

# Commonwealth Budget 2021-22

## Overview

“Tonight, I outline the Morrison Government’s plan to secure Australia’s economic recovery and build for the future. A plan that continues to protect Australians from COVID. A plan that creates more jobs. A plan that guarantees essential services. A plan that builds a more resilient and secure Australia”

The Hon. Josh Frydenberg MP  
Treasurer  
Budget Speech 2021-22  
Tuesday, 11 May 2021

The Government’s 2021-22 Budget has been framed to maintain the momentum of employment growth and economic recovery with new and additional tax cuts to low and middle income earners, investment incentives to help businesses expand and create new jobs, programs to better equip Australians with job ready skill sets, initiatives to reduce domestic and sexual violence against women and children and multi-billion dollar infrastructure commitments to boost national productivity, together with record funding for school, hospitals, mental health, aged care and disability support.

Overlaying the suite of spending programs designed to deliver greater security to Australians is the Government’s focus in the Budget on ensuring Australians are being kept safe from COVID through significant spending boosts to COVID-related health services such as testing and tracing, respiratory clinics and telehealth.

The following brief provides details of the significant portfolio program announcements contained in the 2021-22 Budget.

## Key Economic Indicators

<b>Deficit</b>	<b>Debt</b>	<b>Payments</b>
\$161 billion	\$617.5 billion	\$660.8 billion
<b>GDP</b>	<b>GDP Growth</b>	<b>Receipts</b>
\$2 trillion	4.25 per cent	\$499.8 billion



## Highlights

<b>Health and Aged Care</b>	<ul style="list-style-type: none"><li>• \$17.7 billion in extra funding for aged care</li><li>• \$354 million for women’s health and maternal and baby health</li><li>• \$114 million to extend Medicare rebates for telehealth</li><li>• \$65 million to boost bulk-billing rebates in regional Australia</li><li>• \$13.2 billion boost to the NDIS</li><li>• \$1.9 billion for vaccine roll-out</li><li>• \$1.5 billion for COVID-related health services</li><li>• \$2.3 billion for mental health care and suicide prevention</li></ul>
<b>Agriculture, Water and Environment</b>	<ul style="list-style-type: none"><li>• \$600 million to establish the National Recovery and Resilience Agency</li><li>• \$565.8 million for low-emissions international technology partnerships and research</li><li>• \$263.7 million for carbon capture and storage projects</li><li>• \$210 million to establish an Australian Climate Service</li><li>• \$100 million for projects to manage ocean environments</li><li>• \$371 million biosecurity package</li><li>• \$3.5 billion National Water Grid Fund</li></ul>
<b>Industry, Science, Energy and Resources</b>	<ul style="list-style-type: none"><li>• \$660 million to a state energy and emissions reduction deal with SA</li><li>• \$275.5 million for four clean hydrogen hubs</li><li>• \$58.6 million for gas infrastructure and development of new supply hubs</li><li>• \$15 million for a 35MW big battery in the NT</li><li>• \$15 million for micro-grids in Indigenous communities</li><li>• \$100 million to extend the junior minerals exploration incentive</li></ul>
<b>Social Services</b>	<ul style="list-style-type: none"><li>• \$1.7 billion to increase childcare subsidies</li><li>• \$680 million on domestic violence programs</li><li>• New family home guarantee</li><li>• Extension of the new home guarantee</li><li>• Increase the maximum amount people can withdraw from their super</li><li>• \$124.7 million to build public housing</li><li>• Extension of HomeBuilder</li><li>• \$10 billion guarantee underwriting a reinsurance pool to cover cyclone and related flood damage</li><li>• Further \$1.1 billion in women’s safety</li><li>• More than \$600 million for community and household</li></ul>



	projects
Education, Skills and Employment	<ul style="list-style-type: none"> <li>• \$9 billion for \$50/fortnight JobSeeker increase</li> <li>• \$53.6 million for English-language and non-university higher education providers</li> <li>• \$2.7 billion to create more than 170,000 apprenticeships and traineeships</li> <li>• \$2 billion to fund preschools</li> <li>• More than \$19 billion in funding for universities</li> </ul>
Infrastructure, Transport, Arts and Communications	<ul style="list-style-type: none"> <li>• \$3 billion in Victoria for Melbourne intermodal terminal and Pakenham and Monash road upgrades</li> <li>• \$3 billion in NSW for the Great Western Highway and the Princes Highway</li> <li>• \$130.4 million to improve digital connectivity in regional</li> <li>• \$16.4 million to improve mobile phone services in bushfire-prone areas</li> <li>• \$1.2 billion for a digital economy strategy</li> <li>• \$2.1 billion for aviation, tourism, the arts and international education providers</li> <li>• Further \$250 million for the Building Better Regions Fund</li> </ul>

<b>Overview</b>	<b>1</b>
Key Economic Indicators	1
Highlights	2
Portfolio Announcements	6
Finance and Treasury	6
Aged Care	8
Women’s Safety and Economic Security	10
Employment	12
Education and Training	13
Home Affairs	14
Foreign Affairs, Trade and Tourism	15
Defence	16
Attorney-General	16
Social Services	17
Communications and Arts	17
Agriculture, Water and Environment	18
Infrastructure, Transport and Regional Development	21
Energy	23
Industry, Science and Resources	24



## Portfolio Announcements

### Finance and Treasury

#### Payment Times Reporting Scheme

- Additional **\$16 million** to ensure the effective operation of the Payment Times Reporting Scheme.

#### Australian Energy Regulator

- **\$23.7 million** to the Australian Energy Regulator to meet new statutory obligations to support compliance and enforcement activity.

