



Budget 2021–22

Federal Financial Relations
Budget Paper No. 3
2021–22

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Treasurer of the Commonwealth of Australia

and

Senator the Hon Simon Birmingham
Minister for Finance of the Commonwealth of Australia

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on the occasion of the Budget 2021-22

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Foreword

This Budget Paper presents information on the Australian Government's financial relations with state, territory and local governments. This includes an overview of major Australian Government reforms and new developments, as well as information on payments to the states.

Notes

- (a) The following definitions are used in this Budget Paper:
- Budget year refers to 2021–22, while the forward years refer to 2022–23, 2023–24 and 2024–25.
 - one billion is equal to one thousand million.
- (b) Except where otherwise indicated, payments to the states in this Budget Paper are reported in expense terms, not cash terms.
- (c) Figures in tables and the text have generally been rounded. Discrepancies in tables between totals and sums of components reflect rounding unless otherwise noted.
- Estimates of \$100,000 and over are generally rounded to the nearest tenth of a million.
 - Estimates midway between rounding points are rounded up.
 - Percentage changes in tables are based on the underlying unrounded amounts.
- (d) Tables use the following notations:
- | | |
|-----|-------------------------------|
| - | nil |
| na | not applicable |
| \$m | millions of dollars |
| \$b | billions of dollars |
| nfp | not for publication |
| * | unquantifiable |
| .. | not zero, but rounded to zero |
| ~ | allocation not yet determined |

- (e) This Budget Paper uses the following conventions.
- The Australian Capital Territory and the Northern Territory of Australia are referred to as ‘the territories’.
 - References to the ‘states’ or ‘each state’ include state governments and territory governments.
 - Local governments are instrumentalities of state governments. Consequently, payments made to the state government sector include payments made to the local government sector unless otherwise specified.
 - The following abbreviations are used, where appropriate:

NSW	New South Wales
VIC	Victoria
QLD	Queensland
WA	Western Australia
SA	South Australia
TAS	Tasmania
ACT	Australian Capital Territory
NT	Northern Territory
GST	Goods and Services Tax
- (f) The term ‘Commonwealth’ refers to the Commonwealth of Australia. The term is used when referring to the legal entity of the Commonwealth of Australia.
- The term ‘Australian Government’ is used when referring to the Government of, and the decisions and activities made by the Government on behalf of, the Commonwealth of Australia.

Appendix B, *Total Payments to the States by Function*; Appendix C, *Supplementary Tables*; Appendix D, *Debt Transactions*; and Appendix E, *Appropriations and Conditions* are available online at: www.budget.gov.au.

Budget Paper No. 3, *Federal Financial Relations 2021-22*, is one of a series of Budget Papers that provides information to supplement the Budget Speech. A full list of the series is printed on the inside cover of this paper.

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Part 1: Australia's Federal Relations

Overview

In 2021-22, the Australian Government will provide the states with \$149.0 billion in total payments, including payments of \$73.8 billion for specific purposes like schools and hospitals and general revenue assistance of \$75.2 billion. It will continue to provide significant financial support as part of the Australian Government's COVID-19 response (see Box 1.1).

Through its payments to the states, the Australian Government is:

- delivering more doctors, more nurses and more services across public hospitals in every state through funding of \$135.4 billion from 2020-21 to 2024-25
- investing \$127.8 billion in schools over the five years from 2020-21 to 2024-25
- increasing its payments to support state infrastructure services to \$64.5 billion from 2020-21 to 2024-25
- providing \$1.6 billion over four years from 2021-22 and then \$589.0 million per year (indexed) to make an ongoing Commonwealth funding contribution to preschools
- permanently boosting the size of the GST pool to be distributed among the states each year. From 2021-22, the Australian Government will inject \$600 million annually into the GST pool, followed by a further \$250 million annually from 2024-25, with these amounts to grow each and every year in line with the underlying growth of the GST
- providing \$2.1 billion in transitional GST top up payments in 2021-22 (and an estimated \$5.2 billion from 2019-20 to 2021-22) and an estimated \$7.6 billion in horizontal fiscal equalisation (HFE) transition payments from 2021-22 to 2024-25 to support the transition to the new HFE system.

Box 1.1: Support for States and Territories during COVID-19

Since the beginning of the COVID-19 pandemic, part of the Australian Government’s response has been to work with the states to manage the health and economic impacts of the pandemic while guaranteeing the essential services Australians rely on. As the pandemic has progressed, the Australian Government and state governments have agreed new or updated initiatives that have responded to changing circumstances. The Australian Government remains committed to working with the states to benefit the Australian people.

National Cabinet’s COVID-19 suppression strategy has been successful and the Government is taking action, including in partnership with the states, to ensure vaccines are available to all Australians.

Australians have also been supported by comprehensive economic measures including the JobKeeper Payment, the cash flow boost, the Coronavirus Supplement, HomeBuilder, tax measures including increasing the instant asset write off, temporary full expensing and loss carry back, measures to support the flow of credit and a range of state-based initiatives.

The Australian economy is strengthening and, combined with good health and labour market outcomes, the Government’s temporary and targeted support has been effective in protecting the economy. A significant benefit of the stronger than expected economy is increased GST payments to the states. The states’ GST entitlement in 2021-22 is expected to be \$6.4 billion greater than estimated at the 2020-21 Budget. Over the four years from 2020-21 to 2023-24, estimated GST payments to the states have been revised up by \$26.0 billion since last budget.

GST payments to the states are now expected to exceed pre-pandemic levels, with 2020-21 entitlements estimated to be \$2.2 billion above 2019-20 MYEFO estimates and 2021-22 entitlements \$1.1 billion higher.

The 2021-22 Budget builds on the support already committed to the states to keep Australians safe and secure the economic recovery and guarantee the essentials. The Australian Government is providing:

- \$5.9 billion over three years from 2019-20 under the National Partnership on COVID-19 Response to support the Australian health system to respond effectively to the COVID-19 pandemic. Of this, the Budget includes additional funding of \$511 million over 2020-21 and 2021-22 to support the rollout of Australia’s COVID-19 vaccination program.
- \$513 million over two years from 2020-21 to support the provision of COVID-19 quarantine arrangements at the Northern Territory Centre for National Resilience for Organised National Repatriation of Australians. Of this, the Budget includes an additional \$270 million for 2020-21 and 2021-22.

Box 1.1: Support for States and Territories during COVID-19 (continued)

- \$2.7 billion over three years from 2020-21 to support jobs in the residential construction sector through the HomeBuilder program. Of this, the Budget includes an additional \$775 million for 2021-22 and 2022-23 to extend the construction commencement requirement from six months to 18 months for all existing applicants.
- \$2.5 billion over four years from 2020-21 to local councils to deliver priority local road and community infrastructure projects across Australia, supporting jobs and the resilience of local economies. Of this, the Budget includes an additional \$1 billion for 2021-22 and 2022-23.
- \$1 billion over three years from 2020-21 — to be matched by the states — for the JobTrainer Fund to provide low and no fee training places for job seekers and young people in areas of identified skills need and employment growth. Of this, the Budget includes an additional \$500 million for 2021-22 and 2022-23.
- \$390 million over four years from 2019-20 to support states to respond immediately to family, domestic and sexual violence, and to ensure services can continue to support those who need it most. Of this, the Budget includes an additional \$260 million for 2021-22 and 2022-23.

Australian Government funding to the states

The Australian Government provides substantial levels of funding to the states in key sectors such as health, education, community services and infrastructure and continues to support important productivity-enhancing projects and reforms. In addition, the Australian Government provides general revenue assistance that can be spent according to states' own budget priorities.

The states are estimated to receive total Australian Government payments of \$149.0 billion in 2021–22.

Payments to the states in 2021–22 are estimated to be 25 per cent of total Australian Government expenditure. Australian Government payments effectively support 42 per cent of state expenditure (in 2019–20), as shown in Table 1.3.

Payments for specific purposes

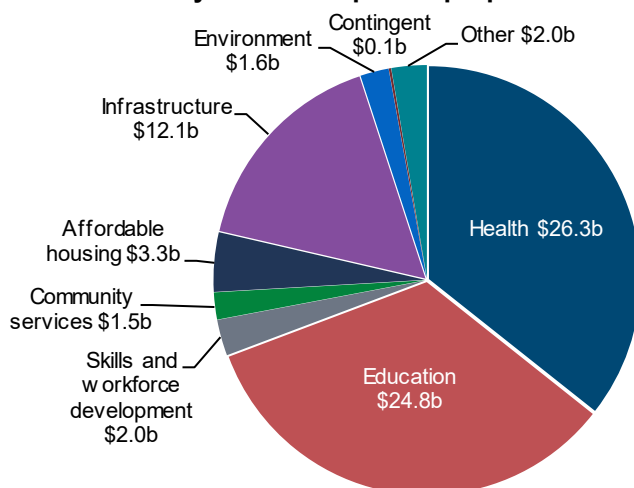
In 2021–22, the Australian Government will provide the states with \$73.8 billion in payments for specific purposes. This is an increase of \$3.1 billion or 4 per cent compared with 2020–21. Payments for specific purposes are estimated to make up 13 per cent of total Australian Government expenditure in 2021–22.

National Specific Purpose Payments (National SPPs), National Health Reform, the National Housing and Homelessness Agreement and Quality Schools funding are expected to total \$53.2 billion in 2021–22.

National Partnership payments are expected to be \$20.6 billion in 2021–22.

The conditions for payments to states for specific purposes are outlined in written agreements between the Commonwealth and the states. The Council on Federal Financial Relations (CFFR) is responsible for these agreements and has recently established the new Federation Funding Agreement (FFA) framework. The FFA framework consolidated all existing National Partnerships and Project Agreements into five new FFAs (Health; Environment; Infrastructure; Education and Skills; and Affordable Housing, Community Services and Other). For more information, see Box 1.2.

Part 2 of this Budget Paper provides further information on payments to the states for specific purposes. Chart 1.1 illustrates estimated specific purpose payments to the states in 2021–22 by function.

Chart 1.1: Payments for specific purposes 2021-22, by sector**Box 1.2: Federation Funding Agreements**

On 29 May 2020, National Cabinet asked the Council on Federal Financial Relations (CFFR), which comprises the Treasurers of the Commonwealth and all states and territories, to take responsibility for all Commonwealth-State funding agreements and review the stock of existing agreements with a view to consolidation and rationalisation. CFFR's aim is to limit the proliferation of agreements and make sure that the negotiation and administration of agreements is as efficient as possible.

Following the review, on 28 August 2020, CFFR established the new Federation Funding Agreement (FFA) framework and consolidated all existing National Partnerships and Project Agreements into five new FFAs (Health; Environment; Infrastructure; Education and Skills; and Affordable Housing, Community Services and Other).

There are now nine overarching agreements in place: the five new FFAs and the four major National Agreements (the National Health Reform Agreement, the National Schools Reform Agreement, the National Agreement for Skills and Workforce Development, and the National Housing and Homelessness Agreement).

The new FFA framework marks the start of a new period in federal financial relations. The new framework, with CFFR as its gatekeeper, aims to benefit all jurisdictions by reducing the number of existing agreements, streamlining new agreements, and reducing the administrative burden associated with agreements.

In this Budget, agreements previously referred to as National Partnerships or Project Agreements are now described as funding agreements. The payments associated with these agreements are, however, still referred to as National Partnership payments, as defined in the *Federal Financial Relations Act 2009*.

General revenue assistance

General revenue assistance, which principally comprises the GST entitlement, provides untied funding to support the delivery of state services.

In 2021–22, the states are expected to receive \$75.2 billion in general revenue assistance, including \$72.5 billion for the GST entitlement. General revenue assistance to the states is estimated to represent 13 per cent of total Australian Government expenditure in 2021–22.

Part 3 contains further details of general revenue assistance to the states.

Payments to the states

Total Australian Government payments to the states are shown in Table 1.1.

Table 1.1: Australian Government payments to the states, 2020–21 to 2024–25

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21									
Payments for specific purposes(a)	20,688	16,346	16,078	7,667	4,484	1,546	1,138	1,638	70,722
GST entitlement(b)	20,361	17,479	14,809	3,261	6,532	2,793	1,349	3,176	69,760
Other general revenue assistance(c)	-	-	-	1,547	-	-	41	-	1,969
Total payments to the states	41,049	33,824	30,887	12,474	11,016	4,339	2,529	4,814	142,451
2021-22									
Payments for specific purposes(a)	21,501	17,168	15,351	7,944	4,749	1,621	1,103	1,803	73,794
GST entitlement(b)	21,922	17,457	15,591	3,163	6,711	3,000	1,410	3,276	72,530
Other general revenue assistance(c)	52	47	24	2,115	-	-	43	-	2,658
Total payments to the states	43,475	34,672	30,967	13,222	11,460	4,621	2,556	5,079	148,982
2022-23									
Payments for specific purposes(a)	22,817	18,764	16,785	9,132	5,106	1,871	1,224	1,354	78,636
GST entitlement(b)	22,069	17,669	15,870	5,527	6,829	3,089	1,430	3,364	75,847
Other general revenue assistance(c)	838	701	529	-	164	37	85	-	2,716
Total payments to the states	45,724	37,134	33,184	14,659	12,099	4,997	2,738	4,718	157,200
2023-24									
Payments for specific purposes(a)	23,040	18,991	17,341	8,694	5,306	1,926	1,284	1,231	78,942
GST entitlement(b)	22,994	18,551	16,610	5,776	7,101	3,218	1,490	3,476	79,215
Other general revenue assistance(c)	873	736	553	-	172	45	87	-	2,817
Total payments to the states	46,907	38,279	34,504	14,470	12,579	5,188	2,861	4,707	160,974
2024-25									
Payments for specific purposes(a)	23,395	18,579	16,963	7,843	5,213	1,643	1,236	1,272	76,813
GST entitlement(b)	23,992	19,498	17,389	6,511	7,399	3,360	1,554	3,624	83,327
Other general revenue assistance(c)	992	844	627	-	189	46	93	-	3,081
Total payments to the states	48,379	38,921	34,978	14,354	12,801	5,050	2,884	4,897	163,222

(a) State allocations for a number of programs have yet to be determined. These payments are not reflected in state totals. As a result, total payments for specific purposes may not equal the sum of the state figures.

(b) State allocations are dependent upon the GST revenue sharing relativities for each financial year. They are calculated based on a technical assumption that the CGC's 2021-22 GST relativities under the old and updated distribution systems remain unchanged and the point in time of the transition. The estimates do not reflect any attempt to project future GST relativities or GST entitlements. See Part 3 for further information.

(c) As state allocations for royalties are not published due to commercial sensitivities, these payments are not reflected in state totals. Total general revenue assistance does not therefore equal the sum of the state figures.

For 2021–22, total payments to the states are estimated to be 7 per cent of GDP. Payments for specific purposes are estimated to be 3.5 per cent of GDP and general revenue assistance is estimated to be 3.5 per cent of GDP.

Table 1.2: Total Australian Government payments to the states as a proportion of GDP

\$million	2020-21	2021-22	2022-23	2023-24	2024-25
<i>Payments for specific purposes</i>					
National SPPs	1,561	1,578	1,600	1,622	1,644
National Health Reform funding	24,980	25,600	26,649	28,238	29,916
Quality Schools funding	22,063	24,439	25,935	27,204	28,201
National Housing and Homelessness funding	1,595	1,616	1,640	1,599	1,619
National Partnership payments	20,524	20,562	22,813	20,279	15,433
Total payments for specific purposes	70,722	73,794	78,636	78,942	76,813
Per cent change from previous year	10.9	4.3	6.6	0.4	-2.7
Per cent of GDP	3.4	3.5	3.6	3.5	3.2
<i>General revenue assistance</i>					
GST entitlement	69,760	72,530	75,847	79,215	83,327
Other general revenue assistance	1,969	2,658	2,716	2,817	3,081
Total general revenue assistance	71,729	75,188	78,564	82,032	86,408
Per cent change from previous year	15.6	4.8	4.5	4.4	5.3
Per cent of GDP	3.5	3.5	3.6	3.6	3.6
Total payments to the states	142,451	148,982	157,200	160,974	163,222
Per cent change from previous year	13.2	4.6	5.5	2.4	1.4
Per cent of GDP	6.9	7.0	7.2	7.1	6.8

Chart 1.2: Total Australian Government payments to the states, 2021-22

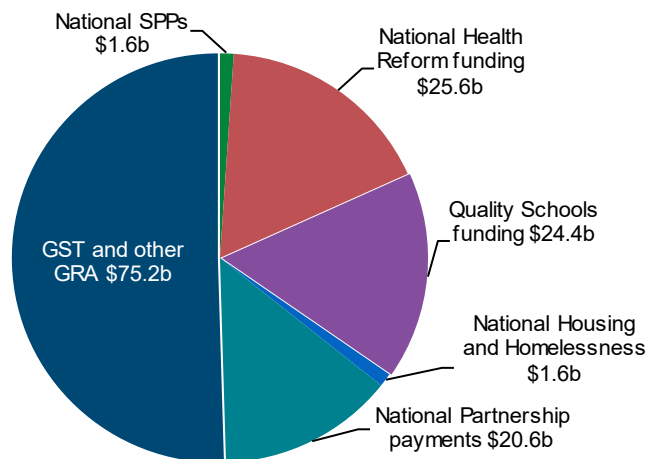


Table 1.3 provides information on the Australian Government’s financial contributions to state expenditure in key sectors in 2019–20 (the latest year for which there are data to enable this calculation). It shows that Australian Government financial assistance in 2019–20 effectively supported 42 per cent of states’ expenditure.

Table 1.3: Australian Government’s contribution to state expenditure

2019-20	Commonwealth tied payments \$million	State spending supported by general revenue assistance (b) \$million	Total state spending \$million	State spending supported by Commonwealth revenue per cent
Housing and community amenities	1,896	1,068	5,979	50
Health	25,789	16,069	87,202	48
Education	24,578	12,796	73,482	51
Transport	4,852	6,386	29,259	38
Social protection	1,846	6,518	26,758	31
Other functions (a)	4,806	19,192	78,155	31
Payments for specific purpose	63,766			
General revenue assistance		62,028		
Total			300,835	42

Source: Australian Government 2019-20 Final Budget Outcome and Australian Bureau of Statistics, Government Finance Statistics, 2019-20.

Note that 2019-20 data on an ABS Classification of the Functions of Government (COFOG-A) basis is unavailable for the Commonwealth. Commonwealth expense by purpose data has been adjusted to align with COFOG-A.

(a) 'Other functions' includes additional functions not elsewhere itemised but does not include general revenue assistance.

(b) General revenue assistance (GRA) is provided to the states without conditions, to spend according to their own budget priorities. For illustrative purposes GRA is allocated to expense functions based on the ratio of discretionary spending in each function as a share of states' total discretionary spending.

Measures affecting payments to the states

Table 1.4 lists all measures in the 2021–22 Budget that affect payments to the states. Details of the measures are available in Budget Paper No. 2, *Budget Measures 2021–22*, arranged by portfolio. Information on the payments affected is available in Parts 2 and 3 of this Budget Paper.

Table 1.4: Measures affecting payments to the states

Payment	Section of Budget Paper 3	Measure title	Section of Budget Paper 2
COVID-19 public health response	Part 2 – Health	COVID-19 Response Package – extension	Payments – Health
COVID-19 public health response	Part 2 – Health	COVID-19 Response Package – vaccine purchases and rollout	Payments – Health
Expansion of the BreastScreen Australia program	Part 2 – Health	Women’s Health	Payments – Health
Community Health, Hospitals and Infrastructure Projects	Part 2 – Health	Primary Care	Payments – Health
Improving trachoma control services for Indigenous Australians	Part 2 – Health	Closing the Gap – National Partnership Agreement on Rheumatic Fever Strategy and Improving Trachoma Control – extension	Payments – Health
Rheumatic fever strategy	Part 2 – Health	Closing the Gap – National Partnership Agreement on Rheumatic Fever Strategy and Improving Trachoma Control – extension	Payments – Health
Centre for National Resilience	Part 2 – Health	COVID-19 Response Package – extension	Payments – Health
Encouraging more clinical trials in Australia	Part 2 – Health	Investing in Medical Research	Payments – Health
Public dental services for adults	Part 2 – Health	Guaranteeing Medicare – Dental Health Services	Payments – Health
Universal access to early childhood education	Part 2 – Education	Guaranteeing Universal Access to Preschool	Payments – Education, Skills and Employment
JobTrainer Fund	Part 2 – Skills and workforce development	Addressing workforce shortages in key areas – JobTrainer Fund – extension	Payments – Education, Skills and Employment
Family, Domestic and Sexual Violence Responses	Part 2 – Community services	Women’s Safety	Payments – Social Services
National Housing and Homelessness Agreement	Part 2 – Affordable housing	National Housing and Homelessness Agreement – Social and Community Services Supplementation Funding	Payments – Social Services
HomeBuilder	Part 2 – Affordable housing	Housing Package	Payments – Treasury

Table 1.4: Measures affecting payments to the states (continued)

Payment	Section of Budget Paper 3	Measure title	Section of Budget Paper 2
Infrastructure Investment Program	Part 2 – Infrastructure	Infrastructure Investment – Australian Capital Territory	Payments – Infrastructure, Transport, Regional Development and Communications
Infrastructure Investment Program	Part 2 – Infrastructure	Infrastructure Investment – New South Wales	Payments – Infrastructure, Transport, Regional Development and Communications
Infrastructure Investment Program	Part 2 – Infrastructure	Infrastructure Investment – Northern Territory	Payments – Infrastructure, Transport, Regional Development and Communications
Infrastructure Investment Program	Part 2 – Infrastructure	Infrastructure Investment – Queensland	Payments – Infrastructure, Transport, Regional Development and Communications
Infrastructure Investment Program	Part 2 – Infrastructure	Infrastructure Investment – South Australia	Payments – Infrastructure, Transport, Regional Development and Communications
Infrastructure Investment Program	Part 2 – Infrastructure	Infrastructure Investment – Tasmania	Payments – Infrastructure, Transport, Regional Development and Communications
Infrastructure Investment Program	Part 2 – Infrastructure	Infrastructure Investment – Victoria	Payments – Infrastructure, Transport, Regional Development and Communications
Infrastructure Investment Program	Part 2 – Infrastructure	Infrastructure Investment – Western Australia	Payments – Infrastructure, Transport, Regional Development and Communications
Infrastructure Investment Program	Part 2 – Infrastructure	Road Safety Program – extension	Payments – Infrastructure, Transport, Regional Development and Communications
Local Roads and Community Infrastructure – Extension	Part 2 – Infrastructure	Local Roads and Community Infrastructure – extension	Payments – Infrastructure, Transport, Regional Development and Communications

Table 1.4: Measures affecting payments to the states (continued)

Payment	Section of Budget Paper 3	Measure title	Section of Budget Paper 2
National Water Grid Fund	Part 2 – Infrastructure	National Water Grid – new projects	Payments – Infrastructure, Transport, Regional Development and Communications
Bilateral Energy and Emissions Reduction Agreements	Part 2 – Environment	Improving Energy Affordability and Reliability	Payments – Industry, Science, Energy and Resources
Environmental management of the former Rum Jungle site	Part 2 – Environment	Rum Jungle Rehabilitation Project	Payments – Industry, Science, Energy and Resources
Future Drought Fund – Farm business resilience	Part 2 – Environment	Drought response, Resilience and Preparedness Plan – continued support	Payments – Agriculture, Water and the Environment
Future Drought Fund – Regional drought resilience planning	Part 2 – Environment	Drought response, Resilience and Preparedness Plan – continued support	Payments – Agriculture, Water and the Environment
Gas Well Trials	Part 2 – Environment	Strategic Basin Plan	Payments – Industry, Science, Energy and Resources
Hydrogen ready gas generation	Part 2 – Environment	Improving Energy Affordability and Reliability	Payments – Industry, Science, Energy and Resources
North Queensland strata title resilience pilot program	Part 2 – Environment	Building Australia’s Resilience	Payments – Cross Portfolio
Pest and disease preparedness and response programs	Part 2 – Environment	Agriculture 2030	Payments – Agriculture, Water and the Environment
Raine Island Recovery Project	Part 2 – Environment	Oceans Leadership Package	Payments – Agriculture, Water and the Environment
Recycling Infrastructure	Part 2 – Environment	Agriculture 2030	Payments – Agriculture, Water and the Environment
Off-farm Efficiency Program	Part 2 – Environment	Murray-Darling Basin – managing water resources	Payments – Agriculture, Water and the Environment
Disaster Recovery Funding Arrangements – cash estimates	Part 2 – Contingent payments	Disaster Recovery Funding Arrangements	Payments – Home Affairs
Family law information sharing	Part 2 – Other payments	Family Law System – improving access and safety for children and families	Payments – Attorney-General’s
National Legal Assistance Partnership 2020-25	Part 2 – Other payments	Family Law System – improving access and safety for children and families	Payments – Attorney-General’s

Table 1.4: Measures affecting payments to the states (continued)

Payment	Section of Budget Paper 3	Measure title	Section of Budget Paper 2
National Legal Assistance Partnership 2020-25	Part 2 – Other payments	Mental Health	Payments – Attorney-General’s
National Legal Assistance Partnership 2020-25	Part 2 – Other payments	Women’s Safety	Payments – Attorney-General’s
Supplementary funding to South Australia for local roads	Part 2 – Other payments	Infrastructure Investment – South Australia	Payments – Infrastructure, Transport, Regional Development and Communications
GST entitlement	Part 3 – GST payments	Migration – additional flexibility for temporary visa holders to work in the agriculture sector	Payments – Home Affairs
GST entitlement	Part 3 – GST payments	Migration program – 2021-22 planning levels	Payments – Home Affairs
GST entitlement	Part 3 – GST payments	Promoting Refugee and Other Migrant Women’s Safety	Payments – Home Affairs
GST entitlement	Part 3 – GST payments	Not-for-profits – enhancing the transparency of income tax exemptions	Payments – Treasury

Part 2: Payments for specific purposes

Overview

The Australian Government provides payments to the states for specific purposes in policy areas for which the states have primary responsibility. These payments cover most areas of state and local government activity, including health, education, skills and workforce development, community services, housing, Indigenous affairs, infrastructure and the environment.

