

# Memorandum

**To: Directors**  
**Executive**  
**Presidents – Constituent Bodies**  
**CEOs – Constituent Bodies**  
**Section Chairs**  
**Committee Chairs**

**From: Dr Jacoba Brasch QC, President**

**Date: 11 May 2021**

## 2021-22 Federal Budget Overview

### Action Request

1. For noting.

### Introduction

2. On Tuesday, 11 May 2021, the Law Council attended the Federal Budget Stakeholder Lock-up in Canberra and has prepared the following summary of key announcements of interest to the legal profession.
3. The Law Council's [submission to the Treasury's 2021-22 Pre-Budget consultation process \(February 2021\)](#) can also be found on the Law Council's website.
4. The Law Council will engage in further analysis of the Budget papers as necessary and advise Directors, Constituent Bodies, Sections and Committees of further matters of interest or concern.

### The Broad Picture

5. The Government forecasts the underlying cash deficit to be \$161.0 billion in 2020-21 and \$106.6 billion (5.0 per cent of GDP) in 2021-22. This is predicted to fall over the forward estimates to a \$57.0 billion deficit (2.4 per cent of GDP) in 2024-25. The Government has announced that compared to the 2020-21 Budget, the underlying cash deficit has improved by \$52.7 billion in 2020-21.
6. Gross debt is predicted to be 40.2 per cent of GDP at 30 June 2021, increasing to 50.0 per cent of GDP by the end of the forward estimates. Net debt is predicted to increase to 30.0 per cent of GDP at 30 June 2021 before peaking at 40.9 per cent of GDP at 30 June 2025. Net debt is predicted to be lower in every year compared to last year's Budget predicted a peak at 43.8 per cent of GDP.
7. The unemployment rate is predicted to fall to 5 per cent in mid-2022 before falling further to 4.75 per cent in mid-2023.

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## Funding of the Federal Courts and Tribunals

### Change in overall funding of the Federal Courts

8. Overall total funding for the Federal Courts is predicted to increase by close to eight per cent in 2021-22 (see breakdown in below table).

	2020-21 Estimated actual (\$'000)	2021-22 Budgeted (\$m)	(% change)
<b>Federal Court of Australia</b>	83,598	84,861	1.51
<b>Family Court of Australia</b>	45,196	52,533	16.23%
<b>Federal Circuit of Australia</b>	77,806	92,562	18.97%
<b>Commonwealth Courts Corporate Services</b>	162,623	168,509	3.62%
<b>Total</b>	369,223	398,465	7.92%

Note: the Family Court of Australia and Federal Circuit of Australia will be merged on 1 September 2021 to become the Federal Circuit and Family Court of Australia.

### Key announcements regarding funding for the Federal Courts

9. The Government has announced that it will provide \$123.8 million over four years to support the reform of the family law system and improve access and safety for children and families. This funding includes:
- \$60.8 million over four years from 2021-22 to reform family law case management processes;
  - \$29.0 million over four years from 2021-22 to improve information sharing between the family law and the family violence and child protection systems;
  - \$26.9 million over four years from 2021-22 for increased legal assistance funding for family law matters in South Australia and increased judicial and court resources in the South Australian family law registry; and
  - \$6.3 million in 2021-22 to the Family Violence and Cross Examination of Parties Scheme.

### High Court of Australia

10. Total estimated funding for the High Court of Australia in 2021-22 is \$27.78 million.

### Administrative Appeals Tribunal

11. The Government has announced that it will provide \$54.8 million over four years from 2021-22 to address the backlog of cases within the Migration and Refugee Division (MRD) of the Administrative Appeals Tribunal (AAT).

12. However, it has also announced that the cost of this measure will be 'partially met by an increase of the application fee payable for review of non-protection visa decisions in the MRD'. The Government expects this measure to increase revenue by \$7.1 million over four years from 2021-22 from lodgment fees for appeals to the Federal Circuit of Australia and Federal Court of Australia.
13. The Government will extend the power of the AAT to pause or modify an Australian Taxation Office debt recovery action in relation to disputed debts that are being reviewed by the Small Business Taxation Division of the AAT. This measure is intended to ensure that small businesses are not required to start paying a disputed debt until the matter has been determined by the AAT.