#### Cyclone and Flood Insurance Pool

- Creation of a Cyclone and Related Flooding Reinsurance Pool backed by a **\$10 billion** government guarantee.

#### Housing Package

- **\$774.8 million** for the HomeBuilder program to extend the construction commencement requirement from six months to 18 months.
- **\$5.8 million** to continue to support the Australian Housing and Urban Research Institute to deliver the National Housing and Urban Research Program.
- **\$1.2 million** for the Australian Institute of Health and Welfare to maintain and enhance the Housing Data Dashboard website.
- Establishing the Family Home Guarantee with 10,000 places to support single parents with dependants in the housing market with a deposit of as little as **2 per cent**.
- Extending the First Home Loan Deposit Scheme to provide an additional 10,000 New Home Guarantees to allow eligible first home buyers to build a new home or purchase a newly constructed home with a deposit of as little as **5 per cent**.

#### Tax Measure

- **First Home Super Saver Scheme:** increase the maximum releasable amount of voluntary concessional and non-concessional contributions under the First Home Super Saver Scheme (**FHSSS**) from \$30,000 to \$50,000.

#### Insolvency Reform

- Clarify the treatment of trusts with corporate trustees under Australia's insolvency law.
- Improve schemes of arrangement processes to better support businesses.
- Increase the minimum threshold at which creditors can issue a statutory demand on a company from \$2,000 to \$4,000.
- Commence an independent review of the insolvent trading safe harbour.



## Tax Measures

- **Low and middle income tax offset:** retain the low and middle income tax offset (LMITO) for the 2021-22 income year.
- **Patent Box:** patent box tax regime to further encourage innovation in Australia by taxing corporate income derived from patents at a concessional effective corporate tax rate of 17 per cent.
- **Brewers and distillers:** aligning the excise refund scheme for alcohol manufacturers with the wine equalisation tax producer rebate.
- **Digital Economy Strategy - effective life and depreciation:** allow taxpayers to self-assess the tax effective lives of eligible intangible depreciating assets, such as patents, registered designs, copyrights and in-house software.
- **Corporate Tax:** finalise the corporate collective investment vehicles (CCIV) component of the measure titled *Ten Year Enterprise Tax Plan* — implementing a new suite of collective investment vehicles announced in the 2016-17 Budget, with a revised commencement date of 1 July 2022.
- **Temporary full expensing extension:** allows eligible businesses with aggregated annual turnover or total income of less than **\$5 billion** to deduct the full cost of eligible depreciable assets of any value.
- **Temporary loss carry-back extension:** allow eligible companies to carry back (utilise) tax losses from the 2022-23 income year to offset previously taxed profits as far back as 2018-19.
- **Employee Share Schemes:** remove the cessation of employment taxing point for the tax-deferred Employee Share Schemes (ESS).
- **International Tax:**
  - remove the concessional 10 per cent effective tax rate that applies to income derived from eligible offshore banking activities.
  - update the list of jurisdictions that have an effective information sharing agreement with Australia.
- **Individual tax residency rules:** replace the individual tax residency rules with a new, modernised framework.
- **Not-for-profits: \$1.9 million** capital funding in 2022-23 to the ATO to build an online system to enhance the transparency of income tax exemptions claimed by not-for-profit entities (NFPs).
- **2021 Storms and Floods:** income tax exemption for qualifying grants made to primary producers and small businesses affected by the storms and floods in Australia.
- **Personal Income Tax:**
  - increase the Medicare levy low-income thresholds for singles, families, and seniors and pensioners so that low-income taxpayers generally continue to be exempt from paying the Medicare levy.
- **Philanthropy** - updates the list of specifically listed deductible gift recipients.
- **Individuals claiming self-education expense deductions:** exclusion of the first \$250 of deductions for prescribed courses of education.



- **Heavy Vehicle Road User Charge:** increasing the charge from 25.8 cents per litre to 26.4 cents per litre.

### Superannuation Measures

- **Threshold for superannuation guarantee eligibility:** remove the current \$450 per month minimum income threshold.
- **Self-managed Superannuation Funds:**
  - allow individuals to exit a specified range of legacy retirement products for a two-year period.
  - relax residency requirements for self-managed superannuation funds (**SMSFs**) and small APRA-regulated funds (**SAFs**).

## Health

### COVID 19 Response Package

- **\$1.9 billion** to distribute and administer COVID-19 vaccines.
- **\$879 million** to continue the health response to COVID-19 (MBS pathology, telehealth, respiratory clinics, Home Medicines Service, Indigenous community support, mental health care).
- **\$845.3 million** to support the emergency response to COVID-19 (quarantine, National Partnership, National Incident Centre, and the National Medical Stockpile).

### Other health initiatives

- **\$186.5 million** to implement changes to the Medicare Benefits Schedule.
- **\$80.9 million** to support the delivery of primary care and the health workforce in rural and remote Australia.
- **\$10.4 million** for medical research in Australia.
- **\$2 billion** for the National Mental Health and Suicide Prevention Plan.
- **\$23.1 million** to further support preventive health activities.
- **Private Health Insurance:** continuing the current policy settings for the income thresholds for the Medicare Levy Surcharge (**MLS**) and Private Health Insurance Rebate.
- **\$148 million**, and **\$4.2 million** in 2025-26, for women's health care.