Funding for public hospitals under the National Health Reform Agreement is the largest single specific purpose payment to the states, estimated to be \$25.6 billion in 2021-22. This includes funding for the COVID-19 public health response.

Schools funding payments under the *Australian Education Act 2013* are estimated to be \$24.4 billion in 2021-22, comprising funding for government schools of \$9.7 billion and non-government schools of \$14.7 billion.

In 2021-22, the Australian Government is supporting the states in the Skills and Workforce Development sector by providing \$1.6 billion through a National Specific Purpose Payment (National SPP). The states are required to spend this funding in the sector.

In 2021-22, the Australian Government is providing an estimated \$1.6 billion under the National Housing and Homelessness Agreement. Funding will support access to affordable safe and sustainable housing, which includes preventing and addressing homelessness.

National Partnership payments to the states are the key vehicle to facilitate reforms or support the delivery of particular projects and services. Funding agreements are typically entered into for a fixed period of time, reflecting the nature of the project or reform involved.

To the fullest extent possible, National Partnership payments are aligned with the achievement of milestones and are made after the states have achieved the outcomes or outputs specified in the relevant agreement. National Partnership payments are estimated to be \$20.6 billion in 2021-22.

Funding agreements and other Commonwealth-State agreements are publicly available on the Federal Financial Relations website at: www.federalfinancialrelations.gov.au. Details of the appropriation mechanisms for all payments to the states and the terms and conditions applying to them are set out in Appendix E, available online.

Table 2.1: Total payments for specific purposes by category, 2020–21 to 2024–25

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total(a)
2020-21									
National SPP	495	407	315	162	107	33	26	15	1,561
National Health Reform funding(b)	7,655	6,424	5,473	2,578	1,556	481	461	352	24,980
Quality Schools funding	6,709	5,618	4,871	2,196	1,420	522	359	368	22,063
National Housing and Homelessness funding	489	414	328	171	111	35	27	20	1,595
National Partnership payments(c)	5,340	3,483	5,091	2,560	1,289	476	265	882	20,524
Total payments for specific purposes	20,688	16,346	16,078	7,667	4,484	1,546	1,138	1,638	70,722
2021-22									
National SPP	499	411	320	164	108	33	26	15	1,578
National Health Reform funding(b)	7,813	6,335	5,814	2,733	1,542	519	475	370	25,600
Quality Schools funding	7,465	6,067	5,314	2,515	1,728	556	379	415	24,439
National Housing and Homelessness funding	493	420	334	174	113	35	28	20	1,616
National Partnership payments(c)	5,231	3,936	3,570	2,358	1,259	478	194	983	20,562
Total payments for specific purposes	21,501	17,168	15,351	7,944	4,749	1,621	1,103	1,803	73,794
2022-23									
National SPP	504	418	326	167	110	34	27	15	1,600
National Health Reform funding	8,122	6,531	6,139	2,853	1,578	522	504	400	26,649
Quality Schools funding	7,917	6,464	5,610	2,692	1,839	584	401	428	25,935
National Housing and Homelessness funding	499	427	340	177	114	36	28	21	1,640
National Partnership payments(c)	5,775	4,924	4,371	3,244	1,465	695	265	491	22,813
Total payments for specific purposes	22,817	18,764	16,785	9,132	5,106	1,871	1,224	1,354	78,636
2023-24									
National SPP	510	426	331	169	110	34	27	15	1,622
National Health Reform funding	8,585	6,866	6,582	3,037	1,645	547	539	437	28,238
Quality Schools funding	8,301	6,807	5,865	2,836	1,926	609	420	439	27,204
National Housing and Homelessness funding	495	412	332	170	110	34	26	19	1,599
National Partnership payments(c)	5,149	4,480	4,231	2,482	1,514	702	273	320	20,279
Total payments for specific purposes	23,040	18,991	17,341	8,694	5,306	1,926	1,284	1,231	78,942

Table 2.1: Total payments for specific purposes by category, 2020–21 to 2024–25 (continued)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total(a)
2024-25									
National SPP	515	434	336	171	111	34	27	15	1,644
National Health Reform funding	9,071	7,218	7,055	3,233	1,715	571	576	478	29,916
Quality Schools funding	8,602	7,087	6,072	2,939	1,989	629	435	447	28,201
National Housing and Homelessness funding	501	419	336	172	111	34	26	19	1,619
National Partnership payments(c)	4,706	3,421	3,164	1,328	1,287	374	173	313	15,433
Total payments for specific purposes	23,395	18,579	16,963	7,843	5,213	1,643	1,236	1,272	76,813

(a) As state allocations for a number of programs have not yet been determined, these payments are not included in state totals. As a result, total payments may not equal the sum of state totals.

(b) Includes \$3 billion in total for the COVID-19 public health response over 2020-21 and 2021-22.

(c) Includes financial assistance grants for local government and payments direct to local government.

Table 2.2: Payments for specific purposes by sector and category, 2020–21 to 2024–25

\$million	2020-21	2021-22	2022-23	2023-24	2024-25
<i>Health</i>					
National Health Reform funding(a)	24,980	25,600	26,649	28,238	29,916
National Partnership payments	816	691	361	284	193
Total health payments	25,796	26,290	27,009	28,522	30,109
<i>Education</i>					
Quality Schools funding	22,063	24,439	25,935	27,204	28,201
National Partnership payments	545	409	61	61	61
Total education payments	22,608	24,848	25,996	27,266	28,262
<i>Skills and workforce development</i>					
National Skills and Workforce Development SPP	1,561	1,578	1,600	1,622	1,644
National Partnership payments	695	444	205	-	-
Total skills and workforce development payments	2,255	2,022	1,805	1,622	1,644
<i>Community services</i>					
National Partnership payments	2,516	1,515	1,217	1,143	-
<i>Affordable housing</i>					
National Housing and Homelessness funding	1,595	1,616	1,640	1,599	1,619
National Partnership payments	922	1,706	571	1	1
Total affordable housing payments	2,516	3,322	2,211	1,600	1,620
<i>Infrastructure</i>					
National Partnership payments(b)	10,200	12,065	15,960	14,744	11,569
<i>Environment</i>					
National Partnership payments	895	1,608	1,089	778	282
<i>Contingent payments</i>					
National Partnership payments	714	135	122	-7	..
<i>Other</i>					
National Partnership payments(c)	3,221	1,989	3,227	3,274	3,326
Total payments for specific purposes	70,722	73,794	78,636	78,942	76,813

(a) Includes \$3 billion in total for the COVID-19 public health response over 2020-21 and 2021-22.

(b) Includes payments direct to local government.

(c) Includes financial assistance grants for local government.

Further information on each of these payments is contained in this Part. Total payments to the states for specific purposes, categorised by functions, are set out in Appendix B, which is available online.

Health

In 2021-22, the Australian Government will provide funding of \$26.3 billion to support state health services, including \$25.6 billion in National Health Reform funding and \$690.6 million in National Partnership payments, as detailed in Table 2.3.

Table 2.3: Payments to support state health services

\$million	2020-21	2021-22	2022-23	2023-24	2024-25
National Health Reform funding(a)	24,980.0	25,599.7	26,648.6	28,237.6	29,916.4
National Partnership payments					
Health services	93.0	76.4	73.8	49.1	16.2
Health infrastructure	205.0	176.3	252.5	200.5	145.0
Indigenous health	16.7	16.1	8.8	9.0	8.0
Other health payments	501.3	421.9	25.5	25.5	23.7
Total National Partnership payments	816.1	690.6	360.6	284.0	192.9
Total	25,796.1	26,290.3	27,009.3	28,521.6	30,109.3

(a) Totals for 2020-21 and 2021-22 include \$3 billion in total for the COVID-19 public health response.

National Health Reform funding

In 2021-22, National Health Reform funding is estimated to be \$25.6 billion including \$410.9 million for the COVID-19 public health response.

National Health Reform funding

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21									
Hospital services	6,288.2	5,522.4	5,153.8	2,366.3	1,460.9	448.9	425.1	290.3	21,955.9
Public health	140.9	116.0	89.5	45.9	30.5	9.4	7.4	4.2	443.7
COVID-19 public health response(a)	1,226.1	785.1	229.7	165.4	64.3	23.2	28.8	57.7	2,580.4
Total	7,655.2	6,423.5	5,473.0	2,577.5	1,555.7	481.5	461.4	352.1	24,980.0
2021-22									
Hospital services	7,535.5	6,107.6	5,636.5	2,642.4	1,481.0	499.6	461.2	360.9	24,724.7
Public health	147.0	121.4	94.0	48.0	31.8	9.8	7.8	4.3	464.2
COVID-19 public health response(a)	130.8	105.8	83.2	42.7	28.7	9.2	5.9	4.6	410.9
Total	7,813.3	6,334.8	5,813.8	2,733.2	1,541.6	518.6	474.9	369.7	25,599.7
2022-23									
Hospital services	7,968.7	6,403.2	6,040.4	2,802.4	1,544.6	512.1	495.6	395.1	26,162.0
Public health	153.7	127.5	98.9	50.4	33.3	10.3	8.2	4.4	486.6
COVID-19 public health response	-	-	-	-	-	-	-	-	-
Total	8,122.4	6,530.6	6,139.3	2,852.8	1,577.8	522.4	503.8	399.5	26,648.6
2023-24									
Hospital services	8,423.8	6,731.5	6,477.8	2,984.0	1,610.4	535.9	530.0	432.8	27,726.2
Public health	161.1	134.5	104.1	53.0	34.8	10.8	8.6	4.6	511.4
COVID-19 public health response	-	-	-	-	-	-	-	-	-
Total	8,585.0	6,866.0	6,581.8	3,037.0	1,645.1	546.7	538.6	437.4	28,237.6

National Health Reform funding (continued)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2024-25									
Hospital services	8,902.0	7,075.6	6,945.4	3,177.2	1,678.5	560.0	566.6	473.2	29,378.4
Public health	169.1	142.2	109.5	55.8	36.4	11.3	9.0	4.8	538.0
COVID-19 public health response	-	-	-	-	-	-	-	-	-
Total	9,071.1	7,217.8	7,054.8	3,233.0	1,714.9	571.2	575.6	477.9	29,916.4

(a) Payments to states for the COVID-19 public health response complement funding under the 2020-25 Addendum to the National Health Reform Agreement and are separate to state and territory National Health Reform funding entitlements under the Addendum.

From 2021-22 to 2025-26, National Health Reform funding is linked to growth in public hospital activity, the national efficient price and national efficient cost determined by the Independent Hospital Pricing Authority. Over this period, the Australian Government will fund 45 per cent of the efficient growth in activity-based services, with growth in total Australian Government funding capped at 6.5 per cent a year.

National Health Reform funding amounts are also influenced by the level of payments made through the National Partnership on COVID-19 Response, with some hospital activity which would normally be paid through the National Health Reform Agreement in 2020-21 and 2021-22 instead estimated to be paid through the National Partnership on COVID-19 Response.

The Australian Government is providing financial assistance to the states for the additional costs incurred by state health services in responding to the COVID-19 pandemic through the National Partnership on COVID-19 Response. This includes:

- 50 per cent contribution to the costs incurred by state and territory public health and hospital systems to test, diagnose and treat people with COVID-19 and minimise spread.
- 100 per cent contribution to states to guarantee the viability of private hospitals, to retain capacity for responding to COVID-19 and enable them to resume normal operations.

The Australian Government has committed funding under the National Partnership on COVID-19 Response to boost COVID-19 preparedness in residential aged care facilities and support the rollout of Australia’s COVID-19 vaccination program. This includes:

- 100 per cent of costs incurred from 1 July 2020 to support states to deliver infection, prevention and control training and COVID-19 preparedness in residential aged care facilities.
- 50 per cent contribution to the price per vaccination dose delivered by the states.

- 50 per cent Australian Government contribution to the genuine net additional costs incurred by states to set up additional COVID-19 vaccination sites on or after 21 April 2021.

New measures associated with this item are listed in Table 1.4 and described in more detail in Budget Paper No. 2, *Budget Measures 2021-22*.

Final entitlements to National Health Reform funding, 2019-20

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
National Health Reform(a)	7,704.4	6,172.2	5,216.3	2,443.0	1,514.5	494.4	433.6	319.7	24,298.0

(a) Final entitlements for National Health Reform include entitlements for the COVID-19 public health response.

In April 2021, the Treasurer determined final entitlements for 2019-20 National Health Reform funding in accordance with advice from the Administrator of the National Health Funding Pool. Reconciliation adjustments have been made to state 2020-21 payment estimates based on the final 2019-20 entitlements.

National Partnership payments for health

A total of \$690.6 million will be provided to the states in 2021-22 under the following categories:

- health services
- health infrastructure
- Indigenous health
- other health payments.

Health services

In 2021-22, the Australian Government is estimated to provide \$76.4 million to support the delivery of health services in the states.

Table 2.3.1 Health services

\$million	2020-21	2021-22	2022-23	2023-24	2024-25
National Partnership payments					
Achieving better health outcomes	1.9	0.5	0.5	-	-
Additional assistance for public hospitals	2.4	-	-	-	-
Adult mental health centres	-	4.0	4.0	4.0	-
Comprehensive palliative care across the life course	15.0	9.5	9.8	10.3	-
Expansion of the BreastScreen Australia program	15.4	15.6	15.8	16.0	16.2
Hummingbird House	0.8	0.8	0.8	-	-
Kangaroo Island nurse outreach program	1.2	-	-	-	-
Management of Torres Strait / Papua New Guinea cross-border health issues	5.1	5.2	5.3	5.4	-
Mosquito control and cross border liaison in the Torres Strait	0.8	0.9	0.9	0.9	-
National bowel cancer screening program — participant follow-up function	9.1	9.0	-	-	-
National perinatal mental health check	6.0	7.0	7.0	-	-
OzFoodNet	1.9	1.9	1.9	1.9	-
Reducing stillbirths	1.0	-	-	-	-
Royal Darwin Hospital — equipped, prepared and ready	16.8	17.0	17.3	-	-
Specialist dementia care	3.9	4.0	9.4	9.5	-
Vaccine-preventable diseases surveillance	1.0	1.0	1.0	1.1	-
Victorian Cytology Service	10.6	-	-	-	-
Total	93.0	76.4	73.8	49.1	16.2

Achieving better health outcomes

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21	1.9	-	-	-	-	-	-	-	1.9
2021-22	0.5	-	-	-	-	-	-	-	0.5
2022-23	0.5	-	-	-	-	-	-	-	0.5
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
Total	2.9	-	-	-	-	-	-	-	2.9

The Australian Government is providing funding to improve emergency department facilities for vulnerable patients and those with mental health issues, and help children with high medical needs and their families to spend less time in hospital.

Additional assistance for public hospitals

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21	-	-	-	-	-	2.3	-	0.2	2.4
2021-22	-	-	-	-	-	-	-	-	-
2022-23	-	-	-	-	-	-	-	-	-
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	2.3	-	0.2	2.4

As part of the 2018 Heads of Agreement for the 2020-25 Addendum to the National Health Reform Agreement, the Australian Government agreed that the new funding arrangements for public hospitals would not leave state and territory governments any worse off than the previous block funding arrangements indexed at population growth and the increase of the Consumer Price Index.

Payments made under this program provide additional public hospital funding to some states and territories that in certain years may have received a smaller increase than the previous block funding model, or otherwise had their funding reduced due to the new National Health Reform Agreement (NHRA) model.

The Australian Government has agreed to provide all states and territories a guaranteed minimum level of funding through the NHRA for 2019-20 and 2020-21. If the minimum funding guarantee is invoked for a state or territory, in either 2019-20 or 2020-21, this will remove the need to also make a payment under this program.

Adult mental health centres

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21	-	-	-	-	-	-	-	-	-
2021-22	-	-	-	-	4.0	-	-	-	4.0
2022-23	-	-	-	-	4.0	-	-	-	4.0
2023-24	-	-	-	-	4.0	-	-	-	4.0
2024-25	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	12.0	-	-	-	12.0

The Australian Government is providing \$12 million over three years from 2021-22 to establish an adult mental health centre in South Australia to be located in Adelaide. The centre will provide a range of mental health support services.

Comprehensive palliative care across the life course^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21	2.0	2.7	2.1	1.1	0.7	0.2	0.2	0.1	15.0
2021-22	2.0	2.8	2.2	1.1	0.8	0.2	0.2	0.1	9.5
2022-23	2.0	3.0	2.3	1.2	0.8	0.2	0.2	0.1	9.8
2023-24	2.1	3.1	2.4	1.3	0.8	0.3	0.2	0.1	10.3
2024-25	-	-	-	-	-	-	-	-	-
Total	8.0	11.6	9.0	4.7	3.1	1.0	0.8	0.4	44.6

(a) Total includes unallocated funding in 2020-21.

The Australian Government is providing funding to improve access to palliative care for older Australians living in residential aged care facilities, supporting new approaches, such as ‘in reach’ services, that will improve palliative and end-of-life care.

Expansion of the BreastScreen Australia program^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21	4.9	3.9	3.1	1.7	1.1	0.3	0.3	0.2	15.4
2021-22	~	~	~	~	~	~	~	~	15.6
2022-23	~	~	~	~	~	~	~	~	15.8
2023-24	~	~	~	~	~	~	~	~	16.0
2024-25	~	~	~	~	~	~	~	~	16.2
Total	4.9	3.9	3.1	1.7	1.1	0.3	0.3	0.2	78.9

(a) State allocations from 2021-22 have not yet been determined.

The Australian Government is providing funding to improve the early detection of breast cancer by continuing existing arrangements to extend the target age range of the BreastScreen Australia program from women 50 to 69 years of age to women 50 to 74 years of age. This builds on the existing BreastScreen Australia program, which commenced in 1991.

A new measure associated with this item is listed in Table 1.4 and described in more detail in Budget Paper No. 2, *Budget Measures 2021-22*.

Hummingbird House

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21	-	-	0.8	-	-	-	-	-	0.8
2021-22	-	-	0.8	-	-	-	-	-	0.8
2022-23	-	-	0.8	-	-	-	-	-	0.8
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
Total	-	-	2.4	-	-	-	-	-	2.4

The Australian Government is providing funding for the operation of a dedicated respite and hospice care facility for children with life-limiting conditions and their families and carers.

Kangaroo Island nurse outreach program

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21	-	-	-	-	1.2	-	-	-	1.2
2021-22	-	-	-	-	-	-	-	-	-
2022-23	-	-	-	-	-	-	-	-	-
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	1.2	-	-	-	1.2

The Australian Government is providing funding to support the Kangaroo Island Nurse Practitioner Outreach Program.

Management of Torres Strait / Papua New Guinea cross-border health issues

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21	-	-	5.1	-	-	-	-	-	5.1
2021-22	-	-	5.2	-	-	-	-	-	5.2
2022-23	-	-	5.3	-	-	-	-	-	5.3
2023-24	-	-	5.4	-	-	-	-	-	5.4
2024-25	-	-	-	-	-	-	-	-	-
Total	-	-	21.1	-	-	-	-	-	21.1

The Australian Government is contributing to the costs of treating Papua New Guinean nationals who travel through the Torres Strait treaty zone and access healthcare facilities in the Queensland health and hospitals network.

