-State distribution of the financial assistance grants between local governments. This funding is untied and can be spent according to each local government's own priorities. From 1988-89, the ACT has also been included in these grants, reflecting its combined responsibility for both state and local government functions.

General purpose assistance is the larger of the two components of the financial assistance grants for local government and is distributed between the States on a per capita basis.

In 1991-92, payments made to local government for roads became untied funding and were added to the financial assistance grants. Although the untied local roads grants are no longer required to be spent on roads, they are distributed between the States using fixed state allocations, based on the interstate road shares which were calculated before the funding became untied.

The financial assistance grants are increased annually, based on an escalation factor that the Treasurer determines with reference to population growth and the consumer price index.

The Commonwealth has decided to make the first quarter payment for 2009-10 in the 2008-09 financial year. The net effect will be an additional payment of \$479.7 million in 2008-09 with a corresponding reduction in 2009-10. Accelerating the provision of funding to local government will assist the Government's strategy of supporting economic growth and jobs. Local governments will be able to bring forward their delivery of some services into 2008-09 or early 2009-10, when they may otherwise have been provided later in 2009 or in 2010.

Distribution of financial assistance grants

State shares of financial assistance grants for 2008-09 and 2009-10 are shown in Table 3.12 on a cash basis. The cash totals vary from the accrual totals shown in Table 3.1 due to adjustments for any overpayment or underpayment from the previous year. These adjustments arise because the Treasurer determines the escalation factors in the June prior to the end of each financial year, and the adjustment in the following financial year ensures that local governments receive their correct entitlement using a final escalation factor.

Table 2.135: Financial assistance grants to local government (cash basis)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2008-09									
General purpose assistance	537	407	328	165	123	38	26	17	1642
Untied local road funding	211	150	137	111	40	39	23	17	729
Total(a)	749	557	464	277	163	77	50	34	2371
2009-10									
General purpose assistance	324	247	201	102	74	23	10	16	997
Untied local road funding	128	91	83	68	24	23	10	14	442
Total(b)	453	338	283	169	98	46	21	30	1439

(a) The 2008-09 estimate takes into account an underpayment in 2007-08. The Treasurer will determine the final 2008-09 escalation factor in June 2009. The 2008-09 escalation factor is currently estimated to be 1.0425.

(b) The 2009-10 escalation factor is currently estimated to be 1.0392. Financial assistance grants in 2009-10 will be paid on the basis of the escalation factor that the Treasurer will estimate in June 2009. The Treasurer will determine the final escalation factor for 2009-10 in June 2010. The 2009-10 estimate includes the estimated adjustment for the difference between the 2008-09 escalation factor estimated in June 2008 (used to calculate payments in 2008-09) and the final factor for 2008-09 (to be determined in June 2009). Using current estimates, this adjustment will be an increase of \$12.8 million.