## Aged Care

### **Royal Commission into Aged Care Quality and Safety**

#### *Governance and Regional Access*

- **\$630.2 million** to improve access to quality aged care services for consumers in regional, rural and remote areas including those with Indigenous backgrounds and special needs groups.
- **\$26.7 million** to develop a new aged care Act to replace both the Aged Care Act 1997 and the Aged Care Quality and Safety Commission Act 2018.
- **\$21.1 million** to establish the National Aged Care Advisory Council to provide advice to Government on the aged care sector including implementation of the aged care reforms and a Council of Elders to provide advice to Government on quality and safety in the aged care sector.
- **\$13.4 million** to establish regional offices as a first phase of a nation-wide rollout to improve advice to Government on issues impacting the delivery of aged care in regional and rural areas.
- **\$6.8 million** for information and engagement with the aged care sector, aged care users and their families about aged care reforms.

#### *Home Care*

- **\$6.5 billion** to release 80,000 additional home care packages.
- **\$798.3 million** to provide greater access to respite care services and payments to support carers.
- **\$272.5 million** to support senior Australians to access information about aged care, navigate the aged care system and connect to services through the introduction of dedicated face-to-face services.
- **\$28.5 million** in 2021-22 to ensure the continued operation of My Aged Care.
- **\$18.4 million** to enhance the oversight and transparency of the delivery of home care packages.
- **\$10.8 million** in 2021-22 to design and plan a new home care program to better meet the needs of senior Australians.

#### *Residential Aged Care Quality and Safety*

- **\$365.7 million** to improve access to primary care and other health services in residential aged care, and additional investment in digital and face-to-face assistance to make it easier to navigate the aged care system.
- **\$301.3 million** to safeguard the quality, safety and integrity of aged care services and address failures in care and prevent outbreaks of COVID-19.
- **\$200.1 million** to introduce a new star rating system with information to make comparisons on quality and safety performance of aged care providers.



- **\$74.8 million** for the Dementia Behaviour Management Advisory Service and the Severe Behaviour Response Teams to strengthen the regulation of chemical and physical restraints, and to further reduce reliance on these restraints.

#### *Residential Aged Care Services and Sustainability*

- **\$3.9 billion** to increase the amount of front line care.
- **\$3.2 billion** to support aged care providers to deliver better care and services.
- **\$279.8 million** to further support residential aged care providers through the continuation of temporary financial supports and the Viability Fund.
- **\$189.3 million** to implement the new funding model, the Australian National Aged Care Classification (**AN-ACC**).
- **\$117.3 million** to support structural reforms.
- **\$49.1 million** for the current independent hospital pricing authority.

#### *Workforce*

- **\$216.7 million** to grow and upskill the workforce.
- **\$228.2 million** to support the establishment of a single aged care assessment workforce.
- **\$105.6 million** to introduce nationally consistent worker screening, register and code-of-conduct for all care sector workers including aged care workers.
- **\$91.8 million** to support the training of new home care workers.
- **\$9.8 million** to extend the Care and Support Workforce campaign.

## Women's Safety and Economic Security

### **Women's Economic Security Package**

**\$1.8 billion** to improve women's workforce participation and economic security.

This includes:

- **\$1.7 billion** to increase the Child Care Subsidy (**CCS**) rate by 30 per cent for the second child and subsequent children aged five years and under in care.
- Up to a maximum CCS rate of 95 per cent for children aged five years and under in care, commencing on 11 July 2022.
- Removing the CCS annual cap of **\$10,560** per child per year commencing on 1 July 2022.
- **\$42.4 million** to establish the Boosting the Next Generation of Women in Science, Technology, Engineering and Mathematics (**STEM**) Program.
- **\$38.3 million** to increase grant funding through the Women's Leadership and Development Program.
- **\$13.9 million** to establish an Early Stage Social Enterprise Foundation that will improve the safety and economic security of Indigenous women.



- **\$12.2 million** to fund an additional round of the National Careers Institute Partnership Grants program.
- **\$10.7 million** to extend the family law small claims property pilot and Legal Aid Commission family law property mediation trial for settlement of property of less than \$500,000 following a relationship breakdown.
- **\$2.6 million** to expand the Career Revive program to attract and retain women returning to work after a career break.
- **\$0.6 million** for the Women in STEM Ambassador to develop an evaluation toolkit to support standardised evaluation planning and reporting.
- Expanding the Mid-Career Checkpoint Program to Victoria, beyond existing pilots in Queensland and New South Wales.
- Expanding eligibility to include people who have been absent from work due to caring responsibilities for six months or more and existing workers at risk of unemployment, primarily targeting female-dominated, COVID-19 affected industries.
- Training grants of up to **\$3,000** will also be available to support skills and training needs to increase employability and support career advancement.

### Women's Safety Package

**\$998.1 million** in funding for initiatives to reduce, and support the victims of Family, Domestic and Sexual Violence (FDSV) against women and children.

- **\$507.3 million** to implement programs and initiatives to support women and children who have been subjected to FDSV.
  - **\$261.4 million** to establish a new National Partnership with the states and territories to expand the funding of frontline Family, Domestic and Sexual Violence (FDSV) support services.
  - **\$164.8 million** for a two year trial program to provide financial support of up to \$5,000 to women fleeing a violent relationship.
  - **\$29.3 million** to support refugee women and other migrant women's safety and social economic inclusion.
  - **\$26 million** to better support Aboriginal and Torres Strait Islander women and children who have experienced or are experiencing family violence.
  - **\$25.9 million** for a range of further measures to support women affected by FDSV including expanding the Safe Places program, further supporting Temporary Visa holders experiencing FDSV and addressing technology-facilitated abuse of women and children.
- **\$92.4 million** got prevention of FDSV, to support education on consent and respectful relationships. This includes:
  - **\$24.4 million** to extend the Stop it at the Start prevention campaign.
  - **\$23.2 million** to address online harm to Australians, and inform the community of support available as part of the Government's online safety reforms.
  - **\$10.7 million** for additional educational resources for young Australians about respectful relationships.