Mosquito control and cross border liaison in the Torres Strait

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21	-	-	0.8	-	-	-	-	-	0.8
2021-22	-	-	0.9	-	-	-	-	-	0.9
2022-23	-	-	0.9	-	-	-	-	-	0.9
2023-24	-	-	0.9	-	-	-	-	-	0.9
2024-25	-	-	-	-	-	-	-	-	-
Total	-	-	3.5	-	-	-	-	-	3.5

The Australian Government is providing funding to assist with surveillance and control of, and efforts to eliminate, the *Aedes Alboquitus* mosquito in the Torres Strait. Funding also supports increasing community awareness of strategies to reduce the risk of acquiring dengue fever, zika virus and other mosquito borne diseases.

National bowel cancer screening program — participant follow-up function

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21	2.8	2.2	1.8	1.0	0.7	0.3	0.2	0.1	9.1
2021-22	2.8	2.2	1.8	1.0	0.7	0.3	0.2	0.1	9.0
2022-23	-	-	-	-	-	-	-	-	-
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
Total	5.6	4.4	3.6	2.0	1.3	0.6	0.4	0.3	18.2

This initiative funds the follow-up of participants who return a positive bowel cancer screening test result and are not recorded as having attended a consultation with a health professional.

National perinatal mental health check^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21	~	~	~	~	~	~	~	~	6.0
2021-22	~	~	~	~	~	~	~	~	7.0
2022-23	~	~	~	~	~	~	~	~	7.0
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
Total	~	~	~	~	~	~	~	~	20.0

(a) State allocations have not yet been determined.

The Australian Government is providing funding for a national perinatal screening program for new and expecting parents to improve perinatal mental health outcomes through early identification of risks.

OzFoodNet

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21	0.4	0.3	0.3	0.2	0.2	0.2	0.2	0.2	1.9
2021-22	0.4	0.3	0.3	0.2	0.2	0.2	0.2	0.2	1.9
2022-23	0.4	0.3	0.3	0.2	0.2	0.2	0.2	0.2	1.9
2023-24	0.4	0.3	0.3	0.2	0.2	0.2	0.2	0.2	1.9
2024-25	-	-	-	-	-	-	-	-	-
Total	1.5	1.1	1.1	0.9	0.9	0.8	0.6	0.6	7.6

The Australian Government is continuing to provide funding for a collaborative initiative with state health authorities to undertake enhanced surveillance of foodborne disease. OzFoodNet coordinates investigations into foodborne disease outbreaks, particularly those that cross state and country borders.

Reducing stillbirths^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21	~	~	~	~	~	~	~	~	1.0
2021-22	-	-	-	-	-	-	-	-	-
2022-23	-	-	-	-	-	-	-	-	-
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
Total	~	~	~	~	~	~	~	~	1.0

(a) State allocations have not yet been determined.

The Australian Government is providing funding to increase the rate of stillbirth autopsies and investigations.

Royal Darwin Hospital — equipped, prepared and ready

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21	-	-	-	-	-	-	-	16.8	16.8
2021-22	-	-	-	-	-	-	-	17.0	17.0
2022-23	-	-	-	-	-	-	-	17.3	17.3
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	51.1	51.1

The Australian Government is providing funding to maintain the National Critical Care and Trauma Response Centre at the Royal Darwin Hospital in a state of readiness to respond to major health incidents in Australia and the region.

Specialist dementia care^{(a)(b)}

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21	0.3	0.7	0.7	0.3	0.3	~	0.2	~	3.9
2021-22	0.3	0.8	0.8	0.3	0.3	~	0.3	~	4.0
2022-23	~	~	~	~	~	~	~	~	9.4
2023-24	~	~	~	~	~	~	~	~	9.5
2024-25	-	-	-	-	-	-	-	-	-
Total	0.5	1.4	1.5	0.5	0.5	~	0.5	~	26.8

(a) Totals include unallocated funding.

(b) State allocations for 2022-23 and 2023-24 have not yet been determined.

The Australian Government is providing funding to deliver a program which will deliver intensive, specialised care for people with very severe behavioural and psychological symptoms of dementia.

Vaccine-preventable diseases surveillance

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21	0.2	0.2	0.2	0.1	0.1	..	..	0.1	1.0
2021-22	0.2	0.2	0.2	0.1	0.1	..	..	0.1	1.0
2022-23	0.3	0.2	0.2	0.1	0.1	..	..	0.1	1.0
2023-24	0.3	0.2	0.2	0.1	0.1	..	..	0.1	1.1
2024-25	-	-	-	-	-	-	-	-	-
Total	1.0	0.9	0.8	0.4	0.4	0.2	0.2	0.2	4.2

The Australian Government is providing funding to improve surveillance reporting of nationally notifiable vaccine-preventable diseases. This program facilitates national monitoring, analysis and timely reporting of data to provide an evidence base for policy formulation.

Victorian Cytology Service

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21	-	10.6	-	-	-	-	-	-	10.6
2021-22	-	-	-	-	-	-	-	-	-
2022-23	-	-	-	-	-	-	-	-	-
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
Total	-	10.6	-	-	-	-	-	-	10.6

The Australian Government is providing funding to the Victorian Cytology Service which supports the early detection of pre-cancerous cervical conditions by processing cervical screening tests undertaken by general practitioners and other health professionals in Victoria.

Health infrastructure

In 2021-22, the Australian Government is estimated to provide \$176.3 million to support the development of health-related infrastructure.

Table 2.3.2 Health infrastructure

\$million	2020-21	2021-22	2022-23	2023-24	2024-25
National Partnership payments					
Community Health, Hospitals and Infrastructure projects	153.6	176.3	225.3	200.5	145.0
Grace's Place	2.0	-	-	-	-
Proton beam therapy facility	40.7	-	27.3	-	-
Redevelopment of Strathalbyn residential aged care facility	0.7	-	-	-	-
Suicide prevention	3.0	-	-	-	-
Veteran Wellbeing Centre Program	5.1	-	-	-	-
Total	205.0	176.3	252.5	200.5	145.0

Community Health, Hospitals and Infrastructure projects

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21	32.8	20.2	35.5	12.5	3.0	5.5	15.0	29.1	153.6
2021-22	32.5	42.5	57.2	20.3	8.1	9.0	6.5	0.2	176.3
2022-23	26.5	86.2	34.6	41.8	15.4	12.0	8.8	-	225.3
2023-24	80.5	52.2	11.4	33.4	7.0	12.0	4.0	-	200.5
2024-25	130.0	3.0	4.7	7.3	-	-	-	-	145.0
Total	302.3	204.0	143.4	115.2	33.5	38.5	34.2	29.3	900.5

The Australian Government is providing funding to all states for vital health infrastructure and services to ensure Australians can access the care they need, where they need it.

A new measure associated with this item is listed in Table 1.4 and described in more detail in Budget Paper No. 2, *Budget Measures 2021-22*.

Grace's Place

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21	2.0	-	-	-	-	-	-	-	2.0
2021-22	-	-	-	-	-	-	-	-	-
2022-23	-	-	-	-	-	-	-	-	-
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
Total	2.0	-	-	-	-	-	-	-	2.0

The Australian Government is providing funding to New South Wales Government to assist with the construction of Grace's Place, a residential trauma recovery centre for children and young people aged between 3 and 18 years impacted by homicide.

Proton beam therapy facility

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21	-	-	-	-	40.7	-	-	-	40.7
2021-22	-	-	-	-	-	-	-	-	-
2022-23	-	-	-	-	27.3	-	-	-	27.3
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	68.0	-	-	-	68.0

The Australian Government is funding the establishment of a proton beam therapy facility in Adelaide. The technology will be used as an alternative to conventional radiotherapy to treat people with certain types of cancer and for research.

Redevelopment of Strathalbyn residential aged care facility

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21	-	-	-	-	0.7	-	-	-	0.7
2021-22	-	-	-	-	-	-	-	-	-
2022-23	-	-	-	-	-	-	-	-	-
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	0.7	-	-	-	0.7

The Australian Government is providing funding for additional residential aged care services at the Strathalbyn and District Aged Care Facility.

Suicide prevention

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21	1.4	1.1	-	-	-	0.5	-	-	3.0
2021-22	-	-	-	-	-	-	-	-	-
2022-23	-	-	-	-	-	-	-	-	-
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
Total	1.4	1.1	-	-	-	0.5	-	-	3.0

The Australian Government is providing funding to assist in reducing the risk of suicide by funding infrastructure projects, such as barriers, fencing and lighting, at identified locations.

Veteran Wellbeing Centre Program

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21	-	-	3.0	-	2.1	-	-	-	5.1
2021-22	-	-	-	-	-	-	-	-	-
2022-23	-	-	-	-	-	-	-	-	-
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
Total	-	-	3.0	-	2.1	-	-	-	5.1

The Australian Government is providing funding to develop a network of six Veteran Wellbeing Centres across Australia in partnership with Ex-Service Organisations and the states. A Veteran Wellbeing Centre at Daw Park, Adelaide is being established by the South Australian Government. The Oasis at Onoonba, Townsville is being established by the Queensland Government. Veteran Wellbeing Centres are also under development in Perth, Nowra, Wodonga and Darwin with this work led by Ex-Service Organisations. Two additional centres in Tasmania and South-East Queensland were announced as part of the 2021-22 Budget.

Indigenous health

In 2021-22, the Australian Government is estimated to provide \$16.1 million to the states for programs to improve the health of Indigenous Australians.

Table 2.3.3 Indigenous health

\$million	2020-21	2021-22	2022-23	2023-24	2024-25
National Partnership payments					
Addressing blood-borne viruses and sexually transmissible infections in the Torres Strait	1.1	1.1	1.1	1.1	-
Improving trachoma control services for Indigenous Australians	5.3	4.7	4.7	4.8	4.9
Northern Territory Remote Aboriginal Investment					
Health component	7.0	7.4	-	-	-
Rheumatic fever strategy	3.3	2.9	3.0	3.0	3.1
Total	16.7	16.1	8.8	9.0	8.0

Addressing blood-borne viruses and sexually transmissible infections in the Torres Strait

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21	-	-	1.1	-	-	-	-	-	1.1
2021-22	-	-	1.1	-	-	-	-	-	1.1
2022-23	-	-	1.1	-	-	-	-	-	1.1
2023-24	-	-	1.1	-	-	-	-	-	1.1
2024-25	-	-	-	-	-	-	-	-	-
Total	-	-	4.5	-	-	-	-	-	4.5

The Australian Government is providing funding for disease prevention activities, testing and treatment, and sexual health checks, and to deliver a culturally appropriate sexual health education campaign.

Improving trachoma control services for Indigenous Australians^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21	..	-	0.3	1.7	1.4	-	-	1.9	5.3
2021-22	~	~	~	~	~	~	~	~	4.7
2022-23	~	~	~	~	~	~	~	~	4.7
2023-24	~	~	~	~	~	~	~	~	4.8
2024-25	~	~	~	~	~	~	~	~	4.9
Total	..	~	0.3	1.7	1.4	~	~	1.9	24.4

(a) State allocations from 2021-22 have not yet been determined.

The Australian Government is providing funding for trachoma control activities in jurisdictions where trachoma, an infectious disease which can lead to blindness, is endemic.

A new measure associated with this item is listed in Table 1.4 and described in more detail in Budget Paper No. 2, *Budget Measures 2021-22*.

Northern Territory Remote Aboriginal Investment — Health component

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21	-	-	-	-	-	-	-	7.0	7.0
2021-22	-	-	-	-	-	-	-	7.4	7.4
2022-23	-	-	-	-	-	-	-	-	-
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	14.4	14.4

The Australian Government provides funding to supplement primary health care services in remote Northern Territory communities and position the Northern Territory for the long-term sustainability of its services to Indigenous Australians. The funding includes support for the provision of integrated oral and hearing health services to children in remote communities.

This funding agreement supports the Northern Territory to improve schooling for Indigenous children, make communities safer and healthier, and increase access to interpreter services and job opportunities for Indigenous Australians. Other components of the funding agreement are discussed in the Community Services, Education and Affordable Housing sections of this Part.

Rheumatic fever strategy^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21	-	-	1.0	1.0	0.4	-	-	1.0	3.3
2021-22	~	~	~	~	~	~	~	~	2.9
2022-23	~	~	~	~	~	~	~	~	3.0
2023-24	~	~	~	~	~	~	~	~	3.0
2024-25	~	~	~	~	~	~	~	~	3.1
Total	~	~	1.0	1.0	0.4	~	~	1.0	15.2

(a) State allocations from 2021-22 have not yet been determined.

The Australian Government is providing funding to programs that register and control acute rheumatic fever and rheumatic heart disease in Aboriginal and Torres Strait Islander people.

A new measure associated with this item is listed in Table 1.4 and described in more detail in Budget Paper No. 2, *Budget Measures 2021-22*.

Other health payments

In 2021-22, the Australian Government is estimated to provide \$421.9 million to the states in other health-related National Partnership payments.

Table 2.3.4 Other health National Partnership payments

\$million	2020-21	2021-22	2022-23	2023-24	2024-25
National Partnership payments					
Centre for National Resilience	239.6	273.9	-	-	-
Encouraging more clinical trials in Australia	1.5	1.5	1.5	1.5	1.5
Essential vaccines	17.9	19.6	19.9	19.8	20.1
Health Innovation Fund	115.2	16.7	1.7	1.7	1.7
Lymphoedema garments and allied health therapy program	2.0	2.0	2.0	2.0	-
National Coronial Information System	0.4	0.4	0.4	0.4	0.4
Public dental services for adults	107.8	107.8	-	-	-
Quarantine arrangements in Tasmania	7.0	-	-	-	-
Queensland 2032 Olympic and Paralympic Games Candidature	10.0	-	-	-	-
Total	501.3	421.9	25.5	25.5	23.7

Centre for National Resilience

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21	-	-	-	-	-	-	-	239.6	239.6
2021-22	-	-	-	-	-	-	-	273.9	273.9
2022-23	-	-	-	-	-	-	-	-	-
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	513.5	513.5

The Australian Government is providing funding for increased quarantine capacity at the Centre for National Resilience, including the capital expenditure, health services and facility operations costs to accept Australian repatriations.

A new measure associated with this item is listed in Table 1.4 and described in more detail in Budget Paper No. 2, *Budget Measures 2021-22*.

Encouraging more clinical trials in Australia^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21	0.3	0.2	0.3	0.2	0.1	0.1	0.2	0.1	1.5
2021-22	~	~	~	~	~	~	~	~	1.5
2022-23	~	~	~	~	~	~	~	~	1.5
2023-24	~	~	~	~	~	~	~	~	1.5
2024-25	~	~	~	~	~	~	~	~	1.5
Total	0.3	0.2	0.3	0.2	0.1	0.1	0.2	0.1	7.5

(a) State allocations from 2021-22 have not yet been determined.

The Australian Government is providing funding to increase the number and value of clinical trials to deliver health benefits, provide jobs and improve the nation's innovative capacity.

A new measure associated with this item is listed in Table 1.4 and described in more detail in Budget Paper No. 2, *Budget Measures 2021-22*.

Essential vaccines

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21	4.8	4.3	3.5	2.0	1.4	0.7	0.6	0.6	17.9
2021-22	5.7	4.5	3.8	2.1	1.5	0.8	0.7	0.6	19.6
2022-23	5.7	4.6	3.8	2.1	1.5	0.8	0.7	0.6	19.9
2023-24	5.7	4.6	3.8	2.1	1.5	0.8	0.7	0.6	19.8
2024-25	5.8	4.7	3.9	2.1	1.5	0.8	0.7	0.6	20.1
Total	27.7	22.9	18.7	10.5	7.5	3.7	3.4	3.0	97.4

The Australian Government is providing funding to improve the health of Australians through the cost-effective delivery of the National Immunisation Program.

Health Innovation Fund^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21	15.9	36.0	10.1	5.2	5.1	1.1	16.3	15.5	115.2
2021-22	-	-	-	-	1.7	-	-	15.0	16.7
2022-23	-	-	-	-	1.7	-	-	-	1.7
2023-24	-	-	-	-	1.7	-	-	-	1.7
2024-25	-	-	-	-	1.7	-	-	-	1.7
Total	15.9	36.0	10.1	5.2	11.9	1.1	16.3	30.5	137.0

(a) Total for 2020-21 includes unallocated funding.

The Australian Government is providing funding to support the delivery of projects to improve health outcomes, including through prevention and the better use of health data.

Lymphoedema garments and allied health therapy program

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21	0.6	0.5	0.4	0.2	0.1	..	..	..	2.0
2021-22	0.6	0.5	0.4	0.2	0.1	..	..	..	2.0
2022-23	0.6	0.5	0.4	0.2	0.1	..	..	..	2.0
2023-24	0.6	0.5	0.4	0.2	0.1	..	..	..	2.0
2024-25	-	-	-	-	-	-	-	-	-
Total	2.6	2.1	1.6	0.8	0.6	0.2	0.1	0.1	8.0

The Australian Government is providing funding to contribute to improved access to specialised compression garments by eligible patients.

National Coronial Information System

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21	-	0.4	-	-	-	-	-	-	0.4
2021-22	-	0.4	-	-	-	-	-	-	0.4
2022-23	-	0.4	-	-	-	-	-	-	0.4
2023-24	-	0.4	-	-	-	-	-	-	0.4
2024-25	-	0.4	-	-	-	-	-	-	0.4
Total	-	2.1	-	-	-	-	-	-	2.1

The Australian Government is providing funding for the administration, maintenance and improvement of Australia's national coronial data base.

Public dental services for adults

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21	34.4	26.9	21.7	9.7	9.4	3.4	1.0	1.4	107.8
2021-22	34.4	26.9	21.7	9.7	9.4	3.4	1.0	1.4	107.8
2022-23	-	-	-	-	-	-	-	-	-
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
Total	68.7	53.8	43.3	19.4	18.8	6.8	2.0	2.8	215.5

The Australian Government is providing funding to support the improved oral health of patients who rely on the public dental system.

A new measure associated with this item is listed in Table 1.4 and described in more detail in Budget Paper No. 2, *Budget Measures 2021-22*.

Quarantine arrangements in Tasmania

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21	-	-	-	-	-	7.0	-	-	7.0
2021-22	-	-	-	-	-	-	-	-	-
2022-23	-	-	-	-	-	-	-	-	-
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	7.0	-	-	7.0

The Australian Government provided funding through to 31 March 2021 to support the delivery of quarantine services in Tasmania for up to 450 returning Australians, including health services and agreed operational costs associated with the quarantine services to accept Australian repatriations.

Queensland 2032 Olympic and Paralympic Games Candidature

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21	-	-	10.0	-	-	-	-	-	10.0
2021-22	-	-	-	-	-	-	-	-	-
2022-23	-	-	-	-	-	-	-	-	-
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
Total	-	-	10.0	-	-	-	-	-	10.0

The Australian Government is providing funding of up to \$10 million to support the assessment of the 2032 Olympic and Paralympic Games opportunity, subject to necessary approvals, including the development, management, and administration of candidature for Queensland to host the 2032 Olympic and Paralympic Games.

Education

In 2021–22, the Australian Government will provide funding of \$24.8 billion to support state education services, including \$24.4 billion in Quality Schools funding and \$409.1 million through National Partnership payments, as detailed in Table 2.4.

Table 2.4: Payments to support state education services

\$million	2020-21	2021-22	2022-23	2023-24	2024-25
Quality Schools funding	22,063.4	24,439.1	25,934.7	27,204.3	28,200.9
National Partnership payments					
MoneySmart teaching	1.3	-	-	-	-
National school chaplaincy program	61.4	61.4	61.4	61.4	61.4
Northern Territory Remote Aboriginal Investment(a)					
Children and schooling component	30.2	29.3	-	-	-
School pathways program	1.2	1.2	-	-	-
Universal access to early childhood education	450.6	317.2	-	-	-
Total National Partnership payments	544.8	409.1	61.4	61.4	61.4
Total	22,608.2	24,848.2	25,996.2	27,265.7	28,262.4
<i>Memorandum item — payments for non-government schools included in payments above</i>					
Quality Schools funding	13,009.8	14,710.3	15,509.4	16,200.0	16,752.2

(a) Includes funding for non-government representative bodies.

Quality Schools funding

The Australian Government’s Quality Schools policy aims to improve the educational outcomes of Australian students and their schools.

In 2021–22, the Australian Government will provide \$24.4 billion in Quality Schools funding to government and non-government schools in all states. This includes recurrent funding, capital funding, funding for non-government school reform support funding, Choice and Affordability Fund funding and other prescribed purpose funding.

Quality Schools funding

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21									
Government schools(a)	2,815.4	2,098.1	2,030.7	924.7	611.0	222.7	130.8	220.2	9,053.6
Non-government schools(b)(c)(d)	3,893.5	3,520.3	2,840.2	1,271.4	809.4	299.2	227.9	147.9	13,009.8
Total	6,708.9	5,618.4	4,870.9	2,196.1	1,420.4	521.9	358.7	368.1	22,063.4
2021-22									
Government schools(a)	3,009.9	2,270.2	2,157.8	1,020.6	665.7	234.3	142.9	227.3	9,728.8
Non-government schools(b)(c)(d)	4,454.8	3,796.5	3,156.3	1,494.3	1,062.5	321.6	236.4	187.9	14,710.3
Total	7,464.8	6,066.7	5,314.1	2,514.9	1,728.2	555.9	379.3	415.1	24,439.1
2022-23									
Government schools(a)	3,212.0	2,451.4	2,286.1	1,121.9	722.9	244.0	156.0	231.1	10,425.4
Non-government schools(b)(c)(d)	4,705.4	4,012.1	3,323.4	1,570.1	1,116.6	339.9	244.8	197.1	15,509.4
Total	7,917.4	6,463.5	5,609.5	2,692.0	1,839.4	583.8	400.8	428.3	25,934.7
2023-24									
Government schools(a)	3,386.3	2,605.6	2,395.0	1,200.2	762.8	252.8	167.0	234.6	11,004.3
Non-government schools(b)(c)(d)	4,914.9	4,201.7	3,470.3	1,636.1	1,163.7	355.7	252.7	204.8	16,200.0
Total	8,301.2	6,807.3	5,865.4	2,836.3	1,926.5	608.5	419.7	439.4	27,204.3
2024-25									
Government schools(a)	3,525.9	2,727.0	2,481.8	1,251.4	789.6	260.5	175.3	237.3	11,448.7
Non-government schools(b)(c)(d)	5,076.3	4,359.9	3,590.4	1,687.8	1,199.5	368.9	259.4	210.0	16,752.2
Total	8,602.2	7,086.9	6,072.2	2,939.2	1,989.1	629.4	434.7	447.3	28,200.9

(a) Includes funding for the Northern Territory to accelerate evidence-based reforms to improve outcomes for vulnerable students and includes Literacy Support for Tasmanian Students.

(b) Includes capital funding.

(c) Includes prescribed circumstances funding.

(d) Includes funding for non-government school reform support and the Choice and Affordability Fund.

The Australian Government has implemented a new, needs-based funding model for schools which delivers a consistent national approach for all schools in all states.