## Legal assistance sector funding

### National Legal Assistance Partnership

14. Funding for the legal assistance sector reflects the National Legal Assistance Partnership Agreement agreed between the Commonwealth, state and territory governments in June 2020, and includes some additional funding as outlined below.

	2020-21 (\$m)	2021-22 (\$m)	2022-23 (\$m)	2023-24 (\$m)
<b>Legal Aid Commissions</b>	234.3	<b>237.8</b>	241.4	245.3
<b>Community Legal Centres</b>	48.5	<b>55.9</b>	56.7	57.6
<b>Aboriginal and Torres Strait Islander Legal Services</b>	79.5	<b>86.7</b>	88.2	89.6
<b>Domestic Violence Units / Health Justice Partnerships</b>	9.9	<b>14.3</b>	14.5	14.7
<b>Family advocacy and support services</b>	9.9	<b>10.0</b>	27.1	27.7
<b>Increased legal assistance funding for vulnerable women</b>	-	<b>31.6</b>	32.0	32.5
<b>Supporting people with mental health conditions access the justice system</b>	-	<b>15.0</b>	15.0	15.0
<b>Legal assistance family law pilot program</b>	-	<b>3.6</b>	3.6	3.6
<b>Supporting increased child sexual abuse prosecutions</b>	-	<b>1.6</b>	1.7	1.7
<b>State and territory administration</b>	3.9	<b>4.0</b>	4.1	4.1
<b>Total</b>	<b>398.3</b>	<b>460.5</b>	<b>484.3</b>	<b>491.8</b>

## Additional legal assistance sector funding

15. The Budget includes a number of additional allocations for parts of the legal assistance sector, including:

- \$129 million over four years in additional legal assistance funding, to respond to continued demand as a result of COVID-19, particularly from vulnerable women;
- \$60 million over four years to provide dedicated legal assistance services for people with mental health issues;
- \$17.1 million over four years for Domestic Violence Units and Health Justice Partnerships to provide additional, mental health specific funding for these services to respond to the needs of women who have experienced family and domestic violence;
- \$6.2 million for the Family Violence and Cross-Examination of Parties Scheme to provide representation for cross-examination of family violence victims in certain circumstances involving family violence;
- \$26.0 million over four years for the Family Violence Prevention Legal Services (note that organisations such as Change the Record, of which the Law Council is a member, have noted that the 14 family violence legal prevention services require an additional investment of at least \$28 million per year and that there is no dedicated funding for our National Family Violence Prevention and Legal Services Forum);
- \$16 million over four years to expand the national specialist trauma-informed legal service and establish an online chat service aimed at delivering legal assistance services to children experiencing or at risk of harm, including sexual abuse;
- \$6.7 over four years for the Commonwealth Director of Public Prosecutions over four years to increase prosecution of perpetrators of child sexual abuse;
- The Expensive Commonwealth Criminal Cases Fund (administered by the Attorney-General's Department) will receive a one-off budget increase of \$10.1 million in 2021-22 (total funding of \$18.2 million);
- \$10.7 million to extend two family law property pilots for a further 18 months to 30 June 2023; and
- 17.9 million over two years to assist with meeting the costs of legal representation and disbursements associated with engaging with the Royal Commission into Defence and Veteran Suicide.

## Priority Policy Areas

### Proposed Commonwealth Integrity Commission

16. The Budget does not include any new funding for the Commonwealth Integrity Commission (**CIC**) the establishment and commencement of which is contingent on the passage of legislation. The 2019-20 Budget had specifically allocated \$104.5 million for such a Commission. However, consistent with the 2020-21 Budget, there is no dedicated line item in the budget papers providing contingent funding for a CIC should the necessary legislation be passed.
17. However, the funding of the Australian Commission for Law Enforcement Integrity, which is proposed to be subsumed by the CIC, has received a modest one-off increase of \$700,000 in 2021-22 for the purpose of supporting its oversight of the Australian Criminal Intelligence Commission, Australian Transaction Reports and Analysis Centre, and prescribed parts of the Department of Agriculture, Water and the Environment.