- **\$34.1 million** for a range of further measures aimed at the prevention of FDSV, including programs aimed at working with those at risk of committing FDSV, preventing and responding to FDSV against women with a disability and supporting better FDSV responses for diverse communities.
- **\$320 million** to support services that assist women and children to engage with the legal system, increase access to Children's Contact Services and support the development of improvements in the legal system dealing with FDSV.
  - **\$129 million** for additional legal assistance funding for women's legal centres under the National Legal Assistance Partnership.
  - **\$101.4 million** to increase access to Children's Contact Services including the establishment of an additional 20 Children's Contact Services.
  - **\$85 million** towards existing Family Advisory Support Services and extending services to new locations to provide support for people affected by FDSV.
  - **\$4.7 million** to support national discussions with the states and territories on a joint program of work to strengthen the justice response to sexual assault, sexual harassment and coercive control.
- **\$80.6 million** to improve data collection and enhance research capability into FDSV to better support the development of future policy responses. This includes:
  - **\$31.6 million** for a dedicated Aboriginal and Torres Strait Islander survey on safety and violence.
  - **\$30 million** for Australia's National Research Organisation for Women's Safety and the Australian Bureau of Statistics to continue collecting evidence and data on FDSV.
  - **\$11.6 million** for the Australian Institute of Health and Welfare to expand its online services relating to FDSV.
  - **\$7.4 million** to enhance performance monitoring and establish an evaluation framework for the new National Plan.

## Employment

### Apprenticeships

- **\$2.7 billion** to expand the wage subsidy programme for apprentices.
- 5,000 additional gateway service places and in-training support services to encourage female participation in non-traditional trade occupations.
- 50 per cent wage subsidy extended to 12 months from the date an apprentice or trainee commences with their employer.
- **\$213.5 million** to expand the Local Jobs Program to support reskilling, upskilling, and employment pathways in selected regions.
- **\$15.6 million** to increase wage subsidies to \$10,000 for eligible participants in jobactive, Transition to Work, and ParentsNext to incentivise employing disadvantaged job seekers.



- **\$15.5 million** to fund opportunities to start your own business, through more placements in the New Enterprise Incentive Scheme program and Exploring Being My Own Boss Workshop.
- **\$7.9 million** to boost the productivity of employment services.
- Employment services providers providing support to job seekers who transition to face-to-face services after three months or more in Online Employment Services will be eligible for outcome payments immediately, rather than after three months under existing arrangements.
- **\$481.2 million** to boost youth employment through the Transition to Work program.
- **\$129.8 million** to make small business and entrepreneurship services easier to access by streamlining the New Business Assistance with New Enterprise Incentive Scheme (NEIS) program.
- **\$80.8 million** to provide responsive and individualised assistance to job seekers in Digital Services through continued investment in the Digital Services Contact Centre.
- **\$7.6 million** to extend 1800 CAREER Information Service.

## Education and Training

### **Apprenticeship Commencements wage subsidy**

- **\$2.7 billion** to expand the Boosting Apprenticeship Commencements wage subsidy, uncapping the number of eligible places and increase the duration of the 50 per cent wage subsidy to 12 months.
- **\$7,000 per quarter** for eligible businesses being reimbursed up to 50 per cent of an apprentice or trainee's wages for up to 12 months.
- **5,000 additional gateway service places** and in-training support services to encourage and support more women commencing in non-traditional trade occupations.

### **Universal Access to Preschool**

- **\$1.6 billion** to make an ongoing Commonwealth funding contribution to preschool.
- **\$33.6 million** to improve preschool data collection and underpin a new framework to support the reform.
- Continue undertaking the annual National Early Childhood Education and Care Collection (NECECC) from early 2023.
- Improve and expand the NECECC to underpin a performance framework to drive reform, with a focus on attendance.
- Develop and trial a method for testing the degree to which preschools achieve the outcome of getting children school-ready.



## Higher Education

- **\$26.1 million** for 5,000 additional non-university short course places in 2021.
- **\$9.4 million** for grants of up to \$150,000 to higher education and English language providers to support online models.

## JobTrainer Fund

- **\$500 million** in funding for the National Partnership Agreement on the JobTrainer Fund.
- **\$6.3 million** for a campaign to encourage the take-up of training opportunities.

## Getting Vulnerable Australians Back into Work

- **\$213.5 million** to expand the Local Jobs Program to 51 employment regions and to extend the program for three years from 2022 to 2025.
- **\$15.6 million** in 2021-22 to increase all wage subsidies to \$10,000 jobactive, Transition to Work and ParentsNext.
- **\$15.5 million** to provide:
  - **1,000 places** under the New Business Assistance with New Enterprise Incentive Scheme program.
  - **350 places** under the Exploring Being My Own Boss Workshop program.
- **\$7.9 million** from 2020-21 to ensure referrals from Online Employment Services supported into employment.
- **\$6.2 million** to deliver a combination of up to 26 physical and virtual Jobs Fairs.

## New Employment Services Model

- **\$481.2 million** to strengthen and continue the Transition to Work program.
- **\$129.8 million** to streamline the New Business Assistance with New Enterprise Incentive Scheme (**NEIS**) program.
- **\$80.8 million** to provide responsive and individualised assistance to job seekers in Digital Services through continued investment in the Digital Services Contact Centre.
- **\$7.6 million** to extend the 1800 CAREER Information Service until 30 June 2023.