National Partnership payments for education

In addition to Quality Schools funding, the Australian Government will provide funding for state education services through National Partnership payments.

MoneySmart teaching^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21	-	-	-	0.1	0.1	0.1	0.1	-	1.3
2021-22	-	-	-	-	-	-	-	-	-
2022-23	-	-	-	-	-	-	-	-	-
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
Total	-	-	-	0.1	0.1	0.1	0.1	-	1.3

(a) Total figure includes unallocated funding.

The Australian Government is supporting the delivery of professional learning to teachers in primary and secondary schools and the development of materials to improve financial literacy education in schools.

National school chaplaincy program^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21	11.3	12.8	18.4	7.7	7.6	2.2	1.0	0.5	61.4
2021-22	11.3	12.8	18.4	7.7	7.6	2.2	1.0	0.5	61.4
2022-23	~	~	~	~	~	~	~	~	61.4
2023-24	~	~	~	~	~	~	~	~	61.4
2024-25	~	~	~	~	~	~	~	~	61.4
Total	22.5	25.6	36.7	15.5	15.2	4.4	2.0	1.0	307.2

(a) State allocations from 2022-23 to 2024-25 have not yet been determined.

This program supports the wellbeing of students through the provision of pastoral care services in participating schools.

Northern Territory Remote Aboriginal Investment — Children and schooling component

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21	-	-	-	-	-	-	-	30.2	30.2
2021-22	-	-	-	-	-	-	-	29.3	29.3
2022-23	-	-	-	-	-	-	-	-	-
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	59.5	59.5

The Australian Government is providing funding to improve student attendance, educational attainment, Indigenous workforce development and teacher housing in remote and very remote schools.

This funding agreement supports the Northern Territory to improve schooling for Indigenous children, make communities safer and healthier, and increase access to interpreter services and job opportunities for Indigenous Australians. Other components of this funding agreement are discussed in the Health, Community Services and Affordable Housing sections of this Part.

School pathways program

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21	-	-	-	0.6	0.6	-	-	-	1.2
2021-22	-	-	-	0.6	0.6	-	-	-	1.2
2022-23	-	-	-	-	-	-	-	-	-
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
Total	-	-	-	1.2	1.2	-	-	-	2.4

This program assists in providing a career path for young people to enter the defence industry. It focuses on increasing the number of students undertaking subjects relevant to the defence industry in participating schools.

Universal access to early childhood education

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21	138.0	130.2	83.1	46.5	28.7	9.9	9.6	4.7	450.6
2021-22	98.6	90.0	59.5	32.5	19.8	6.9	6.8	3.3	317.2
2022-23	-	-	-	-	-	-	-	-	-
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
Total	236.5	220.2	142.6	79.0	48.5	16.8	16.4	8.0	767.8

The Australian Government is supporting preschool participation for all Australian children in the year before full time school for 600 hours per year, or 15 hours per week. The funding is designed to top up arrangements states already have in place for preschool provision. The funding supports increased participation for Indigenous and disadvantaged children, and also aims to ensure national consistency in terms of quality and the availability of hours per week.

In addition to the above, which reflects the current agreement with the states, the Australian Government will provide \$1.6 billion over four years from 2021-22 and then \$589.0 million per year (indexed), to make an ongoing Commonwealth funding contribution to preschool. The first four years of funding, covering the 2022 to 2025 preschool years, will be delivered through a new four-year funding agreement to be negotiated with states. The agreement will support continued universal access to preschool for children in the year before they start school.

A new measure associated with this item is listed in Table 1.4 and described in more detail in Budget Paper No. 2, *Budget Measures 2021-22*.

Skills and workforce development

In 2021–22, the Australian Government will provide funding of \$2.0 billion to support state skills and workforce development services, including \$1.6 billion through the National Skills and Workforce Development SPP, \$339.1 million – to be matched by the states – towards the expanded \$2 billion JobTrainer Fund, and \$104.9 million through other National Partnership payments, as detailed in Table 2.5.

Table 2.5: Payments to support state skills and workforce development services

\$million	2020-21	2021-22	2022-23	2023-24	2024-25
National Skills and Workforce Development SPP	1,560.6	1,577.5	1,599.8	1,622.5	1,644.0
National Partnership payments					
Energising Tasmania	4.6	4.6	4.7	-	-
JobTrainer Fund	460.9	339.1	200.0	-	-
National Infection Control Training Fund	31.6	-	-	-	-
Revitalising TAFE campuses across Australia	25.0	25.0	-	-	-
Skilling Australians Fund	172.7	75.3	-	-	-
Total National Partnership payments	694.8	444.0	204.7	-	-
Total	2,255.3	2,021.5	1,804.5	1,622.5	1,644.0

National Agreement for Skills and Workforce Development

The National Agreement for Skills and Workforce Development (NASWD) identifies the long-term objectives of the Australian Government and the states in the areas of skills and workforce development.

To support Australia's future growth and prosperity, in 2020 First Ministers all committed to the Heads of Agreement for Skills Reform. As part of this commitment, the Australian Government and the states are working towards agreeing a new National Skills Agreement by August 2021 to replace the NASWD. These reforms will improve the vocational education and training sector so that Australians can better access high quality and relevant training and employers can access the skilled workers they need.

National Skills and Workforce Development SPP

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21	495.3	406.7	315.3	161.9	107.5	32.9	26.2	14.9	1,560.6
2021-22	498.9	411.4	320.3	164.0	108.4	33.3	26.4	14.9	1,577.5
2022-23	504.0	418.5	326.0	166.5	109.5	33.8	26.7	14.9	1,599.8
2023-24	509.6	426.3	331.1	169.0	110.5	34.1	27.0	14.9	1,622.5
2024-25	515.1	434.2	335.6	171.3	111.3	34.4	27.2	15.0	1,644.0
Total	2,522.9	2,097.0	1,628.3	832.8	547.2	168.4	133.5	74.5	8,004.4

The National Skills and Workforce Development SPP is the funding associated with the National Agreement for Skills and Workforce Development.

The total amount of the payment is indexed each year by a composite of Wage Cost Index 1 (85 per cent) and Wage Cost Index 6 (15 per cent) – see Appendix A. The growth factor is estimated to be 1.09 per cent in 2021–22.

National Partnership payments for skills and workforce development

In addition to the National Skills and Workforce Development SPP, the Australian Government will provide funding through National Partnership payments as detailed below.

Energisising Tasmania

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21	-	-	-	-	-	4.6	-	-	4.6
2021-22	-	-	-	-	-	4.6	-	-	4.6
2022-23	-	-	-	-	-	4.7	-	-	4.7
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	13.9	-	-	13.9

The Australian Government is providing fee-free training and support for training materials to encourage Tasmanians to train in areas of priority skills need for the energy sector.

JobTrainer Fund

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21	159.3	91.2	100.5	51.7	34.5	10.5	8.4	4.8	460.9
2021-22	95.5	117.3	60.3	31.1	20.7	6.3	5.0	2.9	339.1
2022-23	63.7	52.1	40.2	20.7	13.8	4.2	3.4	1.9	200.0
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
Total	318.5	260.7	201.0	103.5	68.9	21.1	16.8	9.6	1,000.0

With an initial contribution of \$500 million from the Australian Government, matched by state and territory governments to create a \$1 billion fund, the JobTrainer Fund is providing low-fee and fee-free training places for job seekers and young people, including school leavers, in areas of identified skills need and/or employment growth, to support them into employment as Australia emerges from the COVID 19 pandemic.

A further \$500 million has now been made available by the Australian Government over two years from 2021-22, subject to state and territory governments matching this funding. This funding will enable governments to extend the JobTrainer enrolment period until 31 December 2022 and prioritise aged care and digital skills training.

A new measure associated with this item is listed in Table 1.4 and described in more detail in Budget Paper No. 2, *Budget Measures 2021-22*.

National Infection Control Training Fund

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21	12.8	10.4	8.0	-	-	-	-	0.4	31.6
2021-22	-	-	-	-	-	-	-	-	-
2022-23	-	-	-	-	-	-	-	-	-
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
Total	12.8	10.4	8.0	-	-	-	-	0.4	31.6

The Australian Government has provided funding to accelerate the take up of infection prevention and control training in customer-facing businesses to keep the public safe from COVID-19 and support Australia’s economic recovery. The Australian Government’s total contribution towards the fund over the two years from 2019-20 was \$40 million.

Revitalising TAFE campuses across Australia

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21	5.0	4.8	6.4	2.0	2.0	2.0	2.0	0.8	25.0
2021-22	5.0	5.7	4.2	2.0	2.5	5.0	0.6	-	25.0
2022-23	-	-	-	-	-	-	-	-	-
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
Total	10.0	10.5	10.6	4.0	4.5	7.0	2.6	0.8	50.0

The Australian Government is providing funding to improve vocational education infrastructure, ensuring TAFEs are equipped to deliver training to the standards expected by students and industry.

Skilling Australians Fund

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21	99.2	-	-	38.9	21.1	6.3	5.2	2.0	172.7
2021-22	40.2	-	-	19.9	8.5	2.5	2.1	2.1	75.3
2022-23	-	-	-	-	-	-	-	-	-
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
Total	139.4	-	-	58.8	29.5	8.9	7.3	4.1	248.0

The Skilling Australians Fund supports the training of Australians through a range of projects focused on skills priorities. These include training in occupations in high demand, those that rely on skilled migration, future growth industries, and rural and regional areas. There is also a strong focus on apprenticeships and traineeships.

The funding agreement provides signatory states with an annual amount of guaranteed funding and a further amount determined by the revenue paid into the Skilling Australians Fund. The revenue in the Fund is drawn from a levy which is paid by businesses employing foreign workers on certain skilled visas.

Community services

In 2021-22, the Australian Government will provide funding of \$1.5 billion to support state community services as detailed in Table 2.6.

Table 2.6: Payments to support state community services

\$million	2020-21	2021-22	2022-23	2023-24	2024-25
National Partnership payments					
COVID-19 Self-Isolation for					
Remote Communities	3.6	-	-	-	-
Family, Domestic and Sexual Violence					
Responses	97.5	130.0	130.0	-	-
NDIS Strategic Investment in QLD	8.9	7.6	-	-	-
Northern Territory Remote Aboriginal					
Investment					
Community safety implementation plan	34.6	35.8	-	-	-
Pay equity for the social and community					
services sector	33.3	-	-	-	-
Payments from the DisabilityCare Australia					
Fund	2,338.1	1,342.0	1,086.7	1,143.4	-
Total	2,516.1	1,515.4	1,216.7	1,143.4	-

National Partnership payments for community services

The Australian Government provides National Partnership payments to the states, as detailed below.

COVID-19 Self-Isolation for Remote Communities

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21	-	-	0.6	0.4	0.1	-	-	2.6	3.6
2021-22	-	-	-	-	-	-	-	-	-
2022-23	-	-	-	-	-	-	-	-	-
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
Total	-	-	0.6	0.4	0.1	-	-	2.6	3.6

The Australian Government will provide funding to reimburse states for some of the costs incurred in the provision of government funded self-isolation facilities for the duration of the Remote Travel Restrictions in the Northern Territory, Queensland, Western Australia and South Australia, through an appropriate agreement between the Commonwealth and the relevant jurisdictions.

Family, Domestic and Sexual Violence Responses^{(a)(b)}

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21	30.8	24.4	19.7	10.6	7.0	2.1	1.6	1.2	97.5
2021-22	~	~	~	~	~	~	~	~	130.0
2022-23	~	~	~	~	~	~	~	~	130.0
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
Total	30.8	24.4	19.7	10.6	7.0	2.1	1.6	1.2	357.5

(a) This measure was referred to as 'COVID-19 Domestic Violence Support' in the 2020-21 Budget and MYEFO.

(b) State allocations in 2021-22 and 2022-23 have not yet been determined.

The Australian Government is providing funding to states to invest in services to support women and children who are experiencing or at risk of violence, including in the context of the COVID-19 pandemic.

The funding will support states to respond to high levels of demand for domestic, family and sexual violence services, and to ensure services can continue to support those who need it most.

A new measure associated with this item is listed in Table 1.4 and described in more detail in Budget Paper No. 2, *Budget Measures 2021-22*.

NDIS Strategic Investment in QLD

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21	-	-	8.9	-	-	-	-	-	8.9
2021-22	-	-	7.6	-	-	-	-	-	7.6
2022-23	-	-	-	-	-	-	-	-	-
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
Total	-	-	16.5	-	-	-	-	-	16.5

This funding agreement provides strategic investments to support the NDIS in Queensland through increasing the number of NDIS participants in Queensland.

Northern Territory Remote Aboriginal Investment — Community safety implementation plan

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21	-	-	-	-	-	-	-	34.6	34.6
2021-22	-	-	-	-	-	-	-	35.8	35.8
2022-23	-	-	-	-	-	-	-	-	-
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	70.4	70.4

The Australian Government is providing funding to the Northern Territory to make remote communities safer, improve child and family safety and address alcohol-related harm through this implementation plan.

This funding agreement supports the Northern Territory to improve schooling for Indigenous children, make communities safer and healthier, and increase access to interpreter services and job opportunities for Indigenous Australians. Other components of this funding agreement are discussed in the Health, Education and Affordable Housing sections of this Part.

Pay equity for the social and community services sector

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21	-	-	-	33.3	-	-	-	-	33.3
2021-22	-	-	-	-	-	-	-	-	-
2022-23	-	-	-	-	-	-	-	-	-
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
Total	-	-	-	33.3	-	-	-	-	33.3

The Australian Government is funding its share of the wage increases arising from the Fair Work Commission’s 2012 decision to grant an Equal Remuneration Order for the Social, Community and Disability Services Sector. This includes funding for the Australian Government’s share of the wage increases for in-scope programs funded through existing National SPPs and National Partnership payments.

Payments from the DisabilityCare Australia Fund^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21	618.0	252.5	693.0	649.2	75.2	23.3	16.8	10.0	2,338.1
2021-22	630.0	261.4	211.5	109.3	77.9	24.1	17.4	10.4	1,342.0
2022-23	349.8	270.5	218.9	113.1	80.6	25.0	18.0	10.8	1,086.7
2023-24	361.9	280.0	226.6	135.9	83.4	25.9	18.7	11.1	1,143.4
2024-25	-	-	-	-	-	-	-	-	-
Total	1,959.6	1,064.4	1,350.0	1,007.5	317.2	98.3	71.0	42.3	5,910.2

(a) Funding amounts for WA are indicative estimates only. Negotiations are continuing on drawdown arrangements.

This funding agreement partially reimburses the states for expenditure incurred in relation to the *National Disability Insurance Scheme Act 2013*. Under the *DisabilityCare Australia Fund Act 2013*, a proportion of the funding held in the DisabilityCare Australia Fund has been allocated to the states over a 10-year period.

Affordable housing

In 2021–22, the Australian Government will provide funding of \$3.3 billion to support state affordable housing services, including \$1.6 billion through the National Housing and Homelessness Agreement (NHHA), \$1.5 billion through HomeBuilder and \$190.8 million through other National Partnership payments, as detailed in Table 2.7.

Table 2.7: Payments to support state affordable housing services

\$million	2020-21	2021-22	2022-23	2023-24	2024-25
National Housing and Homelessness Agreement	1,594.5	1,616.2	1,639.8	1,598.6	1,619.4
National Partnership payments					
HomeBuilder	680.0	1,515.5	459.6	-	-
Northern Territory Remote Aboriginal Investment					
Remote Australia strategies component	3.7	3.7	-	-	-
Remote housing	237.2	185.0	110.0	-	-
Social Impact Investments					
Vulnerable priority groups	0.5	1.1	0.5	0.5	0.5
Youth at risk of homelessness	0.5	1.1	0.5	0.5	0.5
Total National Partnership payments	921.9	1,706.3	570.7	1.1	1.1
Total	2,516.5	3,322.5	2,210.5	1,599.7	1,620.5

National Housing and Homelessness Agreement^{(a)(b)}

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21	488.8	413.6	327.9	171.0	111.3	34.6	27.1	20.3	1,594.5
2021-22	493.2	419.8	333.7	173.8	112.6	35.1	27.5	20.4	1,616.2
2022-23	498.6	427.0	339.7	176.6	113.9	35.6	27.8	20.6	1,639.8
2023-24	495.5	412.0	331.9	169.8	110.0	34.0	26.1	19.3	1,598.6
2024-25	500.8	419.3	336.3	172.0	110.8	34.3	26.4	19.4	1,619.4
Total	2,476.9	2,091.8	1,669.4	863.1	558.6	173.7	135.0	100.0	8,068.6

(a) Bilateral agreements under the NHHA expire at the end of 2022-23, beyond which funding is subject to negotiation.

(b) The distribution of the additional \$124.7 million for 2021-22 and 2022-23 has been notionally allocated to all states but is subject to negotiation.

The NHHA contributes to improving access to affordable, safe and sustainable housing, including to prevent and address homelessness, and to support social and economic participation. The NHHA supports state and territory governments to deliver better outcomes for housing and homelessness funding.

Australian Government funding under the NHHA is ongoing and indexed by Wage Cost Index 1 (see Appendix A), providing greater certainty for the sector. The Australian Government's contribution to homelessness funding will be matched by the states.

In this Budget, the Australian Government has provided an additional \$124.7 million over two years from 2021-22. This funding will support social and community service workers in both the housing and homelessness sectors, and assist states and territories to meet their social and community housing responsibilities.

A new measure associated with this item is listed in Table 1.4 and described in more detail in Budget Paper No. 2, *Budget Measures 2021-22*.

National Partnership payments for affordable housing

The Australian Government will provide a total of \$1.7 billion in 2021-22 through National Partnership payments to support state affordable housing services. Further details are provided below.

HomeBuilder^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21	~	~	~	~	~	~	~	~	680.0
2021-22	~	~	~	~	~	~	~	~	1,515.5
2022-23	~	~	~	~	~	~	~	~	459.6
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
Total	~	~	~	~	~	~	~	~	2,655.1

(a) State allocations from 2020-21 to 2022-23 are not available as this is a demand-driven program.

HomeBuilder was announced on 4 June 2020 to support the residential construction sector in response to the economic downturn caused by the COVID-19 pandemic. HomeBuilder assists the residential construction sector by encouraging eligible occupiers (including first home buyers) to build a new home or substantially renovate an existing home.

A \$25,000 grant is available for eligible contracts signed between 4 June 2020 and 31 December 2020 (inclusive). A \$15,000 grant is available for eligible contracts signed between 1 January 2021 and 31 March 2021 (inclusive). Applications for the program closed on 14 April 2021.

On 17 April 2021, the timeframe to commence construction was extended from six months to 18 months from the date an eligible contract was signed for all existing applicants. The extension ensures that existing applicants — who lodged an application and believed they would be able to commence construction within six months — will not be denied the grant due to circumstances outside of their control.

A new measure associated with this item is listed in Table 1.4 and described in more detail in Budget Paper No. 2, *Budget Measures 2021-22*.

Northern Territory Remote Aboriginal Investment — Remote Australia strategies component

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21	-	-	-	-	-	-	-	3.7	3.7
2021-22	-	-	-	-	-	-	-	3.7	3.7
2022-23	-	-	-	-	-	-	-	-	-
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	7.4	7.4

The Remote Australia strategies component provides funding to improve public housing in remote communities by investing in housing works and removing asbestos from community buildings. This funding will also support a sustainable, professional and accredited Indigenous interpreter service.

This funding agreement supports the Northern Territory to improve schooling for Indigenous children, make communities safer and healthier, and increase access to interpreter services and job opportunities for Indigenous Australians. Other components of this funding agreement are discussed in the Health, Education and Community Services sections of this Part.

This funding complements the funding provided under the agreement on remote housing.

Remote housing

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21	-	-	100.0	-	-	-	-	137.2	237.2
2021-22	-	-	-	-	-	-	-	185.0	185.0
2022-23	-	-	-	-	-	-	-	110.0	110.0
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
Total	-	-	100.0	-	-	-	-	432.2	532.2

The Australian Government is supporting significant reform in the provision of housing for Indigenous Australians in remote communities, particularly in the Northern Territory. This will help address overcrowding, homelessness, poor housing conditions and severe housing shortages.

This funding supports the delivery of new houses, housing refurbishments and housing-related infrastructure. It also provides incentives to establish more sustainable housing systems in remote Indigenous communities.

Social Impact Investments**Vulnerable priority groups^(a)**

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21	-	-	-	-	0.5	-	-	-	0.5
2021-22	~	~	~	~	0.7	~	~	~	1.1
2022-23	-	-	-	-	0.5	-	-	-	0.5
2023-24	-	-	-	-	0.5	-	-	-	0.5
2024-25	-	-	-	-	0.5	-	-	-	0.5
Total	~	~	~	~	2.9	~	~	~	3.2

(a) State allocations for 2021-22 have not yet been determined.

The Australian Government will provide funding to state governments to trial social impact investments which aim to assist vulnerable priority groups.

Youth at risk of homelessness^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21	~	~	~	~	~	~	~	~	0.5
2021-22	~	~	~	~	~	~	~	~	1.1
2022-23	~	~	~	~	~	~	~	~	0.5
2023-24	~	~	~	~	~	~	~	~	0.5
2024-25	~	~	~	~	~	~	~	~	0.5
Total	~	~	~	~	~	~	~	~	3.2

(a) State allocations for all years have not yet been determined.

The Australian Government will provide funding to state governments to trial social impact investments which aim to help young people at risk of homelessness.

Infrastructure

In 2021–22, the Australian Government will provide funding of \$12.1 billion to support state infrastructure projects, as detailed in Table 2.8.