### Domestic and Family Violence

#### 18. Key measures include:

- \$998.1 million over four years from 2021-22 (and \$2.3 million in 2025-26) for initiatives to reduce, and support the victims of Family, Domestic and Sexual Violence (**FDSV**) against women and children. These proposals form the Government's transitional strategy ahead of the development of the new National Plan to replace the National Plan to Reduce Violence against Women and their Children (2010-2022) (**National Plan**). This includes:
  - funding of \$507.3 million over four years from 2021-22 will be provided to implement and enhance a range of programs and initiatives that directly support women and children who have been subjected to FDSV;
  - funding of \$92.4 million will be provided over four years to support programs aimed at the prevention of FDSV, to support education on consent and respectful relationships and to improve training outcomes for those who may encounter FDSV;
  - funding of \$320.1 million over four years will be provided to further support services that assist vulnerable women and children to engage with the legal system, increase access to Children's Contact Services and support the development of improvements in the legal system in dealing with FDSV; and
  - funding of \$80.6 million over five years will also be provided to improve data collection and to further enhance research capability into FDSV to better support the development of future policy responses including the development of the next National Plan.

### Sexual Assault / Sexual Harassment

19. One key measure is that the Government will provide further funding over four years to implement its response to the Respect@Work Report. This includes:

- \$9.3 million over four years from 2021-22 to support the implementation of the Government's response to the Respect@Work: Sexual Harassment National Inquiry Report, including for the Respect@Work Council Secretariat;
  - \$6.0 million over four years from 2021-22 to the Workplace Gender Equality Agency and the Australian Public Service Commission to strengthen reporting on sexual harassment prevalence, prevention and response; and
  - funding for additional legal assistance for specialist lawyers with workplace and discrimination law expertise (financial implications not for publication due to ongoing negotiations with the states and territories).
20. As part of this measure, Comcare will provide sexual harassment education to Workplace Health and Safety (**WHS**) inspectors and employers within the Commonwealth WHS system.
21. Another measure involves \$4.7 million over two years from 2021-22 which will support national discussions with the states and territories on a joint program of work to strengthen the justice response to sexual assault, sexual harassment and coercive control. This comes out of the amount of \$998.1 million over four years from 2021-22 (and \$2.3 million in 2025-26) provided for initiatives to reduce, and support the victims of, FDSV against women and children.

## Aged Care / Elder Abuse

22. The key budget measures on aged care focus on the response to the Royal Commission into Aged Care Quality and Safety. Overall, the Government has committed \$17.7 billion in funding over the forward estimates to improve the sector. Measures include the following.
- Governance and regional:
    - \$630.2 million to improve access to aged care services for consumers in regional, rural and remote areas including those with Indigenous backgrounds and special needs groups;
    - \$26.7 million over four years to develop a new aged care Act to replace both the *Aged Care Act 1997* (Cth) and the *Aged Care Quality and Safety Commission Act 2018* (Cth);
    - \$21.1 million over four years from 1 July 2021 to establish the National Aged Care Advisory Council to provide advice to Government on the aged care sector including implementation of the aged care reforms and a Council of Elders to provide advice to Government on quality and safety in the aged care sector;
    - \$13.4 million in 2021-22 to establish regional offices as a first phase of a nation-wide rollout to improve advice to Government on issues impacting the delivery of aged care in regional and rural areas;



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- \$6.8 million over three years from 2021-22 for information and engagement with the aged care sector, aged care users and their families about aged care reforms;
- Home care:
  - \$6.5 billion over four years to release 80,000 additional home care packages over two years from 2021-22;
  - \$272.5 million over four years to support senior Australians to access information about aged care and connect to services through the introduction of dedicated face-to-face services;
  - \$18.4 million over four years from 2021-22 to enhance the oversight and transparency of the delivery of home care packages;
- Residential aged care quality and safety:
  - \$301.3 million, primarily for the Aged Care Quality and Safety Commission to address failures in care and to manage and prevent outbreaks of COVID-19;
  - \$200.1 million to introduce a new star rating system on quality and safety performance of aged care providers;
  - \$74.8 million for the Dementia Behaviour Management Advisory Service and the Severe Behaviour Response Teams to regulate chemical and physical restraints, and to further reduce reliance on these restraints;
- Residential aged care services and sustainability:
  - \$3.9 billion over four years from 2021-22 to increase the amount of front line care minutes delivered to aged care residents and those who access respite services by 1 October 2023. This will be mandated at 200 minutes per day, including 40 minutes with a registered nurse;
  - \$189.3 million over four years from 2020-21 to implement the new funding model, the Australian National Aged Care Classification;
- Workforce:
  - \$216.7 million over three years from 2021-22 to grow and upskill the workforce including more dementia and palliative care training, and to recruit aged care workers in regional, rural and remote areas;
  - \$228.2 million to support the establishment of a single aged care assessment workforce for residential care from October 2022, and for home care from July 2023;
  - \$105.6 million to introduce nationally consistent worker screening, register and code-of-conduct for all care sector workers including aged care workers; and