## Skills Reform

- **\$149.2 million** to establish up to 15 industry owned Skills Enterprises.
- **\$69.1 million** to establish a new VET National Data Asset.
- **\$30.9 million** to redesign and rebuild the National Training Register.
- **\$23.6 million** to uncap the Skills for Education and Employment program.
- **\$12.1 million** to simplify Australian apprenticeship pathways information and to develop a national digital apprenticeship portal.



## Home Affairs

### **Cross-border access to serious crimes data**

- **\$9.6 million** to support the bilateral exchange of information between Australia and the United States about serious crimes.

### **Disaster Recovery Funding Arrangements**

- **\$162.8 million** to support the clean up of damage caused by the February and March 2021 floods in NSW.
- **\$94.6 million** to support primary producers and small businesses affected by these floods.
- **\$9.1 million** for a Bushfire Community Recovery and Resilience Fund to support those affected by bushfires in Western Australia in February 2021.
- **\$5 million** for grants to primary producers in Queensland affected by Tropical Cyclone Niran in February and March 2021.
- **\$4.5 million** for a Bushfire Community Recovery and Resilience Fund to support those affected by the 2019-20 bushfires in New South Wales.
- **\$32.5 million** to support an Aboriginal Land Clean-up project and a Green Waste Grants project in response to the 2019-20 bushfires in New South Wales.

### **Future Maritime Surveillance and Response Capability**

- **\$14.2 million** to develop the plan for next generation civil maritime surveillance and response capabilities.

### **National Security Oversight**

- **\$4 million** to the Office of the Commonwealth Ombudsman and the Office of the Inspector-General of Intelligence and Security to support oversight of the use of surveillance, data access and interception powers.

### **Critical Infrastructure Protection**

- **\$42.4 million** to improve security arrangements for critical infrastructure assets.

### **Immigration Detention Network**

- The Government will provide **\$464.7 million** to increase the capacity of the onshore Immigration Detention Network.



## Foreign Affairs, Trade and Tourism

### **Aviation and Tourism Support**

- The Government will provide **\$1.8 billion** to continue to support the aviation and tourism sectors. This includes:
  - Subsidise the cost of domestic airfares to tourism regions through the Tourism Aviation Network Support program from 1 April to 31 July 2021.
  - Extend the Domestic Aviation Network Support program until 30 September 2021.
  - Extending the Regional Airline Network Support program to cover operating shortfalls for a limited number of services until 30 September 2021.
  - Support the Domestic Airports Security Charges Support program with the cost of Government mandated security requirements from 29 March to 30 September 2021.
  - Support major Australian passenger airlines through the International Aviation Support program from 1 April 2021 to 31 October 2021.
  - Provide financial support from 29 March 2021 to 30 September 2021 for up to 5,000 ground handling staff through the Aviation Services Accreditation Support program to preserve skills and currency.
  - Extend the partial waiver of Airservices Australia charges levied on operators of regular passenger transport and aeromedical air services for six months until 30 September 2021.
  - Continue the International Freight Assistance Mechanism until 30 September 2021.
  - Extend the Consumer Travel Support Program.

### **COVID-19 Response Package - Australian Support for India**

- **\$37.1 million** to the provision of medical supplies in India as part of their COVID-19 response.

### **COVID-19 Response Package - supporting Australians overseas**

- **\$119.9 million** to provide support for Australians overseas and increase Australia's consular capability.

### **Enhanced Trade and Strategic Capability**

- **\$198.2 million** to support Australian business in the export market.

### **Simplified Trade System**

- **\$37.4 million** to support initiatives to modernise and improve Australia's trade system, including a review of the regulatory processes and ICT systems.



## Defence

The Government is investing \$270 billion over 10 years to enhance our defence capability. Details are provided in the [2020 Defence Strategic Update](#) and the [2020 Force Structure Plan](#).

### **Australian Defence Force operations in Afghanistan and the Middle East**

- **\$77.3 million** for Operations Accordion, Highroad and Okra, to be concluded by September 2021.

## Attorney-General

### **Family Law System**

- **\$60.8 million** to reform family law case management processes.
- **\$29 million** to improve information sharing between the family law and the family violence and child protection systems.
- **\$26.9 million** to improve access to legal assistance for family law matters in South Australia and to increase judicial and court resources in the South Australian family law registry.
- **\$6.3 million** to the Family Violence and Cross Examination of Parties Scheme.
- **\$0.9 million** to support the Family Law Council (and \$0.2 million per year ongoing) to advise the Attorney-General on the operation of the Family Law Act 1975.
- See p.62-63 of the [Budget Paper No.2](#).

### **Respect@Work Response Implementation**

- **\$9.3 million** to support the implementation of the *Respect@Work: Sexual Harassment National Inquiry Report*.
- **\$6 million** to the Workplace Gender Equality Agency and the Australian Public Service Commission.
- See p.61 of the [Budget Paper No.2](#).

### **Strengthening Counter-Fraud Arrangements**

- **\$13.2 million** to continue the operation of the Commonwealth Fraud Prevention Centre to address fraud vulnerabilities.