Table 2.8: Payments to support state infrastructure services

\$million	2020-21	2021-22	2022-23	2023-24	2024-25
National Partnership payments					
Infrastructure Investment Program					
Black Spot Projects	137.0	137.0	117.8	110.0	110.0
Bridges Renewal Program	49.7	88.5	121.1	121.1	91.1
Developing Northern Australia					
Improving cattle supply chains	9.8	0.1	3.7	1.3	-
Northern Australia Roads	73.6	54.8	6.9	7.6	4.6
Heavy Vehicle Safety and Productivity Program	67.2	67.2	67.2	101.6	69.3
Major Projects Business Case Fund	39.3	98.8	60.3	26.3	12.6
Rail investment component	1,108.9	2,321.5	3,211.1	3,425.1	3,096.9
Road investment component	5,522.3	5,447.8	7,986.4	7,684.3	5,851.0
Roads of Strategic Importance	326.8	794.2	1,082.1	898.6	670.9
Roads to Recovery	591.7	499.5	499.5	476.7	499.5
Urban Congestion Fund	378.3	775.6	1,360.9	797.8	256.4
Infrastructure Growth Package					
Western Sydney Infrastructure Plan	536.1	254.9	167.0	346.7	350.4
Other payments					
Adelaide City Deal	15.3	44.0	42.0	49.5	5.0
Albury Wodonga Regional Deal	3.2	-	-	-	-
Barkly Regional Deal	8.1	7.2	4.5	-	-
Darwin City Deal	45.0	27.3	-	-	-
Drought Communities Programme	103.3	23.1	-	-	-
Geelong City Deal	18.4	63.9	60.2	28.2	7.9
Hinkler Regional Deal	10.8	-	-	-	-
Launceston City Deal	8.8	12.4	16.3	7.6	-
Local Roads and Community Infrastructure	924.3	974.2	599.3	-	-
National Water Grid Fund	-	102.3	469.9	602.8	488.8
Perth City Deal	36.8	77.8	63.7	59.0	55.0
Public Safety Mobile Broadband	8.0	-	-	-	-
Regional Recovery Partnerships	50.0	-	-	-	-
Townsville City Deal	75.0	175.0	20.0	-	-
Western Sydney City Deal	42.8	18.1	-	-	-
WiFi and mobile coverage on trains	10.0	-	-	-	-
Total	10,200.5	12,065.1	15,959.9	14,744.1	11,569.5

Table 2.8: Payments to support state infrastructure services (continued)

\$million	2020-21	2021-22	2022-23	2023-24	2024-25
<i>Memorandum item — payments direct to local governments included in payments above</i>					
Infrastructure Investment Program					
Roads to Recovery	562.0	472.5	472.5	452.5	473.5
Other payments					
Drought Communities Program	103.3	23.1	-	-	-
Local Roads and Community Infrastructure	924.3	974.2	599.3	-	-
Total	1,589.6	1,469.8	1,071.8	452.5	473.5

National Partnership payments for infrastructure

Infrastructure Investment Program

The Australian Government is providing funding for road and rail infrastructure through the Infrastructure Investment Program under the funding agreement on land transport infrastructure projects. The Australian Government has established a 10-year funding allocation for this program.

The program assists economic and social development regionally and nationally by providing funding to improve the performance of land transport infrastructure.

A portion of Australian Government funding for road infrastructure is sourced from the additional net revenue received from the reintroduction of fuel excise indexation, announced in the 2014–15 Budget.

The Infrastructure Investment Program includes several components that involve payments to the states, detailed in the tables below.

Black Spot Projects

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21	42.9	34.7	27.1	14.8	8.4	3.8	2.2	3.1	137.0
2021-22	42.9	34.7	27.1	14.8	8.4	3.8	2.2	3.1	137.0
2022-23	33.5	32.0	23.8	14.2	7.8	2.9	1.7	1.8	117.8
2023-24	33.3	26.8	22.7	13.2	7.9	2.6	1.5	1.9	110.0
2024-25	33.3	26.8	22.7	13.2	7.9	2.6	1.5	1.9	110.0
Total	186.0	155.1	123.5	70.2	40.4	15.7	9.2	11.8	611.9

These projects improve the safety of road sites that have been identified as high-risk areas for serious crashes. Funding is aimed at improving sites that have a record of at least three accidents involving casualties over a five-year period and can demonstrate a benefit-to-cost ratio greater than two.

Bridges Renewal Program

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21	20.3	4.9	17.0	1.8	1.1	2.0	-	2.8	49.7
2021-22	34.4	15.1	23.3	5.6	4.1	2.6	2.1	1.3	88.5
2022-23	43.0	24.7	29.9	9.6	7.1	3.2	3.2	0.5	121.1
2023-24	40.3	12.8	45.6	9.1	4.1	4.8	1.1	3.3	121.1
2024-25	30.3	9.6	34.3	6.8	3.1	3.6	0.8	2.5	91.1
Total	168.3	67.0	150.1	32.9	19.5	16.2	7.2	10.4	471.6

The Australian Government is providing funding to upgrade bridges across the nation. This program renews and replaces bridges serving local communities and facilitates higher productivity vehicle access.

Developing Northern Australia — Improving cattle supply chains

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21	-	-	9.3	-	-	-	-	0.4	9.8
2021-22	-	-	0.1	-	-	-	-	-	0.1
2022-23	-	-	3.7	-	-	-	-	-	3.7
2023-24	-	-	0.8	0.5	-	-	-	-	1.3
2024-25	-	-	-	-	-	-	-	-	-
Total	-	-	13.9	0.5	-	-	-	0.4	14.8

The Australian Government is providing funding to Queensland, Western Australia and the Northern Territory for road infrastructure projects that will improve the resilience and productivity of the northern cattle supply chains.

Developing Northern Australia — Northern Australia Roads

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21	-	-	38.8	16.3	-	-	-	18.5	73.6
2021-22	-	-	24.6	10.0	-	-	-	20.2	54.8
2022-23	-	-	3.9	-	-	-	-	3.0	6.9
2023-24	-	-	6.6	1.0	-	-	-	-	7.6
2024-25	-	-	-	4.6	-	-	-	-	4.6
Total	-	-	73.9	31.9	-	-	-	41.7	147.5

The Australian Government is providing funding to Queensland, Western Australia and the Northern Territory for infrastructure projects that are essential to the movement of people and freight in order to support economic development in the region. Projects include links to roads connecting communities and regional towns to ports and airports.

Heavy Vehicle Safety and Productivity Program

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21	29.4	4.5	22.6	4.2	1.9	1.7	-	3.0	67.2
2021-22	40.5	6.4	12.8	3.1	2.9	0.9	0.1	0.5	67.2
2022-23	23.7	12.9	17.9	4.4	6.6	1.7	0.1	0.1	67.2
2023-24	40.3	9.1	23.9	7.9	6.1	4.0	2.1	8.3	101.6
2024-25	27.5	6.2	16.3	5.4	4.1	2.7	1.5	5.6	69.3
Total	161.5	39.0	93.4	24.9	21.6	11.0	3.8	17.5	372.6

The Australian Government is contributing to the safety and productivity of heavy vehicles by funding projects that improve the safety of the road environment, enhance the capacity of existing roads and improve connections to freight networks.

Major Projects Business Case Fund

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21	6.8	4.8	20.0	7.8	-	-	-	-	39.3
2021-22	15.8	34.5	38.1	10.5	-	-	-	-	98.8
2022-23	17.0	2.0	31.2	10.2	-	-	-	-	60.3
2023-24	5.5	1.3	12.1	7.5	-	-	-	-	26.3
2024-25	-	-	4.5	8.1	-	-	-	-	12.6
Total	45.0	42.5	105.8	44.0	-	-	-	-	237.3

The Australian Government is providing funding to support the development of business cases for road and rail infrastructure projects. Funding will support a range of scenarios relating to business case development, including supporting joint state, territory and Australian Government planning processes.

Rail investment component^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21	262.9	647.6	46.2	95.3	21.0	36.0	-	-	1,108.9
2021-22	879.0	1,004.3	97.9	230.0	51.1	39.0	20.0	0.3	2,321.5
2022-23	1,314.8	1,043.4	234.2	531.5	22.3	30.0	35.0	-	3,211.1
2023-24	1,058.0	1,409.7	322.2	571.7	-	6.0	57.5	-	3,425.1
2024-25	1,070.0	1,440.0	263.7	303.3	-	-	20.0	-	3,096.9
Total	4,584.7	5,545.0	964.2	1,731.8	94.3	110.9	132.5	0.3	13,163.5

(a) Includes the National Rail Program.

The rail investment component of the Infrastructure Investment Program delivers the Australian Government's rail investment. It funds projects across Australia, including the Victorian regional rail program.

New measures associated with this component of the Infrastructure Investment Program are listed in Table 1.4 and described in more detail in Budget Paper No. 2, *Budget Measures 2021-22*.

Road investment component^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21	1,344.6	739.5	2,143.9	610.1	452.8	107.5	21.4	102.6	5,522.3
2021-22	1,324.3	1,066.2	1,432.2	862.3	488.3	80.1	35.2	159.1	5,447.8
2022-23	1,765.5	1,628.2	2,264.7	1,120.1	667.4	276.9	87.2	176.5	7,986.4
2023-24	1,595.7	1,321.6	2,348.3	925.1	969.6	285.9	110.0	128.0	7,684.3
2024-25	1,607.2	863.8	1,706.1	396.1	974.4	133.5	71.3	98.8	5,851.0
Total	7,637.3	5,619.3	9,895.1	3,913.6	3,552.5	883.9	325.0	665.0	32,491.8

(a) Includes the New Investments program.

The road investment component of the Infrastructure Investment Program delivers the majority of the Australian Government’s investment in road infrastructure. It targets nationally significant projects that will improve the efficiency and safety of Australia’s road network. Funding is provided for road construction projects and network maintenance, as well as transport development, innovation projects and grants to land transport research bodies.

New measures associated with this component of the Infrastructure Investment Program are listed in Table 1.4 and described in more detail in Budget Paper No. 2, *Budget Measures 2021-22*.

Roads of Strategic Importance initiative

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21	56.4	5.4	58.2	87.8	7.4	65.3	-	46.3	326.8
2021-22	96.5	75.7	137.8	224.8	81.8	124.4	-	53.3	794.2
2022-23	196.7	128.7	183.1	278.1	79.2	149.4	-	66.8	1,082.1
2023-24	160.1	118.5	130.3	170.5	23.8	206.4	-	88.9	898.6
2024-25	81.0	63.3	227.6	51.4	29.8	94.4	-	123.5	670.9
Total	590.7	391.6	736.9	812.6	222.0	639.9	-	378.8	3,772.6

The Australian Government is providing \$4.9 billion in funding over 12 years to upgrade key routes to improve access for businesses and communities to essential services, markets and employment opportunities.

New measures associated with this component of the Infrastructure Investment Program are listed in Table 1.4 and described in more detail in Budget Paper No. 2, *Budget Measures 2021-22*.

Roads to Recovery^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21	177.4	113.1	121.8	80.2	54.8	16.9	9.2	18.2	591.7
2021-22	138.2	101.9	102.4	72.4	45.1	16.3	8.3	15.0	499.5
2022-23	138.2	101.9	102.4	72.4	45.1	16.3	8.3	15.0	499.5
2023-24	132.8	100.2	99.7	64.5	44.2	16.2	7.3	11.8	476.7
2024-25	139.3	101.7	101.7	73.1	44.9	16.3	8.0	14.5	499.5
Total	725.7	518.7	528.0	362.7	234.1	81.9	41.1	74.7	2,566.9

(a) These figures include payments direct to local governments.

The Australian Government is providing funding for the roads to recovery program for road construction and maintenance projects at a local level. Decisions on projects to be funded are made locally and reported to the Australian Government.

Urban Congestion Fund

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21	35.4	60.5	38.4	137.1	98.6	8.4	-	-	378.3
2021-22	141.4	184.3	153.5	178.9	104.9	12.6	-	-	775.6
2022-23	128.1	503.7	211.1	391.2	118.8	8.0	-	-	1,360.9
2023-24	150.7	327.3	187.4	71.3	52.0	9.0	-	-	797.8
2024-25	124.8	108.3	23.3	-	-	-	-	-	256.4
Total	580.4	1,184.1	613.8	778.5	374.2	38.0	-	-	3,568.9

The Urban Congestion Fund supports projects to remediate pinch points, improve traffic safety and flow and increase network efficiency for commuter and freight movements in major urban areas.

New measures associated with this component of the Infrastructure Investment Program are listed in Table 1.4 and described in more detail in Budget Paper No. 2, *Budget Measures 2021-22*.

Infrastructure Growth Package

The Australian Government announced the Infrastructure Growth Package, comprising New Investments and the Western Sydney Infrastructure Plan, in the 2014-15 Budget.

Western Sydney Infrastructure Plan

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21	536.1	-	-	-	-	-	-	-	536.1
2021-22	254.9	-	-	-	-	-	-	-	254.9
2022-23	167.0	-	-	-	-	-	-	-	167.0
2023-24	346.7	-	-	-	-	-	-	-	346.7
2024-25	350.4	-	-	-	-	-	-	-	350.4
Total	1,655.1	-	-	-	-	-	-	-	1,655.1

The Australian Government is providing \$3 billion over 11 years to enhance capacity and improve transport infrastructure in Sydney’s western suburbs. This includes infrastructure to support the new Western Sydney airport at Badgerys Creek.

Other payments

Adelaide City Deal

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21	-	-	-	-	15.3	-	-	-	15.3
2021-22	-	-	-	-	44.0	-	-	-	44.0
2022-23	-	-	-	-	42.0	-	-	-	42.0
2023-24	-	-	-	-	49.5	-	-	-	49.5
2024-25	-	-	-	-	5.0	-	-	-	5.0
Total	-	-	-	-	155.8	-	-	-	155.8

The Australian Government is providing funding to support projects under the Adelaide City Deal, including the development of a new innovation and cultural precinct in the city centre.

Albury Wodonga Regional Deal

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21	-	3.2	-	-	-	-	-	-	3.2
2021-22	-	-	-	-	-	-	-	-	-
2022-23	-	-	-	-	-	-	-	-	-
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
Total	-	3.2	-	-	-	-	-	-	3.2

The Australian Government is providing funding to support an Albury Wodonga Regional Deal.

Barkly Regional Deal

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21	-	-	-	-	-	-	-	8.1	8.1
2021-22	-	-	-	-	-	-	-	7.2	7.2
2022-23	-	-	-	-	-	-	-	4.5	4.5
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	19.7	19.7

The Australian Government is providing funding to deliver a range of economic, social and cultural initiatives in the Barkly region.

Darwin City Deal

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21	-	-	-	-	-	-	-	45.0	45.0
2021-22	-	-	-	-	-	-	-	27.3	27.3
2022-23	-	-	-	-	-	-	-	-	-
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	72.3	72.3

The Australian Government is providing funding to support projects under the Darwin City Deal, including an education and civic precinct in Darwin's city centre.

Drought Communities Programme Extension

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21	36.7	8.7	15.1	22.1	16.0	2.7	0.5	1.6	103.3
2021-22	6.4	2.6	2.6	7.2	3.4	0.5	-	0.4	23.1
2022-23	-	-	-	-	-	-	-	-	-
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
Total	43.1	11.3	17.7	29.3	19.4	3.2	0.5	2.0	126.4

The Australian Government is supporting local infrastructure projects and other drought relief activities that provide employment for people whose work opportunities have been affected by drought. Funding is being provided to local government areas for projects that stimulate local community spending, use local resources, businesses and suppliers, and provide long-lasting benefits to communities and the agricultural industries on which they depend.

Geelong City Deal

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21	-	18.4	-	-	-	-	-	-	18.4
2021-22	-	63.9	-	-	-	-	-	-	63.9
2022-23	-	60.2	-	-	-	-	-	-	60.2
2023-24	-	28.2	-	-	-	-	-	-	28.2
2024-25	-	7.9	-	-	-	-	-	-	7.9
Total	-	178.6	-	-	-	-	-	-	178.6

The Australian Government is providing funding to support projects under the Geelong City Deal, including the Shipwreck Coast Master Plan, Great Ocean Road projects and projects in the Geelong city centre.

Hinkler Regional Deal

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21	-	-	10.8	-	-	-	-	-	10.8
2021-22	-	-	-	-	-	-	-	-	-
2022-23	-	-	-	-	-	-	-	-	-
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
Total	-	-	10.8	-	-	-	-	-	10.8

The Australian Government is providing funding to support projects at the Port of Bundaberg, including the construction of new common use infrastructure, as part of the Hinkler Regional Deal.

Launceston City Deal

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21	-	-	-	-	-	8.8	-	-	8.8
2021-22	-	-	-	-	-	12.4	-	-	12.4
2022-23	-	-	-	-	-	16.3	-	-	16.3
2023-24	-	-	-	-	-	7.6	-	-	7.6
2024-25	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	45.0	-	-	45.0

The Australian Government is providing \$45 million over four years from 2020-21 towards 12 projects to reduce pollution and improve the health of the Tamar River in Tasmania, as part of the Launceston City Deal.

Local Roads and Community Infrastructure

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21	271.1	207.1	187.2	120.9	76.2	26.3	15.0	20.4	924.3
2021-22	285.1	217.2	197.4	128.2	80.7	27.9	15.8	21.9	974.2
2022-23	167.1	122.1	122.0	87.6	53.9	19.5	9.6	17.4	599.3
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
Total	723.3	546.4	506.7	336.7	210.8	73.7	40.4	59.8	2,497.8

The Australian Government is providing \$1.6 billion over two years to support local councils to deliver priority local road and community infrastructure projects across Australia, supporting jobs and the resilience of local economies to help communities bounce back from the COVID-19 pandemic.

A new measure associated with this item is listed in Table 1.4 and described in more detail in Budget Paper No. 2, *Budget Measures 2021-22*.

National Water Grid Fund^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21	-	-	-	-	-	-	-	-	-
2021-22	20.5	6.0	0.5	53.5	3.5	4.7	~	~	102.3
2022-23	30.0	8.6	65.0	89.5	~	~	~	~	469.9
2023-24	12.8	3.9	65.0	23.5	~	~	~	~	602.8
2024-25	~	~	70.0	13.2	~	~	~	~	488.8
Total	63.3	18.5	200.5	179.7	3.5	4.7	~	~	1,663.8

(a) State allocations are indicative estimates only to be determined on the signing of agreements. State allocations for the balance have not yet been determined.

The Australian Government is providing funding through the National Water Grid Fund to support the development and delivery of nationally important water infrastructure projects that support primary industries and unlock potential, promote the growth and sustainability of regional economies, and build resilience.

A new measure associated with this item is listed in Table 1.4 and described in more detail in Budget Paper No. 2, *Budget Measures 2021-22*.

Payments for projects under the former National Water Infrastructure Development Fund are included in the *Part 2 – Environment* section of Budget Paper No. 3.

Perth City Deal

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21	-	-	-	36.8	-	-	-	-	36.8
2021-22	-	-	-	77.8	-	-	-	-	77.8
2022-23	-	-	-	63.7	-	-	-	-	63.7
2023-24	-	-	-	59.0	-	-	-	-	59.0
2024-25	-	-	-	55.0	-	-	-	-	55.0
Total	-	-	-	292.3	-	-	-	-	292.3

The Australian Government is providing \$292.3 million from 2020-21 to 2024-25 to support projects under the Perth City Deal, including the Edith Cowan University Cultural and Creative Industries Education CBD Campus, the Perth Cultural Centre Rejuvenation, Perth Concert Hall Redevelopment, Homelessness Housing Projects and the Perth CBD Transport Plan. The Australian Government will provide a total of \$327.5 million over 11 years from 2020-21 to support these projects.

Public Safety Mobile Broadband

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21	8.0	-	-	-	-	-	-	-	8.0
2021-22	-	-	-	-	-	-	-	-	-
2022-23	-	-	-	-	-	-	-	-	-
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
Total	8.0	-	-	-	-	-	-	-	8.0

The Australian Government is providing \$8 million in 2020-21 to support the delivery of a proof of concept trial for a Public Safety Mobile Broadband (PSMB). The PSMB is an important part of Australia’s ability to prepare for and respond to natural disasters and emergencies at the national scale.

Regional Recovery Partnerships^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21	~	~	~	~	~	~	~	~	50.0
2021-22	-	-	-	-	-	-	-	-	-
2022-23	-	-	-	-	-	-	-	-	-
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
Total	~	~	~	~	~	~	~	~	50.0

(a) A further \$50 million is provided for Regional Recovery Partnerships in 2021-22 within the existing resources of the Department of Infrastructure, Transport, Regional Development and Communications, bringing the total Government commitment for the Partnerships to \$100 million.

The Australian Government is providing up to \$50 million for Regional Recovery Partnerships in 2020-21 to state and local governments. The Partnerships coordinate investments with all levels of government to support recovery and growth in 10 regions across Australia, delivering jobs and economic diversification.

Townsville City Deal

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21	-	-	75.0	-	-	-	-	-	75.0
2021-22	-	-	175.0	-	-	-	-	-	175.0
2022-23	-	-	20.0	-	-	-	-	-	20.0
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
Total	-	-	270.0	-	-	-	-	-	270.0

The Australian Government will provide funding to support projects under the Townsville City Deal, including the port of Townsville channel capacity upgrade.

Western Sydney City Deal

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21	42.8	-	-	-	-	-	-	-	42.8
2021-22	18.1	-	-	-	-	-	-	-	18.1
2022-23	-	-	-	-	-	-	-	-	-
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
Total	60.9	-	-	-	-	-	-	-	60.9

The Australian Government is providing funding under the Western Sydney City Deal to deliver improved community facilities and urban amenities, and to cut development costs and boost housing supply. This does not include funding for the Sydney Metro-Western Sydney Airport rail project announced at the July 2020 *Economic and Fiscal Update*.

WiFi and mobile coverage on trains

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21	10.0	-	-	-	-	-	-	-	10.0
2021-22	-	-	-	-	-	-	-	-	-
2022-23	-	-	-	-	-	-	-	-	-
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
Total	10.0	-	-	-	-	-	-	-	10.0

This program is establishing mobile and internet connectivity along the train route between Hornsby and Wyong.

Environment

In 2021–22, the Australian Government will provide funding of \$1.6 billion to support state environment projects, as detailed in Table 2.9.

Table 2.9: Payments to support state environment services^(a)

\$million	2020-21	2021-22	2022-23	2023-24	2024-25
National Partnership payments					
Bilateral Energy and Emissions Reduction Agreements	28.5	30.0	-	-	-
COVID-19 World and National Heritage	32.7	-	-	-	-
Disaster risk reduction	20.9	20.9	20.9	20.9	-
Emergency Response Fund — flood mitigation	50.0	-	-	-	-
Environmental assessment systems upgrade	3.6	8.5	-	-	-
Environmental management of the former Rum Jungle site	1.3	2.3	nfp	nfp	nfp
Environment Restoration Fund	4.3	2.2	1.2	-	-
Feasibility study into Curtis Island LNG Electrification	-	1.5	-	-	-
Fishing and Camping Facilities Program	10.0	10.0	-	-	-
Forestry industries bushfire salvage transport assistance	15.0	-	-	-	-
Future Drought Fund					
Farm business resilience	18.0	25.0	20.0	15.0	-
Regional drought resilience planning	10.0	14.0	11.0	6.0	-
Gas Well Trials	-	15.6	-	-	-
Great Artesian Basin Sustainability Initiative	7.3	7.5	8.0	4.0	-
Horticulture Netting Trial Scheme	23.6	-	-	-	-
Hydrogen energy supply chain pilot project	12.5	-	-	-	-
Hydrogen ready gas generation	-	5.0	-	-	-
Implementing water reform in the Murray-Darling Basin	5.0	20.0	20.0	20.0	-
Lindenow Valley Water Security Scheme	9.0	-	-	-	-
Management of established pests and weeds	4.6	4.5	2.9	-	-
National Forestry Industry Plan	1.8	1.8	-	-	-
National Plant Health Surveillance Program	-	1.0	1.0	1.0	1.0
National Water Infrastructure Development Fund					
Capital	165.7	381.0	181.5	98.8	165.7
Feasibility studies	32.1	31.8	2.0	-	-
North Queensland strata title resilience pilot program	-	8.0	20.0	12.0	-
On-farm Emergency Water Infrastructure Rebate	36.9	25.0	-	-	-

Table 2.9: Payments to support state environment services^(a) (continued)

\$million	2020-21	2021-22	2022-23	2023-24	2024-25
National Partnership payments					
Pest and disease preparedness and response programs	38.6	68.8	33.8	33.0	37.4
Raine Island Recovery Project	-	-	0.7	0.7	-
Recycling Infrastructure	29.8	62.7	82.2	53.2	18.0
Reducing regulatory burden and streamlining audit arrangements in the dairy sector	-	0.5	-	-	-
Regional fund for wildlife and habitat bushfire recovery	13.3	28.2	-	-	-
Securing Forestry Resources for Economic Security	10.0	-	-	-	-
Sustainable rural water use and infrastructure program	144.0	205.2	184.9	154.6	-
Water for Fodder program	5.0	-	-	-	-
Water for the Environment Special Account					
Implementation of constraints measures	40.0	63.4	50.0	36.5	-
Off-farm Efficiency Program	107.7	543.9	428.2	313.2	-
Water Efficiency Program	2.0	-	-	-	-
World Heritage Sites	9.5	9.5	9.5	-	-
Yellow crazy ant control	3.0	3.0	-	-	-
Total	895.4	1,607.9	1,089.4	777.8	282.0

(a) Total figures include other item(s) not for publication due to ongoing negotiations with states.