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- \$91.8 million over two years from 2021-22 to support the training of 13,000 new home care workers.

## National Security

23. The key measures are the provision of an additional \$1.3 billion to the Australian Security Intelligence Organisation over 10 years, and an additional \$51.8 million to the Australian Criminal Intelligence Commission in 2021-22 estimates period, to support their technical capabilities in relation to security intelligence and transnational, serious and organised crime respectively.
24. The Department of Home Affairs will also receive \$42.4 million over two years (in 2021-22 and 2022-23) to administer an expanded regulatory regime for the security of critical infrastructure (pending the passage and commencement of legislation presently before the Parliament). The Department of Home Affairs has also contributed \$4.1 million in offsets over the forward estimates period to fund increases to the budgets of the Commonwealth Ombudsman and Inspector-General of Intelligence and Security to conduct oversight of security agencies, taking into account recent and proposed expansions of agency powers. (See further the 'changes in agency funding' section of this memorandum.)

## Commonwealth Crime

25. The key new funding measure is the allocation of \$9.6 million over the forward estimates period to implement cross-border evidence and information-sharing between Australia and the United States relating to the investigation of serious crimes, in anticipation of the passage of legislation presently before the Parliament to enable Australia to give domestic legal effect to bilateral agreements with other countries, including the United States. (This is the Telecommunications Legislation Amendment (International Production Orders) Bill 2020, on which the Law Council made submissions and gave evidence to a Parliamentary inquiry in 2020). The new funding is identified as being split primarily between the Department of Home Affairs, Australian Criminal Intelligence Commission and Commonwealth Director of Public Prosecutions. The Administrative Appeals Tribunal, Commonwealth Ombudsman and the Inspector-General of Intelligence and Security are also allocated additional funding to manage the review and oversight impost of the new regime (pending the passage of legislation).
26. The Australian Federal Police (**AFP**) and Commonwealth Director of Public Prosecutions (**CDPP**) have also been allocated additional funding over the forward estimates period as part of the National Strategy to Prevent and Respond to Child Sexual Abuse. This includes an additional \$35.4 million over four years to the AFP, an additional \$15.8 million over four years to the CDPP. It should also be noted that the CDPP is estimated to have an operating surplus of \$10.526 million for 2020-21, as a result of underspending in prosecution legal expenses due to the impact of the COVID-19 pandemic.
27. The Expensive Commonwealth Criminal Cases Fund (administered by the Attorney-General's Department) will receive a one-off budget increase of \$10.1 million in 2021-22 (total funding of \$18.2 million) compared to its ordinary budget of \$8.1 - \$8.7 million over 2020-21 and from 2022-23 to 2024-25 (with these small increases representing ordinary adjustments for inflation). The reasons for the one-off increase in 2021-22 do not appear to be documented in the budget papers or related media statements. It may, however,



reflect the anticipated increase in prosecutions of persons for child sexual offences as a result of additional funding allocated to the CDDP.

28. Consistent with expenditure in previous budgets, \$25 million over four years will be appropriated from the Confiscated Assets Account under the *Proceeds of Crime Act 2002* (Cth) to fund crime prevention and law enforcement initiatives administered by the Home Affairs Portfolio.

#### Australian Capital Territory Asbestos Disease Assistance Scheme

29. The Government will provide up to \$8.0 million in 2021-22 to support the establishment of an Australian Capital Territory Asbestos Disease Assistance Scheme, to be administered by the ACT Government. This will provide for people who have contracted an asbestos related disease after living in a property containing loose fill asbestos insulation in the ACT who are not supported by an existing compensation scheme.
30. This follows a request by the Law Council (supported by the ACT Law Society and ACT Bar Association) to the Health Minister in April 2021 that the Commonwealth support the establishment of such a scheme.