## Social Services

- **\$9.5 billion** to increase support for unemployed Australians including:
  - **\$9.3 billion** to unemployment benefits (\$50 per fortnight), working-age payments (\$150 per fortnight), extend the temporary waiver of the Ordinary Waiting Period, expand the eligibility criteria for JobSeeker Payment and Youth Allowance for those required to self-isolate or care for others as a result of COVID-19.
  - **\$197 million** to enable JobSeeker recipients to participate in intensive short courses after six months of unemployment.
  - **\$12 million** to expand the eligibility and provide the existing \$2,000 incentive payments upfront in the Relocation Assistance to Take Up a Job program.
  - **\$2.5 million** to establish employer reporting systems to refer JobSeeker recipients who are not genuine in their job search.
  - **\$1.5 million** to better support JobSeekers in finding employment.
- **\$17.9 million** to establish a new Early Childhood program for children aged from 0 to 8 years with a disability or developmental needs.
- **\$124.7 million** towards supporting workers under the states and territories National Housing and Homelessness Agreement.
- Extending the National Disability Insurance Scheme Jobs and Market Fund (**JMF**) to 30 June 2024.
- **\$99.3 million** for Service Australia to deliver government payments and services in remote locations.

## Communications and Arts

- **\$222.9 million** to support the arts sector through the impacts of COVID-19, including funding such as:
  - **\$125.6 million** to expand the *'Restart Investment to Sustain and Expand Fund'* to provide financial support for events or production.
  - **\$50.8 million** to extend the *Temporary Interruption Fund* to support the local film and television sector to secure funding for productions.
  - **\$20 million** to establish the Supporting Cinemas' Retention Endurance and Enhancement of Neighbourhoods program to support independent cinemas.
  - **\$11.4 million** for regional tourism via additional funding for the Regional Arts Fund, Festivals Australia program and the Indigenous Visual Arts Industry Support program and providing financial support for community museums, galleries and historical societies through the Australian Museums and Galleries Association.
  - **\$10 million** to the music charity Support Act to provide further relief for artists and arts workers.



- **\$5 million** to support national performing arts touring through the Playing Australia program.
- See p.148-149 of the [Budget Paper No.2](#).
- **\$3.3 million** for AusFilm to continue to attract the international film community to produce screen content in Australia.
- **\$28.1 million** to deliver the Government's Indigenous Visual Arts Industry Action Plan, to provide additional funding for the Indigenous Visual Arts Industry Support program and to support Indigenous arts centres and fairs through the impacts of COVID-19.
- **\$85.4 million** for the National Collecting Institutions including:
  - **\$47.5 million** to update the Australian National Maritime Museum, Bundanon Trust, the National Gallery of Australia, the National Library of Australia and Old Parliament House (Museum of Australian Democracy).
  - **\$32.4 million** to the National Collecting Institutions for capital maintenance works.
  - **\$5.5 million** to establish and sustain an additional exhibition in the Museum of Australian Democracy.
- The Producer Tax Offset rate to be retained at 40 per cent for feature films.

## Agriculture, Water and Environment

### Agriculture 2030

#### **\$411.4 million for biosecurity**

- **\$58.6 million** to address the biosecurity risk posed by African Swine Fever.
- **\$25.5 million** to improve pest identification technologies.
- **\$14.5 million** to protect the Australian grain and horticultural industry from the Khapra Beetle.
- **\$31.2 million** to improve biosecurity screening.
- **\$28.7 million** to upgrade the Maritime Arrivals and Reporting System.
- **\$19.5 million** to trial pre-border biosecurity screening technology.
- **\$1.5 million** to improve management of container cargo risk.
- **\$96.9 million** to manage the biosecurity risk posed by hitchhiker pests.
- **\$67.4 million** to ensure robust biosecurity preparedness.
- **\$34.6 million** to enable regional pest and disease intelligence.
- **\$29.1 million** for reduction of feral animals, pests and weeds.
- **\$3.9 million** to increase community awareness about biosecurity risks.
- See p.51-52 of the [Budget Paper No.2](#).

#### **\$214.9 million for the National Soils Strategy**

- **\$102 million** to increase soil testing.
- **\$20.9 million** to implement a National Soils Science Challenge.
- **\$18 million** for Soils Extension Services.



- **\$5.9 million** to implement National Soils Strategy.
- **\$1.1 million** to develop accreditation standards to enhance soil education.
- **\$59.8 million** to deliver grants through a Food Waste for Healthy Soils Fund.
- **\$7.2 million** to deliver an education program on the benefits of processed organic waste.
- See p.52-53 of the [Budget Paper No.2](#).

**\$36.8 million for Biodiversity**

- **\$22.3 million** for a pilot stewardship program to enhance native vegetation on farms.
- **\$5.4 million** to implement an Australian farm biodiversity certification scheme.
- **\$4.7 million** to develop a framework to support the development of Australia's natural capital.
- **\$4.4 million** to develop a biodiversity trading platform.
- See p.53 of the [Budget Paper No.2](#).

**\$102.1 million for Trade and production in agricultural markets**

- **\$72.7 million** to support food and agriculture exporters to diversify and expand their export markets through the AgriBusiness Expansion Initiative.
- **\$15 million** to enhance our representation and promotion of Australia's interests in international fora.
- **\$9 million** to extend the Improved Access to Agricultural and Veterinary Chemicals program to help farmers to gain improved access to safe and effective agricultural and veterinary chemicals.
- **\$5.4 million** to fund projects in collaboration with the perishable agricultural goods industry that improve market transparency.
- See p.54 of the [Budget Paper No.2](#).

**\$51.1 million to support the growth of the forestry and fisheries industries**

- **\$37.5 million** to encourage new plantation developments and the replanting of bushfire-damaged plantations.
- **\$0.8 million** for the RIC to administer the loans.
- **\$10.6 million** for Regional Forestry Hubs.
- **\$1.3 million** to undertake a feasibility study to expand the National Institute for Forest Products Innovation.
- **\$0.9 million** to extend and broaden the Tuna Champions program to promote the conservation of tuna species by recreational fishers.
- See p.54 of the [Budget Paper No.2](#).