National Partnership payments for the environment

Bilateral Energy and Emissions Reduction Agreements

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21	-	-	-	28.5	-	-	-	-	28.5
2021-22	-	-	-	-	-	-	-	30.0	30.0
2022-23	-	-	-	-	-	-	-	-	-
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
Total	-	-	-	28.5	-	-	-	30.0	58.5

The Australian Government will provide \$30 million in 2021-22 for two key projects in the Northern Territory to deliver reliable and affordable energy, reduce emissions and support economic recovery. The funding will enable installation of a 35 megawatt big battery for the Darwin-Katherine Interconnected System and microgrids with battery storage in up to 10 remote Indigenous communities across the Territory.

This builds on the \$28.5 million the Australian Government provided to the Western Australian Government for a big battery and microgrids program in 2020-21. These funding amounts will be reflected in energy and emissions reduction agreements (State Deals) with these jurisdictions, once finalised.

A new measure associated with this item is listed in Table 1.4 and described in more detail in Budget Paper No. 2, *Budget Measures 2021-22*.

COVID-19 World and National Heritage

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21	3.4	3.4	6.1	5.1	5.7	7.5	-	1.6	32.7
2021-22	-	-	-	-	-	-	-	-	-
2022-23	-	-	-	-	-	-	-	-	-
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
Total	3.4	3.4	6.1	5.1	5.7	7.5	-	1.6	32.7

The Australian Government will provide funding to support the domestic tourism industry and regional communities by funding on-ground projects to improve infrastructure at iconic World and National Heritages sites, whilst also providing an economic boost through job creation and lasting benefits for our tourism industry, in all Australian states, and the Northern Territory.

Disaster risk reduction

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21	5.4	3.3	4.8	2.5	1.7	1.0	1.0	1.0	20.9
2021-22	5.4	3.3	4.8	2.5	1.7	1.0	1.0	1.0	20.9
2022-23	5.4	3.3	4.8	2.5	1.7	1.0	1.0	1.0	20.9
2023-24	5.4	3.3	4.8	2.5	1.7	1.0	1.0	1.0	20.9
2024-25	-	-	-	-	-	-	-	-	-
Total	21.7	13.4	19.2	10.0	6.7	4.2	4.2	4.2	83.5

The Australian Government is providing funding to the states to reduce the risk and impact of disasters on Australians in line with the priorities of the National Disaster Risk Reduction Framework. The funding forms part of a broader \$130.5 million package over five years from 2019-20 to support resilience to disasters triggered by natural hazards.

Emergency Response Fund — flood mitigation^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21	~	~	~	~	~	~	~	~	50.0
2021-22	-	-	-	-	-	-	-	-	-
2022-23	-	-	-	-	-	-	-	-	-
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
Total	~	~	~	~	~	~	~	~	50.0

(a) State allocations in 2020-21 have not yet been determined.

The Australian Government will provide funding to states to support national flood mitigation infrastructure priorities to reduce the impacts of floods on Australian communities.

Funding will be drawn from the Emergency Response Fund, which can be used to reduce the risk of future natural disasters, as well as to fund emergency response and recovery following natural disasters.

Environmental assessment systems upgrade

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21	..	-	-	3.0	0.3	-	-	0.3	3.6
2021-22	0.3	0.3	0.3	6.0	-	0.3	0.3	1.0	8.5
2022-23	-	-	-	-	-	-	-	-	-
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
Total	0.3	0.3	0.3	9.0	0.3	0.3	0.3	1.3	12.1

The Australian Government will provide funding to support activities to establish new and interoperable environmental assessment systems. The activities include developing an online environmental assessment portal, an environmental assessment system and a biodiversity data repository.

Environmental management of the former Rum Jungle site^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21	-	-	-	-	-	-	-	1.3	1.3
2021-22	-	-	-	-	-	-	-	2.3	2.3
2022-23	-	-	-	-	-	-	-	nfp	nfp
2023-24	-	-	-	-	-	-	-	nfp	nfp
2024-25	-	-	-	-	-	-	-	nfp	nfp
Total	-	-	-	-	-	-	-	3.5	3.5

(a) Funding amounts are not published from 2022-23 to 2024-25 as negotiations are yet to be finalised.

The Australian Government is continuing to fund the program of work established to improve the management of the Rum Jungle mine site. This funding supports the site’s full rehabilitation, traditional owner participation in delivering work and ongoing engagement activities.

A new measure associated with this item is listed in Table 1.4 and described in more detail in Budget Paper No. 2, *Budget Measures 2021-22*.

Environment Restoration Fund

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21	0.3	0.9	-	-	3.1	-	-	-	4.3
2021-22	-	0.3	-	-	1.9	-	-	-	2.2
2022-23	-	0.3	-	-	0.9	-	-	-	1.2
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
Total	0.3	1.5	-	-	5.8	-	-	-	7.6

The Australian Government will be providing funding to protect Australia’s water, soil, plants and animals and support their productive and sustainable use.

Feasibility study into Curtis Island LNG Electrification

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21	-	-	-	-	-	-	-	-	-
2021-22	-	-	1.5	-	-	-	-	-	1.5
2022-23	-	-	-	-	-	-	-	-	-
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
Total	-	-	1.5	-	-	-	-	-	1.5

The Australian Government will provide \$1.5 million to the Queensland Government to support a feasibility study into the electrification of liquefied natural gas facilities at Curtis Island, Queensland. This will support the Government’s aim of unlocking more gas supply for the domestic market.

Fishing and Camping Facilities Program

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21	2.1	1.7	1.9	1.6	0.9	0.9	0.1	0.7	10.0
2021-22	2.1	1.7	1.9	1.6	0.9	0.9	0.1	0.7	10.0
2022-23	-	-	-	-	-	-	-	-	-
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
Total	4.2	3.5	3.8	3.2	1.7	1.9	0.3	1.4	20.0

The Australian Government is providing funding for local councils to improve, maintain or build new boating, marine rescue, fishing and camping facilities (such as boat ramps).

Forestry industries bushfire salvage transport assistance

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21	10.0	5.0	-	-	-	-	-	-	15.0
2021-22	-	-	-	-	-	-	-	-	-
2022-23	-	-	-	-	-	-	-	-	-
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
Total	10.0	5.0	-	-	-	-	-	-	15.0

The Australian Government is providing funding for grants which will be provided to cover the increased costs of transporting burnt salvage logs to processing mills and/or storage facilities to forestry entities impacted by the 2019-20 bushfires.

Future Drought Fund

The Future Drought Fund provides secure, continuous funding for drought resilience initiatives to help Australian farms and communities prepare for impacts of drought.

Farm business resilience^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21	~	~	~	~	~	~	~	~	18.0
2021-22	~	~	~	~	~	~	~	~	25.0
2022-23	~	~	~	~	~	~	~	~	20.0
2023-24	~	~	~	~	~	~	~	~	15.0
2024-25	-	-	-	-	-	-	-	-	-
Total	~	~	~	~	~	~	~	~	78.0

(a) State allocations have not yet been determined.

The Australian Government will work with state and territory governments to provide farm businesses with training to develop strategic management skills and support the development of a Farm Business Plan. Participants will develop a plan, tailored to their business and situation, and have the opportunity for professional assessment and feedback on the plan. Funding will be provided from the Future Drought Fund.

A new measure associated with this item is listed in Table 1.4 and described in more detail in Budget Paper No. 2, *Budget Measures 2021-22*.

Regional drought resilience planning^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21	~	~	~	~	~	~	~	~	10.0
2021-22	~	~	~	~	~	~	~	~	14.0
2022-23	~	~	~	~	~	~	~	~	11.0
2023-24	~	~	~	~	~	~	~	~	6.0
2024-25	-	-	-	-	-	-	-	-	-
Total	~	~	~	~	~	~	~	~	41.0

(a) State allocations have not yet been determined.

The Australian Government will work with state and territory governments to support group partnerships with local councils and regional stakeholders to develop Regional Drought Resilience Plans for agriculture – identifying and guiding innovative actions to build resilience to future droughts. Funding will be provided from the Future Drought Fund.

A new measure associated with this item is listed in Table 1.4 and described in more detail in Budget Paper No. 2, *Budget Measures 2021-22*.

Gas Well Trials

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21	-	-	-	-	-	-	-	-	-
2021-22	-	-	15.6	-	-	-	-	-	15.6
2022-23	-	-	-	-	-	-	-	-	-
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
Total	-	-	15.6	-	-	-	-	-	15.6

The Australian Government will provide competitive grants to support gas field trials in the North Bowen and Galilee basins, in partnership with industry, experts from the University of Queensland and the Queensland State Government.

These trials aim to improve geological understanding in the region, overcome technical drilling challenges, and determine gas flow rates – the next step to attract new investment and enable companies to enter into supply contracts with gas consumers.

A new measure associated with this item is listed in Table 1.4 and described in more detail in Budget Paper No. 2, *Budget Measures 2021-22*.

Great Artesian Basin Sustainability initiative

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21	2.6	-	2.4	-	2.3	-	-	0.1	7.3
2021-22	2.7	-	2.7	-	2.1	-	-	0.1	7.5
2022-23	2.6	-	2.7	-	2.6	-	-	0.1	8.0
2023-24	1.3	-	1.3	-	1.3	-	-	0.1	4.0
2024-25	-	-	-	-	-	-	-	-	-
Total	9.1	-	9.1	-	8.3	-	-	0.3	26.8

The Australian Government provides funding under the Improving Great Artesian Basin Drought Resilience Program (Extension to the Great Artesian Basin Sustainability Initiative) to continue the capping of uncontrolled bores and piping open bore drains to reduce water loss and recover groundwater pressure. In addition to infrastructure works, this program also funds education and communication programs, and studies to assist with new water management arrangements.

Horticulture Netting Trial Scheme^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21	~	~	~	~	~	-	-	-	23.6
2021-22	-	-	-	-	-	-	-	-	-
2022-23	-	-	-	-	-	-	-	-	-
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
Total	~	~	~	~	~	-	-	-	23.6

(a) State allocations have not yet been determined.

The Australian Government is supporting the delivery of funds to primary producers of horticultural crops to purchase and install protective netting to reduce the impact of adverse weather conditions and animal predation, and to reduce the water usage on those same farms.

Hydrogen energy supply chain pilot project

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21	-	12.5	-	-	-	-	-	-	12.5
2021-22	-	-	-	-	-	-	-	-	-
2022-23	-	-	-	-	-	-	-	-	-
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
Total	-	12.5	-	-	-	-	-	-	12.5

The Australian Government is supporting the Hydrogen Energy Supply Chain (HESC) pilot project which aims to produce and transport liquid hydrogen from Australia to Japan. Hydrogen will be produced through the gasification of brown coal in Victoria's Latrobe Valley. The outcomes of the pilot project will inform the development of a commercial-scale project.

Hydrogen ready gas generation

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21	-	-	-	-	-	-	-	-	-
2021-22	5.0	-	-	-	-	-	-	-	5.0
2022-23	-	-	-	-	-	-	-	-	-
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
Total	5.0	-	-	-	-	-	-	-	5.0

The Australian Government will support new gas generation projects to be hydrogen ready. Funding will support hydrogen-ready capability through grants for hydrogen-ready turbines or associated hydrogen supply infrastructure. Under this measure, the Australian Government will provide \$5 million to the New South Wales Government to support the new Tallawarra B power plant to be hydrogen ready.

A new measure associated with this item is listed in Table 1.4 and described in more detail in Budget Paper No. 2, *Budget Measures 2021-22*.

Implementing water reform in the Murray-Darling Basin^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21	2.4	1.7	0.5	-	0.4	-	0.1	-	5.0
2021-22	~	~	~	-	~	-	~	-	20.0
2022-23	~	~	~	-	~	-	~	-	20.0
2023-24	~	~	~	-	~	-	~	-	20.0
2024-25	-	-	-	-	-	-	-	-	-
Total	2.4	1.7	0.5	-	0.4	-	0.1	-	65.0

(a) State allocations from 2021-22 have not yet been determined.

The Australian Government is providing funding for a new funding agreement with Basin jurisdictions for new and ongoing activities required to implement the Basin Plan.

Lindenow Valley Water Security Scheme

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21	-	9.0	-	-	-	-	-	-	9.0
2021-22	-	-	-	-	-	-	-	-	-
2022-23	-	-	-	-	-	-	-	-	-
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
Total	-	9.0	-	-	-	-	-	-	9.0

The Australian Government is supporting the delivery of grants to eligible irrigators within the Lindenow Valley of East Gippsland Victoria, for the construction of on-farm water storage facilities, or bores and pumping facilities, to increase water security and improve resilience to drought.

Management of established pests and weeds^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21	~	~	~	~	3.0	~	~	~	4.6
2021-22	~	~	~	~	3.0	~	~	~	4.5
2022-23	~	~	~	~	1.0	~	~	~	2.9
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
Total	~	~	~	~	7.0	~	~	~	12.0

(a) State allocations for the skills and capacity component have not been determined.

This program will support the delivery of wild dog exclusion fencing in South Australia and support the states to deliver projects that will build the skills and capacity of landholders and communities to better manage established pest animals and weeds.

National Forestry Industry Plan^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21	~	~	~	~	~	~	~	~	1.8
2021-22	~	~	~	~	~	~	~	~	1.8
2022-23	-	-	-	-	-	-	-	-	-
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
Total	~	~	~	~	~	~	~	~	3.5

(a) State allocations from 2020-21 have not yet been determined.

The Australian Government will support the states to offer advice on the establishment of new farm forestry assets, private native forestry and Indigenous forestry areas' suitability for sustainable harvesting of forest products.

National Plant Health Surveillance Program^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21	-	-	-	-	-	-	-	-	-
2021-22	0.2	0.2	0.1	0.1	0.1	0.1	..	0.1	1.0
2022-23	0.2	0.2	0.1	0.1	0.1	0.1	..	0.1	1.0
2023-24	0.2	0.2	0.1	0.1	0.1	0.1	..	0.1	1.0
2024-25	0.2	0.2	0.1	0.1	0.1	0.1	..	0.1	1.0
Total	0.7	0.6	0.6	0.5	0.5	0.5	0.1	0.4	4.0

(a) State allocations are indicative estimates only. Funding is allocated based on pest risk profiles.

The Australian Government is providing funding to support Australia's plant biosecurity system through the National Plant Health Surveillance Program. The program focuses on early detection of national priority plant pests that can enter and establish in Australia. The program is implemented through effective collaboration with all Australian jurisdictions and aims to minimise the impact of pest incursions on agricultural industries, environmental assets and communities through timely pest detection, and provide surveillance data that supports trade and market access.

National Water Infrastructure Development Fund

The Australian Government is providing funding for water infrastructure through the funding agreement for the National Water Infrastructure Development Fund – Capital Component and the funding agreement for the National Water Infrastructure Development Fund – Feasibility Component.

From 2021-22, the Australian Government will deliver payments for new projects through the National Water Grid Fund, included in the *Part 2 – Infrastructure* section of Budget Paper No. 3.

Capital^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21	80.0	27.0	58.7	-	-	-	-	-	165.7
2021-22	147.0	61.3	152.7	-	-	20.0	-	-	381.0
2022-23	120.0	13.9	23.6	-	4.0	20.0	-	-	181.5
2023-24	70.0	4.8	-	-	4.0	20.0	-	-	98.8
2024-25	130.0	15.7	-	-	-	20.0	-	-	165.7
Total	547.0	122.7	234.9	-	8.0	80.0	-	-	992.6

(a) State allocations are indicative estimates only to be determined on the signing of agreements.

The Australian Government provides funding to long-term regional economic growth and development by providing secure and affordable water through the construction of economically viable water infrastructure.

Feasibility studies^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21	10.0	0.1	21.6	-	-	-	..	0.4	32.1
2021-22	5.0	0.5	24.1	0.7	-	-	-	1.6	31.8
2022-23	-	-	2.0	-	-	-	-	-	2.0
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
Total	15.0	0.6	47.6	0.7	-	-	..	2.0	65.8

(a) State allocations are indicative estimates only to be determined on the signing of agreements.

This program facilitates long-term economic and regional development by enhancing the knowledge base underpinning water infrastructure planning and decision making, undertaking the detailed planning required to inform water infrastructure investment decisions and expediting the construction of water infrastructure.

North Queensland strata title resilience pilot program

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21	-	-	-	-	-	-	-	-	-
2021-22	-	-	8.0	-	-	-	-	-	8.0
2022-23	-	-	20.0	-	-	-	-	-	20.0
2023-24	-	-	12.0	-	-	-	-	-	12.0
2024-25	-	-	-	-	-	-	-	-	-
Total	-	-	40.0	-	-	-	-	-	40.0

The Australian Government will provide funding to support strata title properties in North Queensland to undertake disaster mitigation works to improve resilience. The Queensland Government will implement and administer the initiative.

A new measure associated with this item is listed in Table 1.4 and described in more detail in Budget Paper No. 2, *Budget Measures 2021-22*.

On-farm Emergency Water Infrastructure Rebate^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21	2.0	-	3.0	4.2	4.9	0.5	~	1.0	36.9
2021-22	~	~	~	~	~	~	~	~	25.0
2022-23	-	-	-	-	-	-	-	-	-
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
Total	2.0	~	3.0	4.2	4.9	0.5	~	1.0	61.9

(a) Totals include unallocated funding.

The Australian Government will provide funding for rebates to eligible primary producers and horticulture farmers to purchase and install water infrastructure that addresses animal welfare and permanent planting needs and improves drought resilience.

Pest and disease preparedness and response programs^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21	0.1	8.6	22.7	1.3	-	-	-	5.8	38.6
2021-22	0.2	1.3	65.9	0.4	-	-	-	1.0	68.8
2022-23	0.2	1.3	31.2	0.2	-	-	-	0.9	33.8
2023-24	0.2	1.3	30.4	0.2	-	-	-	0.9	33.0
2024-25	0.2	1.3	34.8	0.2	-	-	-	0.9	37.4
Total	0.8	13.8	185.0	2.4	-	-	-	9.6	211.5

(a) State allocations are indicative estimates only. Funding is conditional on agreed national responses to pest or disease incursions.

The Australian Government is supporting agricultural producers and protecting Australia's unique environment by contributing to the eradication of exotic animal, plant and environmental pests and diseases.

This program protects Australia’s enviable animal and plant pest and disease status, enabling continued access to export markets. It also protects Australia’s unique environment and the tourism industries it supports, with direct positive effects on rural communities, businesses and employees.

A new measure associated with this item is listed in Table 1.4 and described in more detail in Budget Paper No. 2, *Budget Measures 2021-22*.

Raine Island Recovery Project

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21	-	-	-	-	-	-	-	-	-
2021-22	-	-	-	-	-	-	-	-	-
2022-23	-	-	0.7	-	-	-	-	-	0.7
2023-24	-	-	0.7	-	-	-	-	-	0.7
2024-25	-	-	-	-	-	-	-	-	-
Total	-	-	1.3	-	-	-	-	-	1.3

The Australian Government is providing funding for on-ground critical intervention actions to reduce the mortality of nesting female turtles on Raine Island.

A new measure associated with this item is listed in Table 1.4 and described in more detail in Budget Paper No. 2, *Budget Measures 2021-22*.

Recycling Infrastructure^{(a)(b)}

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21	7.0	4.0	~	5.0	3.0	~	4.5	~	29.8
2021-22	9.0	9.0	~	12.5	5.0	2.0	4.0	~	62.7
2022-23	7.0	7.0	~	16.5	7.0	2.0	1.0	~	82.2
2023-24	2.0	3.0	~	1.0	~	1.5	1.0	~	53.2
2024-25	~	~	~	~	~	~	~	~	18.0
Total	25.0	23.0	~	35.0	15.0	5.5	10.5	~	245.9

(a) State allocations from 2020-21 have not yet been finalised.

(b) State allocations for *Food Waste for Healthy Soils Fund* are yet to be agreed.

The Australian Government will provide funding for improved recycling outcomes by addressing critical infrastructure gaps in Australia’s waste management and resource recovery system.

Funding will also be provided to support infrastructure to increase Australia’s capacity to process organic waste, including through composting.

A new measure associated with this funding agreement is listed in Table 1.4 and described in more detail in Budget Paper No. 2, *Budget Measures 2021-22*.

Reducing regulatory burden and streamlining audit arrangements in the dairy sector

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21	-	-	-	-	-	-	-	-	-
2021-22	-	0.5	-	-	-	-	-	-	0.5
2022-23	-	-	-	-	-	-	-	-	-
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
Total	-	0.5	-	-	-	-	-	-	0.5

On 3 March 2020, the Australian Government announced a \$14.8 million investment as part of the deregulation agenda to help the dairy industry by raising export awareness, reducing red tape and streamlining audit arrangements. There are three distinct projects.

- Project 1 will seek to identify the regulatory hurdles for businesses to become export registered, building a better understanding of how regulators and industry can overcome these hurdles and providing improved clarity around ownership and responsibility within the export system.
- Project 2 will investigate commercial auditing outcomes and linkages to regulatory requirements for opportunities to create a more streamlined and unified regulatory auditing system that acknowledges commonalities across different audit programs.
- Project 3 will focus on reducing regulatory intervention through the improved use of data and information to better inform risks, targeted audit interventions and regulatory oversight, providing greater focus on problem areas while also rewarding good performance. It will also work closely with Dairy Food Safety Victoria's RegTech 2022 project (\$0.5 million) to explore the opportunities for using data in food safety assurance.

Regional fund for wildlife and habitat bushfire recovery^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21	8.4	3.4	0.8	-	0.6	-	-	-	13.3
2021-22	15.6	6.3	1.5	~	1.2	~	~	~	28.2
2022-23	-	-	-	-	-	-	-	-	-
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
Total	24.1	9.8	2.4	~	1.8	~	~	~	41.5

(a) State allocations from 2021-22 have not yet been finalised.

The Australian Government is providing funding to provide strategic on-ground support for the most impacted native species, ecological communities and natural assets across seven bushfire-affected regions.

Securing Forestry Resources for Economic Security

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21	7.5	2.5	-	-	-	-	-	-	10.0
2021-22	-	-	-	-	-	-	-	-	-
2022-23	-	-	-	-	-	-	-	-	-
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
Total	7.5	2.5	-	-	-	-	-	-	10.0

The Australian Government is providing funding for state-based grants for establishing storage facilities for unprocessed and processed wood products sourced from forests affected by the 2019-20 bushfires. This supports forestry industries during the COVID-19 pandemic.

Sustainable rural water use and infrastructure program

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21	50.6	44.9	5.0	-	19.9	-	23.7	-	144.0
2021-22	126.3	8.4	40.0	-	10.6	-	20.0	-	205.2
2022-23	96.1	7.0	35.9	-	25.9	-	20.0	-	184.9
2023-24	87.8	2.4	25.5	-	38.8	-	-	-	154.6
2024-25	-	-	-	-	-	-	-	-	-
Total	360.8	62.7	106.4	-	95.2	-	63.7	-	688.7

The Australian Government is providing funding for this program under a number of arrangements, including water management partnership agreements under the Intergovernmental Agreement on Murray-Darling Basin Reform 2008 and individual funding agreements outside of the Murray-Darling Basin.

This program funded most of the water recovery to 'bridge the gap' under the Murray-Darling Basin Plan. The Government has announced that it will no longer seek to bridge the gap through water buybacks and will instead focus on water saving infrastructure projects.

The program also delivers funding to improve the efficiency and productivity of rural water management and usage, secure a long-term sustainable future for irrigated agriculture, implement supply measures and improve the health of wetlands and freshwater ecosystems.

Water for Fodder program

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21	-	-	-	-	5.0	-	-	-	5.0
2021-22	-	-	-	-	-	-	-	-	-
2022-23	-	-	-	-	-	-	-	-	-
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	5.0	-	-	-	5.0

The Australian Government is funding South Australia to produce 40 gigalitres of water from the Adelaide Desalination Plant at the actual marginal cost of production and to transfer water allocations from entitlements held by the state to irrigators in the Southern Murray-Darling Basin under the Water for Fodder program.

Water for the Environment Special Account

The Water for the Environment Special Account (WESA) sets aside \$1.8 billion of Commonwealth funding to pay for projects that enhance environmental outcomes listed in the *Basin Plan 2012*.

Implementation of constraints measures^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21	~	~	-	-	~	-	-	-	40.0
2021-22	~	~	-	-	~	-	-	-	63.4
2022-23	~	~	-	-	~	-	-	-	50.0
2023-24	~	~	-	-	~	-	-	-	36.5
2024-25	-	-	-	-	-	-	-	-	-
Total	~	~	-	-	~	-	-	-	189.9

(a) State allocations from 2020-21 have not yet been determined.

The Australian Government is providing funding to New South Wales, Victoria and South Australia to ease or remove constraints to the delivery of water to environmental assets in the Murray-Darling Basin.

Off-farm Efficiency Program^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21	~	35.0	~	-	~	-	~	-	107.7
2021-22	~	62.0	~	-	~	-	~	-	543.9
2022-23	~	70.0	~	-	~	-	~	-	428.2
2023-24	~	10.5	~	-	~	-	~	-	313.2
2024-25	~	-	~	-	~	-	~	-	-
Total	~	177.5	~	-	~	-	~	-	1,393.0

(a) State allocations from 2020-21 have not yet been determined.

The Australian Government will provide funding for state-led efficiency measures in the Murray-Darling Basin under the Water for the Environment Special Account. This will facilitate environmental watering in the Murray-Darling Basin, leading to improved river health, agricultural activity and generating benefits for the local and regional communities.

A new measure associated with this funding agreement is listed in Table 1.4 and described in more detail in Budget Paper No. 2, *Budget Measures 2021-22*.

Water Efficiency Program

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21	2.0	-	-	-	-	-	-	-	2.0
2021-22	-	-	-	-	-	-	-	-	-
2022-23	-	-	-	-	-	-	-	-	-
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
Total	2.0	-	-	-	-	-	-	-	2.0

The Australian Government's new focus on Off-farm efficiency projects means the remaining funding for the Water Efficiency Program is now available under the WESA: Off-farm Efficiency Program. Any successful legacy applications made under the now closed Water Efficiency Program will remain funded through this program, while any new state-led proposals will be considered through the Off-farm Efficiency Program.

World Heritage Sites

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21	0.8	-	3.1	0.4	0.1	5.1	-	-	9.5
2021-22	0.8	-	3.1	0.4	0.1	5.1	-	-	9.5
2022-23	0.8	-	3.1	0.4	0.1	5.1	-	-	9.5
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
Total	2.3	-	9.2	1.3	0.3	15.3	-	-	28.4

The Australian Government provides funding to assist addressing critical threats such as feral animals and weeds, and changed fire regimes, to conserve and restore the biodiversity of World Heritage sites.

Yellow crazy ant control

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21	-	-	3.0	-	-	-	-	-	3.0
2021-22	-	-	3.0	-	-	-	-	-	3.0
2022-23	-	-	-	-	-	-	-	-	-
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
Total	-	-	6.0	-	-	-	-	-	6.0

The Australian Government will provide funding to ensure a more concerted approach to yellow crazy ant control activities in and adjacent to the Wet Tropics of Queensland World Heritage Area.

Contingent payments

Contingent payments arise where the Australian Government has committed to provide compensation when an event occurs or has otherwise guaranteed a state’s financial position. Payments to the states will only arise if the relevant event occurs.

Table 2.10: Contingent payments to the states

\$million	2020-21	2021-22	2022-23	2023-24	2024-25
National Partnership payments					
Disaster Recovery Funding Arrangements	713.5	134.6	122.4	-6.9	-
Hepatitis C settlement fund	0.1	0.1	0.1	0.1	0.1
Total	713.5	134.7	122.5	-6.8	0.1

Disaster Recovery Funding Arrangements — expense estimates

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21	150.8	111.9	365.1	23.2	37.2	-	37.3	-12.0	713.5
2021-22	125.1	-5.0	5.9	0.1	8.4	-	0.1	-	134.6
2022-23	125.6	-0.5	-1.2	-	-1.5	-	-	-	122.4
2023-24	-6.9	-	-	-	-	-	-	-	-6.9
2024-25	-	-	-	-	-	-	-	-	-
Total	394.6	106.5	369.8	23.3	44.1	-	37.3	-12.0	963.6

The Australian Government provides funding under the Disaster Recovery Funding Arrangements (DRFA) to assist the states in relief and recovery efforts following natural disasters.

The Australian Government recognises a liability equal to the present value of future payments expected to be made to the states under the DRFA. The liability is based on estimated data provided by the states, and includes both known and future estimated expenditure for relief and recovery measures prior to states submitting a claim to the Australian Government.

The estimated expenses in the table above reflect expected Australian Government costs associated with disasters that have occurred in 2020-21, the unwinding of the discount on the provision, and any change in the discount rate.

Estimated payments to the states in response to recent natural disasters include the bushfires of 2019-20 that occurred in New South Wales, Victoria, Queensland, South Australia, Tasmania and the Australian Capital Territory. Payments are also being made in relation to severe weather events (including storms and flooding) that impacted Queensland in January 2019 and February 2020.

Current estimates for the DRFA are based on the information available at the time of preparation. Preliminary estimates of the cost of a disaster and the timing of expenditure are subject to change. The total cost of relief and recovery from these events may not be completely realised for some years. Estimates of all natural disasters are regularly reviewed and revised by the states as new information becomes available, and this, or the occurrence of future natural disasters, can significantly affect the estimated DRFA liability and payments. More information is available in Budget Paper No. 1, *Budget Strategy and Outlook 2021-22, Statement 9: Statement of Risks*.

Disaster Recovery Funding Arrangements — cash estimates

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21	55.2	-	582.1	146.0	5.3	43.7	1.9	25.5	859.7
2021-22	438.5	48.0	538.4	50.1	42.8	4.6	0.1	-	1,122.5
2022-23	179.1	41.1	163.1	0.5	17.2	1.2	-	-	402.2
2023-24	20.1	1.9	-	-	-	-	-	-	22.0
2024-25	-	-	-	-	-	-	-	-	-
Total	692.9	91.0	1,283.6	196.6	65.3	49.5	2.0	25.5	2,406.4

Estimated cash payments for the DRFA illustrate when the Australian Government expects to reimburse the states for costs incurred in relation to past disasters.

A new measure associated with this funding agreement is listed in Table 1.4 and described in more detail in Budget Paper No. 2, *Budget Measures 2021-22*.

Hepatitis C settlement fund^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21	~	~	~	~	~	~	~	~	0.1
2021-22	~	~	~	~	~	~	~	~	0.1
2022-23	~	~	~	~	~	~	~	~	0.1
2023-24	~	~	~	~	~	~	~	~	0.1
2024-25	~	~	~	~	~	~	~	~	0.1
Total	~	~	~	~	~	~	~	~	0.5

(a) State allocations have not yet been determined.

The Australian Government is contributing to out of court settlement costs for eligible people who contracted Hepatitis C as a result of blood transfusions in Australia between 1985 and 1991.

Other payments

The Australian Government makes payments to the states to support a range of other services, as detailed in Table 2.11.

Table 2.11: Payments to support other state services^(a)

\$million	2020-21	2021-22	2022-23	2023-24	2024-25
National Partnership payments					
Bushfire Response Package	5.8	-	-	-	-
COVID-19 Legal Assistance Funding	31.1	-	-	-	-
Family law information sharing	2.8	2.8	3.2	3.2	3.2
Financial assistance for police officers	5.1	2.2	0.4	-	-
Financial assistance to local governments	2,595.4	1,326.1	2,700.5	2,763.2	2,811.1
National Legal Assistance Partnership					
Aboriginal and Torres Strait Islander					
Legal Services	79.5	86.7	88.2	89.6	91.0
Community legal centres	48.5	55.9	56.7	57.6	58.6
Domestic Violence Units and Health					
Justice Partnerships	9.9	14.3	14.5	14.7	14.9
Family advocacy and support services	9.9	10.0	27.1	27.7	28.3
Increased legal assistance funding					
for vulnerable women	-	31.6	32.0	32.5	32.9
Legal aid commissions	234.3	237.8	241.4	245.3	249.2
Legal assistance family law pilot program	-	3.6	3.6	3.6	3.6
Social and Community Services Sector					
supplementation	12.3	-	-	-	-
State and territory legal assistance					
administration	3.9	4.0	4.1	4.1	4.2
Supporting increased child sexual abuse					
prosecutions	-	1.6	1.7	1.7	1.7
Supporting people with mental health					
conditions access the justice system	-	15.0	15.0	15.0	15.0
National Tourism Icons Package	17.5	9.7	-	-	-
North Queensland strata title inspection					
scheme	-	-	2.9	-	-
Provision of fire services	23.3	24.2	nfp	nfp	nfp
Sinking fund on state debt	..	..	..	..	..
Small business regulatory reform	134.0	127.1	-	-	-
Supplementary funding to South Australia for					
local roads	-	20.0	20.0	-	-
Townsville Stadium	5.0	-	-	-	-
Total	3,220.5	1,988.6	3,227.2	3,274.4	3,325.6

(a) Total figures include other item(s) not for publication due to ongoing negotiations with states.

Bushfire Response Package

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21	3.3	1.0	0.9	-	0.6	-	-	-	5.8
2021-22	-	-	-	-	-	-	-	-	-
2022-23	-	-	-	-	-	-	-	-	-
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
Total	3.3	1.0	0.9	-	0.6	-	-	-	5.8

The Australian Government is providing additional funding for legal assistance services provided by legal aid commissions, community legal centres and Aboriginal and Torres Strait Islander Legal Services to help address the impact of the bushfires of 2019-20. Funding is being provided to individuals, small businesses and primary producers through the states most severely affected by the bushfires.

COVID-19 Legal Assistance Funding

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21	8.4	6.0	6.9	4.0	2.3	0.9	0.6	2.0	31.1
2021-22	-	-	-	-	-	-	-	-	-
2022-23	-	-	-	-	-	-	-	-	-
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
Total	8.4	6.0	6.9	4.0	2.3	0.9	0.6	2.0	31.1

The Australian Government is providing additional funding for legal assistance services provided by legal aid commissions, community legal centres, Aboriginal and Torres Strait Islander Legal Services and Family Violence Prevention Legal Services to help address the impact of COVID-19.

Family law information sharing^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21	0.8	0.3	0.7	0.3	0.2	0.3	0.3	-	2.8
2021-22	0.8	0.3	0.7	0.3	0.2	0.3	0.3	-	2.8
2022-23	~	~	~	~	~	~	~	~	3.2
2023-24	~	~	~	~	~	~	~	~	3.2
2024-25	~	~	~	~	~	~	~	~	3.2
Total	1.5	0.6	1.3	0.6	0.4	0.6	0.6	~	15.2

(a) State allocations from 2022-23 have not yet been determined.

The Australian Government is supporting the placement of state child protection and policing officials in the family law courts across Australia. These co-located officials are facilitating information sharing between the family law, child protection and family violence systems. They are also fostering a more coordinated response to safety issues, to promote the safety and wellbeing of families and children.

A new measure associated with this item is listed in Table 1.4 and described in more detail in Budget Paper No. 2, *Budget Measures 2021-22*.

Financial assistance for police officers

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21	5.1	-	-	-	-	-	-	-	5.1
2021-22	2.2	-	-	-	-	-	-	-	2.2
2022-23	0.4	-	-	-	-	-	-	-	0.4
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
Total	7.6	-	-	-	-	-	-	-	7.6

The Australian Government is providing transitional funding for the equal sharing of the costs of reimbursing New South Wales police officers who incur an additional tax liability from making voluntary superannuation contributions that exceed the statutory cap on concessional contributions. Funding will cover liabilities incurred from 2016-17 to 2019-20 with reimbursements made in arrears over a five-year period. The funding will also contribute to the cost-sharing of any fringe benefits tax that results from reimbursing police officers in these situations.

Financial assistance to local governments

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21									
General purpose component	571.6	468.5	362.3	186.2	123.9	37.9	30.1	17.2	1,797.7
Local road component	231.4	164.5	149.5	122.0	43.8	42.3	25.6	18.7	797.7
Total financial assistance to local governments	803.0	633.0	511.8	308.2	167.7	80.1	55.7	35.9	2,595.4
2021-22									
General purpose component	291.5	239.4	185.6	95.3	63.3	19.4	15.4	8.8	918.5
Local road component	118.3	84.0	76.4	62.3	22.4	21.6	13.1	9.5	407.6
Total financial assistance to local governments	409.8	323.4	261.9	157.6	85.7	40.9	28.5	18.3	1,326.1
2022-23									
General purpose component	591.5	487.8	379.8	194.5	128.5	39.5	31.3	17.6	1,870.5
Local road component	240.8	171.1	155.5	126.9	45.6	44.0	26.6	19.4	830.0
Total financial assistance to local governments	832.4	658.9	535.3	321.4	174.1	83.5	57.9	37.1	2,700.5
2023-24									
General purpose component	603.0	500.6	390.0	199.2	131.0	40.4	31.9	17.8	1,913.9
Local road component	246.4	175.1	159.1	129.9	46.7	45.0	27.2	19.9	849.3
Total financial assistance to local governments	849.4	675.7	549.1	329.1	177.7	85.4	59.2	37.7	2,763.2
2024-25									
General purpose component	607.5	508.2	394.7	201.5	131.7	40.7	32.2	17.8	1,934.1
Local road component	254.4	180.8	164.3	134.1	48.2	46.5	28.1	20.5	876.9
Total financial assistance to local governments	861.9	689.0	559.0	335.5	179.9	87.1	60.3	38.3	2,811.1

This program provides untied financial contributions to local governments to be spent according to local priorities. In 2021-22, these financial contributions will total \$1.3 billion, recognising that \$1.3 billion will be brought forward from 2021-22 to be paid in 2020-21. This cash injection will give councils immediate access to funds to help manage the cumulative impacts of drought, bushfires and the COVID-19 pandemic.

The Financial Assistance Grant program consists of two components: a general purpose component and a local road component. The general purpose component is the larger component and is distributed between the states on a per capita basis, while the local road component is distributed between the states according to fixed historical shares.

Funding under the Financial Assistance Grant program is paid through state governments to local governments. State grants commissions determine the intrastate distribution of the grants between local governments. Both funding components are untied and can be spent according to each local government's own priorities.

National Legal Assistance Partnership 2020-25^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21	108.7	75.8	86.7	50.5	29.6	12.9	8.8	25.4	398.3
2021-22	110.5	77.0	88.1	51.1	33.6	13.1	8.9	25.8	460.6
2022-23	109.9	76.4	88.1	50.7	33.2	12.3	8.3	25.2	484.2
2023-24	111.8	77.7	89.6	51.4	33.7	12.6	8.4	25.6	491.8
2024-25	113.7	79.0	91.1	52.1	34.1	12.8	8.5	25.9	499.4
Total	554.6	385.9	443.6	255.8	164.2	63.7	42.8	127.8	2,334.3

(a) Totals from 2021-22 include unallocated funding.

From 1 July 2020 and over five years, the National Legal Assistance Partnership 2020-25 provides funding to all states for legal assistance services delivered by legal aid commissions, community legal centres and Aboriginal and Torres Strait Islander Legal Services. Through the 2021-22 Budget, the Australian Government will provide additional funding over four years to increase the capacity of the legal assistance sector to meet community demands.

The sector will be able to deliver dedicated services to people experiencing mental health issues, through legal aid commissions, community legal centres, Aboriginal and Torres Strait Islander Legal Services, and the specialist domestic violence units that some providers operate. Women’s legal centres will receive a significant increase in their funding, to enable them to meet the high levels of need for assistance from women including those experiencing, or at risk of, family violence. The Government will also provide funding to support a pilot in South Australia to increase the capacity of the legal assistance sector to provide services in family law matters.

As the Australian Government is providing additional resources for the Commonwealth Director of Public Prosecutions to increase prosecution of perpetrators of child sexual abuse, the legal assistance sector will receive additional funding to ensure that matters can proceed expeditiously through the courts. The National Legal Assistance Partnership 2020-25 contributes to an integrated, efficient, effective and appropriate legal assistance services that are focused on improving outcomes and keeping the justice system within reach for vulnerable people facing disadvantage, within available resources.

New measures associated with this item are listed in Table 1.4 and described in more detail in Budget Paper No. 2, *Budget Measures 2021-22*.

National Tourism Icons Package

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21	-	-	5.9	7.6	-	4.0	-	-	17.5
2021-22	-	-	1.0	5.9	-	2.9	-	-	9.7
2022-23	-	-	-	-	-	-	-	-	-
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
Total	-	-	6.9	13.5	-	6.9	-	-	27.2

The National Tourism Icons Package was announced in the 2019-20 Budget to enhance iconic tourist attractions. The projects will provide a catalyst for developing tourism within each region, create jobs and help to diversify local economies. Projects are the Wangetti Trail in Queensland, Rottnest Island in Western Australia and upgrading tourist facilities at Freycinet in Tasmania.

North Queensland strata title inspection scheme

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21	-	-	-	-	-	-	-	-	-
2021-22	-	-	-	-	-	-	-	-	-
2022-23	-	-	2.9	-	-	-	-	-	2.9
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
Total	-	-	2.9	-	-	-	-	-	2.9

This is a continuing scheme that provides bodies corporate in North Queensland with information about the existing resilience of their properties and strategies to improve that resilience if needed. The Queensland Government will continue to implement and administer the scheme.

Provision of fire services^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21	5.2	3.6	3.5	1.6	1.2	0.3	5.5	2.3	23.3
2021-22	5.3	3.7	3.6	1.7	1.3	0.4	5.7	2.4	24.2
2022-23	nfp	nfp	nfp	nfp	nfp	nfp	nfp	nfp	nfp
2023-24	nfp	nfp	nfp	nfp	nfp	nfp	nfp	nfp	nfp
2024-25	nfp	nfp	nfp	nfp	nfp	nfp	nfp	nfp	nfp
Total	10.5	7.3	7.2	3.3	2.5	0.7	11.2	4.8	47.5

(a) Funding amounts are not published from 2022-23 to 2024-25 as negotiations are yet to be finalised.

The Australian Government is contributing to the provision of standard fire services to Australian Government-owned property in the states.

Sinking fund on state debt

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21	..	-	-	-	-	-	-	-	..
2021-22	..	-	-	-	-	-	-	-	..
2022-23	..	-	-	-	-	-	-	-	..
2023-24	..	-	-	-	-	-	-	-	..
2024-25	..	-	-	-	-	-	-	-	..
Total	..	-	-	-	-	-	-	-	..

The Australian Government is contributing to the Debt Retirement Reserve Trust Account on behalf of New South Wales and Victoria in accordance with the *Financial Agreement Act 1994*. Monies standing to the credit of the account are applied to repurchase state debt that is governed by this legislation.

Small business regulatory reform^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21	~	~	~	~	~	~	~	~	134.0
2021-22	~	~	~	~	~	~	~	~	127.1
2022-23	-	-	-	-	-	-	-	-	-
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
Total	~	~	~	~	~	~	~	~	261.0

(a) State allocations for 2020-21 and 2021-22 have not yet been determined.

The Australian Government is providing funding to deliver reforms that drive Australia's economic performance, including reforms that reduce the regulatory burden on small businesses.

Supplementary funding to South Australia for local roads

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21	-	-	-	-	-	-	-	-	-
2021-22	-	-	-	-	20.0	-	-	-	20.0
2022-23	-	-	-	-	20.0	-	-	-	20.0
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	40.0	-	-	-	40.0

The Australian Government is providing supplementary funding to South Australia for local roads. South Australia will receive \$20 million in each of 2021-22 and 2022-23 for this purpose.

A new measure associated with this supplementary funding is listed in Table 1.4 and described more in detail in Budget Paper No. 2, *Budget Measures 2021-22*.