**\$29.8 million for Employment in Agriculture**

- **\$10.1 million** for a pilot AgUP program to co-fund industry initiatives that build skills and enhance career progression pathways.
- **\$8.5 million** to improve agricultural labour force data.



- **\$5.3 million** for a pilot AgCAREERSTART program for school leavers to undertake farm placements.
- **\$3.6 million** to extend the Fair Farms program to support fair employment practices in the horticulture sector.
- **\$1.3 million** for a research and development corporation to undertake research on community perceptions of agricultural work and the attraction and retention of agriculture sector workers.
- **\$1 million** to develop resources for agricultural employers to implement modern workforce management and planning practices.
- See p.54-55 of the [Budget Paper No.2](#).

#### **\$4.7 million for Innovation in Agriculture**

- **\$4.2 million** as an initial investment into the National Agricultural Innovation Agenda.
- **\$0.5 million** for an expanded Australian Farm Data Code.
- See p.55 of the [Budget Paper No.2](#).

#### **Supporting Agricultural Showmen and Women**

- **\$4.3 million** to support agricultural showmen and women.
- See p.60 of the [Budget Paper No.2](#).

#### **Murray-Darling Basin**

- **\$1.3 billion** for projects to modernise irrigation infrastructure networks.
- **\$150 million** for grants to support off-farm water saving projects.
- **\$60 million** to enable those states who wish to pursue on-farm water efficiency to continue to do so, providing the strict social and economic neutrality test is met.
- **\$3.5 million** to assist in developing a water market reform roadmap.
- Funding to modernise and integrate Basin river modelling.
- See p.58 of the [Budget Paper No.2](#).

#### **Drought Management**

- **\$172.5 million** through the Future Drought Fund to continue a range of programs and activities that will support the long-term drought resilience.
- **\$25 million** to extend the On-farm Emergency Water Infrastructure Rebate Scheme.
- **\$14.7 million** to waive farm business income reconciliation debts.
- See p.56 of the [Budget Paper No.2](#).

#### **Oceans Leadership Package**

- **\$39.9 million** for Our Marine Parks grants program.
- **\$30.6 million** to export Australia's expertise in ocean accounting.
- **\$18.1 million** for the Sustainable Ocean Action Plan.
- See p.59 of the [Budget Paper No.2](#).



## Environment

- **\$15.7 million** to support strategic basin plans in the North Bowen and Galilee basins.
- **\$24.8 million** in 2021-22 to the Bureau of Meteorology to maintain meteorological services.
- **\$14.1 million** from 2021-22 to the Great Barrier Reef Marine Park Authority to support tourism and to conduct a review of the Authority's current charging structure.
- **\$2.2 million** to build the capacity of the Northern Land Council to facilitate land use agreements and drive economic opportunities in the Beetaloo sub basin.
- See p.144 of the [Budget Paper No.2](#).

### **\$1.3 billion** for Building Australia's Climate Resilience

- **\$615.5 million** for the Preparing Australia program for projects that support public and private disaster risk reduction and resilience.
- **\$280 million** for projects in bushfire affected areas as part of the \$2 billion National Bushfire Recovery Fund.
- **\$209.7 million** to establish the Australian Climate Service.
- **\$90 million** to enhance Emergency Management Australia's (**EMA**) operating model.
- **\$61.1 million** to establish the National Recovery and Resilience Agency (**NRRA**) to lead Commonwealth and national efforts to improve preparedness for and recovery from natural disasters.
- **\$40.3 million** for a pilot program to fund cyclone risk mitigation works for strata title properties in North Queensland.



## Infrastructure, Transport and Regional Development

### Infrastructure

- **\$55.5 million** to deliver a large number of new projects that support local communities across Australia. See p.147 of the [Budget Paper No.2](#).

### National Water Grid — new projects

- **\$160 million** to establish the National Water Grid Connections funding pathway to deliver small scale water infrastructure projects and provide short-term economic stimulus.
- The Government will also provide **\$98 million** for National Water Grid projects. See p.164 of the [Budget Paper No.2](#).

### Community Development Grants Programme - new projects

- **\$25.0 million** towards the Rockhampton Aviation Maintenance Repair and Overhaul Facility in Queensland.
- **\$13.0 million** towards the Yeppoon Aquatic Centre in Queensland.
- **\$6.0 million** towards the upgrades for the Netball South Australia Stadium in Adelaide, South Australia.
- **\$5.4 million** towards the Southern Adelaide Materials Recovery Facility in South Australia.
- **\$2.5 million** towards the Isis Central Sugar Mill in Cordalba, Queensland.
- **\$2.0 million** towards the Tasmanian Holocaust Education and Interpretation Centre in Hobart.
- **\$0.8 million** towards the Canberra Holocaust Museum and Education Centre in the Australian Capital Territory.
- **\$0.6 million** towards the Nedlands Surf Life Saving Club Upgrade in Swanbourne, Western Australia.
- See p.147-48 of the [Budget Paper No.2](#)

### Transport Infrastructure

- See p.151 of the [Budget Paper No.2](#) for projects in the Australian Capital Territory (ACT)
- See p.152-153 of the [Budget Paper No.2](#) for projects in New South Wales
- See p.153-154 of the [Budget Paper No.2](#) for projects in the Northern Territory
- See p.154-155 of the [Budget Paper No.2](#) for projects in Queensland
- See p.155-156 of the [Budget Paper No.2](#) for projects in South Australia
- See p.157 of the [Budget Paper No.2](#) for projects in Tasmania
- See p.158-159 of the [Budget Paper No.2](#) for projects in Victoria
- See p.159-160 of the [Budget Paper No.2](#) for projects in Western Australia



### Road Safety Program

- Additional **\$1 billion** for the Road Safety Program.
- See p.166 of the [Budget Paper No.2](#)

### Support for Regional Australia

- **\$256.5 million** for round six of the Building Better Regions Fund to support investment in community infrastructure and capacity building projects in regional areas.
- **\$84.8 million** to the Regional Connectivity Program to support the delivery of reliable, affordable and innovative digital services and technologies in regional and remote Australia.
- **\$6.1 million** to establish the Rebuilding Regional Communities program to assist community organisations and small enterprises in regional Australia to recover from the impacts of COVID-19.
- **\$0.6 million** to undertake a scoping study into establishing Australian Public Service Hubs in regional Australia.
- Support to undertake an independent study to identify the regulatory barriers to business relocation into regional Australia.
- See p.169 of the [Budget Paper No.2](#)

### Tasmanian Freight Equalisation Scheme

- **\$89.3 million** to extend the eligibility of the Tasmanian Freight Equalisation Scheme.
- See p.170 of the [Budget Paper No.2](#)

### Newcastle Airport Improvements

- **\$66.1 million** to upgrade the Newcastle Airport runway.
- See p.86 of the [Budget Paper No.2](#)

### Next Five Year Plan for Northern Australia

- **\$111.9 million** to establish a Northern Australia Development Program to support businesses to scale-up projects.
- **\$68.5 million** to deliver targeted digital connectivity solutions in Northern Australia through dedicated funding under the Regional Connectivity Program and the Mobile Black Spot Program.
- **\$9.3 million** to provide on-ground resources in four geographic regions in Northern Australia to focus investment, job creation and business growth.
- See p.142 of the [Budget Paper No.2](#)



## Energy

- **\$58.6 million** to support key gas infrastructure projects and create new gas supply.
  - **\$38.7 million** to support critical gas infrastructure projects to help alleviate the potential gas shortfall on Australia's east coast.
  - **\$6.2 million** to develop the Wallumbilla Gas Hub into a more open and transparent gas trading hub.
  - **\$5.6 million** to fund the development of the 2022 National Gas Infrastructure Plan which will forecast future gas market requirements and identify strategic infrastructure investment priorities.
  - **\$4.6 million** to develop initiatives that empower gas reliant businesses to better negotiate competitive outcomes.
  - **\$3.5 million** to design a framework to facilitate Commonwealth investment in critical gas infrastructure projects, ensuring the reliable and secure supply of gas to Australian consumers.
- **\$1.6 billion** for the Emissions Reduction and New Investments under the Technology Investment Roadmap.
  - **\$1.2 billion** to create a technology co-investment facility that supports the development of regional hydrogen hubs, carbon capture, use and storage technologies, very low cost soil carbon measurement and new agricultural feed technologies, a high-integrity carbon offset scheme in the Indo-Pacific region, and support the implementation of the Technology Investment Roadmap and Low Emissions Technology Statements.
  - **\$279.9 million** to establish the below baseline crediting mechanism recommended by the King Review and help realise abatement opportunities in large industrial facilities.
  - **\$26.4 million** to support Australian businesses and supply chains to reduce their energy costs and improve productivity through the uptake of more energy-efficient industrial equipment and business practices.
  - **\$10.4 million** to expand the range of certifications offered by the Climate Active program and ensure it remains a best practice standard and certification scheme for Australian businesses looking to voluntarily reduce emissions.
  - **\$50 million** to establish an early stage seed capital financing function within the Australian Renewable Energy Agency (**ARENA**).
  - See p.138 of the [Budget Paper No.2](#)
- **\$215.4 million** to support investment in new dispatchable generation and support affordable and reliable power for consumers in the nation's electricity markets. Funding includes
  - See p.140 of [the Budget Paper No.2](#)
- **\$50.7 million** for the implementation and administration of the minimum stockholding obligation and the broader fuel security framework



## Industry, Science and Resources

- The Government will develop onshore mRNA vaccine manufacturing capability in Australia. This will include:
  - Continuing negotiations with existing manufacturers and approaching the Australian market to establish an onshore end-to-end mRNA vaccine manufacturing capability in Australia.
  - Approaching the Australian market for a long-term sovereign mRNA manufacturing capability to establish end-to-end onshore capability.
- **\$116.7 million** to support the Australian Nuclear Science and Technology Organisation's ongoing operations. Funding includes:
  - **\$59.8 million** to support waste storage capacity.
  - **\$56.9 million** to undertake additional maintenance and renewal of infrastructure and equipment.
- **\$13.3 million** to the Australian Space Agency to increase its regulatory and technical advisory capacity and support the growth of the industry.
- **\$2.4 million** to extend the Community Benefits Program to support the Kimba community while the site selection process for the National Radioactive Waste Management Facility continues.
- **\$54.2 million** to establish a Global Science and Technology Diplomacy Fund.
- **\$38.8 million** to extend the Junior Minerals Exploration Incentive program to 30 June 2025.
- **\$387.2 million** to co-host the Square Kilometre Array (**SKA**) Observatory.
- **\$1 million** to support the growth of the Australian fashion industry.
- **\$2.6 million** to support and strengthen Australian business participation in Commonwealth procurement.

### Recycling

- **\$11 million** to stimulate and incentivise recycling behaviors amongst Australian businesses and communities, including funding for:
  - **\$5.9 million** to conduct a further grant round of the National Product Stewardship Investment Fund.
  - **\$5 million** to support small businesses to adopt the Australasian Recycling Label.

For further information, please contact [David Alexander](#) on +61 457 400 524, [Andrew Humpherson](#) on +61 419 241 587.