Townsville Stadium

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21	-	-	5.0	-	-	-	-	-	5.0
2021-22	-	-	-	-	-	-	-	-	-
2022-23	-	-	-	-	-	-	-	-	-
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
Total	-	-	5.0	-	-	-	-	-	5.0

The Australian Government is providing funding for the North Queensland Stadium, the lead commitment of the Townsville City Deal. The funding is capped at \$100 million, as agreed with the Queensland Government in December 2016, with payments to be made against completed project milestones. The final milestone payment of \$5 million will be made once all outstanding obligations under the funding agreement are met.

Part 3: General revenue assistance

Overview

General revenue assistance is provided to the states, without conditions, to spend according to their own budget priorities. In 2021-22, the states are expected to receive \$75.2 billion from the Australian Government in total general revenue assistance, which is estimated to represent 13 per cent of total Australian Government expenditure in that year. The main form of general revenue assistance is the GST entitlement, which in 2021-22 is estimated to be \$72.5 billion.

The Australian Government's reform of horizontal fiscal equalisation (HFE) and integrity measures have injected significant additional funds into the GST pool for the states. Further, the Australian Government's focus on supporting the recovery from COVID-19, restoring business and consumer confidence and getting Australians back into jobs will help grow GST collections in the years to come. The states' GST entitlements are estimated to increase every year over the forward estimates and reach \$83.3 billion by 2024-25. This represents a 73 per cent increase on the states' entitlements since 2012-13, and a 242 per cent increase on the entitlements since the GST was introduced in 2000-01.

2021-22 is the first year in the six year transition to the updated GST distribution system, which will ensure that no state will have a per capita GST share lower than the fiscally stronger of New South Wales or Victoria. During this transition the Australian Government has guaranteed, through legislation, that each state will not receive less than they would have under the previous GST distribution system using, if necessary, horizontal fiscal equalisation (HFE) transition payments. These transition payments are reported under Other general revenue assistance.

Estimated general revenue assistance provided to the states by the Australian Government is shown in Table 3.1. Table 3.2 shows a breakdown by state for 2020-21 and 2021-22.

Table 3.1: General revenue assistance

\$million	2020-21	2021-22	2022-23	2023-24	2024-25
GST entitlement	69,760.0	72,530.0	75,847.4	79,215.3	83,327.3
Other general revenue assistance(a)	1,969.3	2,658.3	2,716.1	2,816.7	3,081.0
Total	71,729.3	75,188.3	78,563.5	82,032.0	86,408.3

(a) More detail about other general revenue assistance payments is provided in Table 3.8.

Table 3.2: General revenue assistance by state^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21	20,360.8	17,478.6	14,809.0	4,807.3	6,532.5	2,793.0	1,390.3	3,176.3	71,729.3
2021-22	21,973.9	17,504.0	15,615.6	5,278.2	6,711.0	2,999.7	1,453.1	3,275.8	75,188.3

(a) State splits for royalty payments are not published due to commercial sensitivities. Therefore, total general revenue assistance will not equal the sum of the state splits.

GST payments

Under the *Federal Financial Relations Act 2009*, the states are entitled to receive payments from the Australian Government equivalent to the revenue raised from the GST in any given financial year, subject to some minor adjustments. From 2021-22, the states' GST entitlements will be boosted each year by additional Australian Government funding, as discussed below.

The Australian Government makes monthly payments (advances) to the states throughout the year based on GST estimates for that year. Estimates of the GST are used as the actual amount of GST revenue for the financial year is unknown until after the end of the financial year. Once the amount of GST revenue is known, the Treasurer makes a determination of the GST entitlement for that year. A balancing adjustment is made to each state's payments to ensure they receive the GST to which they are entitled. These balancing adjustments (referred to as the 'prior year balancing adjustment') are made in the following financial year.

Calculating the GST payments

Adjustments and additions are made to GST revenue to calculate the amount of GST paid to the states in any given year. In particular, adjustments are made to move from GST revenue (an accrual concept) to GST (cash) receipts as GST receipts are the basis for the GST paid to the states.

- Some GST revenue accrued during a financial year is not remitted to the Australian Taxation Office (ATO) by 30 June of that year because it is not due to be paid until Business Activity Statements (BAS) are lodged in the following financial year. For taxpayers other than Australian Government agencies, this accrued amount is included in GST revenue, but not in GST receipts.
- Penalties owed to the ATO, other than general interest charge (GIC) penalties, are not included in the GST to be paid to the states, as defined in the *Federal Financial Relations Act 2009*.
- Some GST collected by Australian Government agencies is not remitted to the ATO by 30 June in each financial year because it is not due to be paid until the next BAS is lodged. This amount is included in Australian Government receipts but is not included in GST payments to the states until it is remitted to the ATO.
- From 2021-22, the Australian Government will boost the states' GST entitlement each year with additional funding. From 2021-22, the Australian Government will inject \$600 million annually into the GST pool, followed by a further \$250 million annually from 2024-25. Each year, these amounts will grow in line with the underlying growth of the GST and be distributed to the states in the same way as GST revenue.

In 2019–20, the states' GST entitlement was \$5.2 billion lower than the advances paid during that year. A prior year balancing adjustment has been made to states' GST payments in 2020–21 to reflect this. The COVID-19 pandemic had a significant impact on GST revenue in 2019–20, due to record falls in consumption of services, with the portions of discretionary consumption that are subject to GST particularly affected. See Budget Paper No. 1, Statement 5 Box 5.3 for a more detailed exploration of the impact of COVID-19 on GST.

Table 3.3 reconciles GST revenue, GST entitlement and GST payments to the states.

Table 3.3: Reconciling GST revenue, GST entitlement and GST payments to the states

\$million	2020-21	2021-22	2022-23	2023-24	2024-25
GST revenue	71,080	74,130	77,180	80,950	84,980
less Change in GST receivables	1,298	2,189	1,949	2,380	2,580
GST receipts	69,782	71,941	75,231	78,570	82,400
less Non-GIC penalties collected	10	10	10	10	10
less GST collected by Commonwealth agencies but not yet remitted to the ATO	12	1	1	0	0
plus GST pool boost	-	600	627	655	937
GST entitlement	69,760	72,530	75,847	79,215	83,327
plus Prior year balancing adjustment	-5,174				
GST payments to the States(a)	64,586	72,530	75,847	79,215	83,327

(a) These GST payment estimates do not take into account the ATO's GST administration costs, which will be deducted from GST payments to the states throughout the year on a monthly basis.

Table 3.4 reconciles the GST entitlement estimates since the 2020-21 Budget and the 2020-21 Mid-Year Economic and Fiscal Outlook (MYEFO). The reconciliation accounts for policy decisions, and parameter and other variations. The GST entitlement in 2021-22 has been revised up by \$6.4 billion since the 2020-21 Budget.

Table 3.4: Reconciliation of the GST entitlement estimates since the 2020-21 Budget and 2020-21 MYEFO

\$million	2020-21	2021-22	2022-23	2023-24
GST entitlement at 2020-21 Budget	59,920	66,140	70,752	74,587
Changes between 2020-21 Budget and MYEFO				
Effect of policy decisions	0	0	0	0
Effect of parameter and other variations	3,230	1,040	570	40
Total variations	3,230	1,040	570	40
GST entitlement at 2020-21 MYEFO	63,150	67,180	71,317	74,616
Changes between 2020-21 MYEFO and 2021-22 Budget				
Effect of policy decisions	0	0	-5	-5
Effect of parameter and other variations	6,610	5,350	4,535	4,604
Total variations	6,610	5,350	4,530	4,599
GST entitlement at 2021-22 Budget	69,760	72,530	75,847	79,215

The states' GST entitlement is expected to reach \$83.3 billion by 2024-25 – a 73 per cent increase from \$48.1 billion in 2012-13. Since the 2020-21 Budget, GST receipts have been revised up \$9.8 billion in 2020-21 and \$25.8 billion across the four years to 2023-24. Increases in GST receipts largely reflect underlying strength in collections consistent with stronger-than-expected consumption subject to GST and dwelling investment, and a faster-than-expected recovery in payments of outstanding GST liabilities.

The states' GST entitlement is also supported by a range of decisions taken by the Australian Government in recent years. These policies focus on ensuring that the GST base adapts to the increasingly digital modern economy, and further supporting the integrity of the GST system by increasing funding for the ATO's compliance activities.

Specific policy decisions taken since the 2020-21 MYEFO that affect the GST entitlement are shown in Table 3.5. These decisions are estimated to decrease the amount of the GST entitlement by \$15 million over the four years to 2024-25.

Table 3.5: Policy decisions since the 2020-21 MYEFO that affect the GST entitlement

\$million	2020-21	2021-22	2022-23	2023-24	2024-25
Not for profits — enhancing the transparency of income tax exemptions	0.0	0.0	0.0	*	*
Migration — additional flexibility for temporary visa holders to work in the agriculture sector	*	*	*	*	*
Migration Program — 2021-22 planning levels	0.0	..	-5.0	-5.0	-5.0
Women's Safety	0.0	..	..	..	..
Total	*	*	-5.0	-5.0	-5.0

Detailed information on specific policy decisions taken since the 2020-21 MYEFO is included in Budget Paper No. 2, *Budget Measures 2021-22*.

Distribution of the GST among the states

The Australian Government distributes the GST among the states based on the GST revenue sharing relativities recommended by the Commonwealth Grants Commission (the CGC).

The detailed calculation for the distribution of the GST entitlement in 2021-22 is shown in Table 3.6. This method of calculation is prescribed in legislation in the *Federal Financial Relations Act 2009*.

Table 3.6: Calculation of GST entitlements

	Estimated 31 December population (1)	GST relativities (2)	Adjusted population (1) x (2) (3)	Share of adjusted population (4)	Share of GST pool \$million (5)
2021-22					
NSW	8,141,780	0.95617	7,784,926	30.2%	21,921.7
VIC	6,714,039	0.92335	6,199,408	24.1%	17,457.0
QLD	5,227,535	1.05918	5,536,901	21.5%	15,591.5
WA	2,676,514	0.41967	1,123,252	4.4%	3,163.0
SA	1,769,051	1.34719	2,383,248	9.3%	6,711.0
TAS	543,322	1.96067	1,065,275	4.1%	2,999.7
ACT	430,717	1.16266	500,778	1.9%	1,410.1
NT	242,368	4.79985	1,163,329	4.5%	3,275.8
Total	25,745,325	na	25,757,115	100%	72,530.0

In 2018, the Australian Government reformed the system of HFE to provide a fairer and more sustainable way to distribute the GST among the states. From 2021-22, the system begins its transition to a more stable and predictable equalisation standard that will reduce volatility in states' GST payments.

To support the states' transition to the new system, the Australian Government has provided an additional \$5.2 billion in transitional GST top-up payments over the three years to 2021-22 to ensure that no state has an effective GST relativity below 0.7 or 4.66024 for the Northern Territory. At the time of 2018 reforms, it was estimated that \$1.8 billion in top-up payments would be required over those three years.

From 2022-23, the new HFE system will include a relativity floor of 0.7, permanently increasing to 0.75 in 2024-25. Further, the Australian Government has guaranteed, through legislation, that each state will receive at least the cumulative better of the old or the new HFE system for the six years from 2021-22 to 2026-27. The HFE transition payments associated with this guarantee are outlined in Table 3.8.

The CGC does not calculate GST sharing relativities beyond the budget year. The distribution of GST among the states and any resulting transitional payments for 2022-23 onwards are calculated based on a technical assumption that the CGC's 2021-22 GST relativities under the old and updated distribution systems remain unchanged. The estimates (as shown in Table 1.1) do not reflect any attempt to project future GST relativities or GST entitlements. To arrive at the GST sharing relativities for a particular year, these relativities are adjusted to account for the point in time at which the transition to the updated distribution system is occurring.

GST administration

States compensate the Australian Government for the costs incurred by the ATO for administering the GST including costs incurred by the Department of Home Affairs. In practice, this is achieved by the Australian Government reducing the monthly GST payments to the states by the GST administration costs.

The GST administration budget for the ATO is estimated to be \$682.9 million for 2021-22, as shown in Table 3.7.

Table 3.7: Reconciliation of the GST administration budget

\$million	2020-21	2021-22	2022-23	2023-24	2024-25
Administration budget at 2020-21 Budget (a)	621.5	675.7	671.7	487.4	na
Total variations from 2020-21 Budget to 2020-21 MYEFO	-	5.4	2.8	-6.3	na
Administration budget at 2020-21 MYEFO (b)	621.5	681.1	674.5	481.1	na
Changes from 2020-21 MYEFO to 2021-22 Budget					
<i>Parameter variations</i>	-	1.8	4.6	2.8	2.8
<i>Other variations</i>	-	-	-	-	-
Total variations	-	1.8	4.6	2.8	2.8
Administration budget at 2021-22 Budget less Prior year adjustment	621.5	682.9	679.1	483.9	484.4
equals State government payments	621.5	682.9	679.1	483.9	484.4

(a) Decreases in estimates from 2023-2024 reflect the end of GST Compliance Program new measure funding.

(b) ATO resources diverted to support COVID-19 stimulus work will gradually return to GST business as usual activities during the 2020-21 year.

Other general revenue assistance

Like GST, other general revenue assistance is provided to the states, without conditions, to spend according to their own budget priorities.

Table 3.8: Other general revenue assistance

\$million	2020-21	2021-22	2022-23	2023-24	2024-25
ACT municipal services	41.2	41.7	42.3	42.9	43.4
Compensation for reduced royalties	19.5	24.2	24.3	22.6	17.9
Royalty payments	362.0	352.7	337.3	329.0	271.7
Transitional GST top-up payments(a)	1,546.6	2,115.2	-	-	-
HFE transition payments(a)	-	124.5	2,312.2	2,422.1	2,748.0
Total other general revenue assistance	1,969.3	2,658.3	2,716.1	2,816.7	3,081.0

(a) Estimates of the HFE transition payments for 2022-23 and later years are based on a technical assumption of current GST relativities, and adjusted to take into account the transition to the new HFE system.

Australian Capital Territory municipal services

The Australian Government provides general revenue assistance to the Australian Capital Territory to assist in meeting the additional municipal costs that arise from Canberra's role as the national capital. The payments also compensate the Australian Capital Territory for additional costs resulting from the national capital planning influences on the provision of water and sewerage services.

Compensation for reduced royalties

The Australian Government provides general revenue assistance to compensate Western Australia for the loss of royalty revenue resulting from the removal of the exemption of condensate from crude oil excise in the *2009–10 Budget*.

Royalty payments

Western Australia

The Australian Government provides general revenue assistance to Western Australia from royalties collected under the *Offshore Petroleum (Royalty) Act 2006* in respect of the North West Shelf oil and gas project off the coast of Western Australia. The Australian Government collects these royalties because it has jurisdiction over offshore areas.

Royalties are shared between the Australian Government (approximately one third) and Western Australia (approximately two thirds). These revenue sharing arrangements are set out in the *Offshore Petroleum and Greenhouse Gas Storage Act 2006*.

Northern Territory

The Australian Government provides general revenue assistance to the Northern Territory in lieu of royalties on uranium mining in the Ranger Project Area, due to the Australian Government's ownership of uranium in the Northern Territory.

Payments are made at a royalty rate of 1.25 per cent of the net proceeds of sales under a continuing agreement established under the 1978 Memorandum of Understanding between the Australian Government and the Northern Territory.

Mirror tax arrangements

The Australian Government introduced mirror tax arrangements in 1998 to ensure that the states were not financially disadvantaged by the High Court decision in *Allders International Pty Ltd v Commissioner of State Revenue (Victoria)*, which invalidated state taxes on Commonwealth places. These arrangements mirror certain state taxes, including payroll taxes, land taxes and stamp duties, with respect to Commonwealth places. The states collect these mirror taxes on behalf of the Australian Government and bear the administrative costs of collection.

All mirror tax revenues are credited to the Australian Government and simultaneously appropriated to the states, with no net impact on the Australian Government’s budget position, as shown in Table 3.9.

Table 3.9: Mirror taxes accrued on behalf of the states

\$million	2020-21	2021-22	2022-23	2023-24	2024-25
Mirror taxes	582.7	604.2	669.9	701.8	721.4
/ess Transfers to state governments	582.7	604.2	669.9	701.8	721.4
Australian Government budget impact	-	-	-	-	-

Appendix A: Parameters and further information

This appendix provides information on the parameters used in producing this Budget Paper.

Budget Paper No. 1, *Budget Strategy and Outlook 2021-22, Statement 2: Economic Outlook (BS2)*, provides information on the forecasting approach used in the 2021-22 Budget.

Population

Population data are used to distribute funding between the states and in the calculation of annual growth factors. The population projections are produced by the Treasury Centre for Population (the Centre).

Estimates of state populations

State population projections are constructed using the latest demographic data and incorporate assumptions regarding fertility, mortality, net overseas migration and net interstate migration.

The Centre estimates population and components of change on a financial year basis. Population for the mid-point of the financial year (31 December, Table A.1) is the simple average of the population at the beginning and end of the financial year (Table A.2).

Table A.1: Population by state, at 31 December

million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total(a)	Australia
2020	8.160	6.699	5.194	2.668	1.770	0.542	0.431	0.245	25.709	25.713
2021	8.142	6.714	5.228	2.677	1.769	0.543	0.431	0.242	25.746	25.750
2022	8.152	6.768	5.273	2.694	1.771	0.546	0.432	0.240	25.876	25.880
2023	8.213	6.871	5.336	2.724	1.781	0.550	0.435	0.240	26.150	26.153
2024	8.301	6.997	5.408	2.760	1.794	0.554	0.439	0.241	26.494	26.498

(a) 'Total' is the sum of the states and territories shown, and excludes Jervis Bay Territory, Christmas Island, the Cocos (Keeling) Islands and Norfolk Island.

Table A.2: Population by state, at 30 June

million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total(a)	Australia
2019-20	8.168	6.697	5.176	2.664	1.770	0.541	0.431	0.246	25.693	25.697
2020-21	8.152	6.702	5.211	2.672	1.770	0.542	0.431	0.244	25.724	25.729
2021-22	8.132	6.726	5.244	2.681	1.768	0.544	0.430	0.241	25.766	25.771
2022-23	8.172	6.810	5.302	2.706	1.774	0.548	0.433	0.240	25.985	25.989
2023-24	8.253	6.932	5.371	2.741	1.787	0.552	0.437	0.240	26.313	26.317
2024-25	8.348	7.061	5.445	2.779	1.801	0.557	0.441	0.242	26.674	26.679

(a) 'Total' is the sum of the states and territories shown, and excludes Jervis Bay Territory, Christmas Island, the Cocos (Keeling) Islands and Norfolk Island.

Fertility

Assumptions about the fertility rate are based on *A Projection of Australia's Future Fertility Rates* (Table A.3). The total fertility rate is assumed to decline to 1.58 babies per woman in 2021-22 before rising to 1.69 in 2024-25. In the near term, the total fertility rate is assumed to be influenced by the impacts of COVID-19. Projected state fertility rates are assumed to move in line with the national fertility rate.

Table A.3: Total fertility rate, for years ending 30 June

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
Total fertility rate, Australia	1.65	1.61	1.58	1.65	1.69	1.69

Mortality

Assumptions about life expectancy at birth are based on life tables produced by the Australian Government Actuary and the Australian Bureau of Statistics (Table A.4). Life expectancies are informed by future mortality rates, which are assumed to improve at the same average annual rate that has been observed over the past 25 years. Projected state mortality rates are assumed to move in line with the national mortality rates.

Table A.4: Life expectancy at birth, for years ending 30 June

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
Male life expectancy at birth, Australia	81.2	81.4	81.6	81.8	81.9	82.1
Female life expectancy at birth, Australia	85.3	85.4	85.5	85.7	85.8	85.9

Net overseas migration

Forecasts for net overseas migration (NOM) are produced by the Centre (Table A.5). The forecasts incorporate information from detailed data on international arrivals and departures together with offshore visa grant data provided by the Department of Home Affairs, along with assumptions regarding international travel restrictions (see Box 2.1 in BS2).

Table A.5: Net overseas migration, for years ending 30 June

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
Net overseas migration, Australia	194,400	-96,600	-77,400	95,900	201,100	235,000

Interstate migration

Assumptions about future net internal migration (NIM) are produced by the Centre (Table A.6). Assumptions are modelled using historical interstate movements data supplied by the Australian Bureau of Statistics. They are informed by analysis of economic factors associated with interstate migration, and account for the impact of COVID-19 through fewer total movements over the period.

Table A.6: Net interstate migration by state, for years ending 30 June

	NSW	VIC	QLD	WA	SA	TAS	ACT	NT
2019-20	-20,900	2,200	25,300	-2,400	-2,200	1,200	-700	-2,700
2020-21	-21,300	4,300	24,700	-2,800	-2,600	1,300	-600	-3,000
2021-22	-22,400	10,600	22,900	-4,100	-3,900	1,400	-600	-4,000
2022-23	-21,300	8,800	21,700	-2,900	-3,800	1,100	-300	-3,200
2023-24	-20,200	6,900	20,600	-1,800	-3,700	700	-100	-2,300
2024-25	-19,200	5,000	19,400	-600	-3,600	400	200	-1,500

Wage cost indices

Table A.7 shows estimated growth in the wage cost indices used in this Budget Paper, rounded to the nearest quarter of a per cent.

Table A.7: Wage cost indices

Per cent	2020-21	2021-22	2022-23	2023-24	2024-25
Wage cost index — 1	1 1/2	1	1 1/2	1 1/2	1 1/4
Wage cost index — 6	1 1/2	1	1 1/2	1 1/2	1 1/2

Data sources

The information in Appendix B and Appendix C of this Budget Paper is consistent with the ABS Government Finance Statistics reporting framework for the public sector.

Australian Government data are sourced from the Australian Government Final Budget Outcomes, ABS, and Australian Government Consolidated Financial Statements. See Budget Paper No. 1, *Budget Strategy and Outlook 2021–22, Statement 11: Historical Australian Government Data*, for more information.

State data for 2019-20 onwards are from the most recent publicly available state financial reports (states' 2019-20 mid-year financial reports). State data for years prior to 2019-20 are sourced from the ABS. Where ABS data are not available, estimates from states' annual financial reports have been used.

Further information

Several publications of the ABS and academics also provide information that is relevant to analysing federal financial relations data, including:

- *National, state and territory population*
- *Overseas Arrivals and Departures, Australia*
- *Migration, Australia*

- *Births, Australia*
- *Life tables*
- *Deaths, Australia*
- *Taxation Revenue, Australia*
- *Government Finance Statistics, Australia*
- *Australian System of Government Finance Statistics – Concepts, Sources and Methods*
- *Information Paper: Developments in Government Finance Statistics*
- *Information Paper: Accruals Based Government Finance Statistics*
- McDonald, P (2020), *A Projection of Australia's Future Fertility Rates*, Centre for Population Research Paper, Australian Government, Canberra.

Commonwealth Grants Commission publications provide information about the distribution of GST revenue. In relation to the 2021-22 financial year, the most relevant publication is the *Report on GST Revenue Sharing Relativities – 2020 Review*.