#### **Areas of interest to lawyers as workers and/or business owners**

##### Income Taxation

31. The Government has announced the retention of the low- and middle-income tax offset in 2021-22 which provides up to \$1,080 for individuals or \$2,160 for dual income couples.

##### Superannuation

32. The Government has announced that it will remove the current \$450 per month income threshold from 1 July 2022, under which employees do not have to be paid the superannuation guarantee by their employer.
33. The Government will repeal the 'work test' for non-concessional and salary sacrificed superannuation contributions, allowing Australians aged 67 to 74 more flexibility to contribute to their superannuation.
34. The Government is reducing the minimum age of the downsizer superannuation contribution. From 1 July 2022, the minimum age will be lowered from 65 to 60.
35. From 1 July 2022, the Government will also increase the maximum voluntary contribution that can be released under the First Home Super Saver Scheme from \$30,000 to \$50,000.

##### Small Business Measures

36. Key measures include:

- the proposal to extend the powers of the AAT to pause or modify ATO debt recovery action in relation to disputed debts that are being reviewed by the Small Business Taxation Division of the AAT;

- \$7.2 million over three years from 2021-22 to invest in the improvement, maintenance and review of the Employment Contract Tool, to assist small business employers to make employment contracts that comply with workplace laws;
- \$12.7 million in 2021-22 to expand the Australian Small Business Advisory Service Digital Solutions program; and
- income tax exemption for qualifying grants made to primary producers and small businesses affected by the storms and floods in Australia, where those grants relate to the storms and floods in Australia that occurred due to rainfall events between 19 February 2021 and 31 March 2021.

## Corporate Taxation

37. In the previous Budget, the Government introduced temporary full expensing of depreciable assets for businesses with turnover or statutory and ordinary income below \$5 billion. This measure has been extended for a further 12 months until 30 June 2023. Eligible businesses will be able to deduct the full cost of eligible assets, including the cost of improvements to existing assets, incurred between 7:30pm (AEDT) on 6 October 2020 and 30 June 2023.
38. The temporary loss carry-back measure will also be extended to the 2022-23 income year. This will allow companies with turnover below \$5 billion to recoup tax previously paid on prior year profits, as far back as the 2018-19 income year, using 2022-23 tax losses.
39. These measures are expected to provide \$20.7 billion in tax relief to businesses over the forward estimates period.
40. The Government will remove the cessation of employment taxing point for the tax-deferred Employee Share Schemes (**ESS**) that are available for all companies. This change will apply to ESS interests issued from the first income year after the date of Royal Assent of the enabling legislation.
41. The Government will finalise the corporate collective investment vehicles component of the measure titled Ten Year Enterprise Tax Plan — implementing a new suite of collective investment vehicles announced in the 2016-17 Budget, with a revised commencement date of 1 July 2022.

## Corporate Regulation

42. \$134.6 million has been allocated over million over four years from 2021-22 to progress the Commonwealth's deregulation agenda. Measures of interest to Law Council stakeholders include:
- \$0.8 million to examine options to enable electronic document execution;
  - \$10.0 million over four years from 2021-22 to modernise business communication by amending legislation in the Treasury Portfolio to be technology neutral;

- \$3.9 million over two years from 2021-22 to enable reviews to increase the transparency and accountability of regulator cost recovery activities and reduce cost to business on an ongoing basis; and
- \$10.0 million over four years from 2021-22 (and \$1.2 million ongoing per year) to implement regulatory technology solutions to assist employers to interpret and comply with modern awards, and to explore and promote new ways of assisting employers through regulatory technology.

## Industrial Relations

43. As part of the Government's deregulation agenda it will provide \$10 million over four years from 2021-22 to implement regulatory technology solutions to assist employers to interpret and comply with modern awards, and to explore and promote new ways of assisting employers through regulatory technology.
44. Government will provide \$8 million over four years from 2021-22 to the Registered Organisations Commission to enhance its capacity to ensure compliance with the provisions of the *Fair Work (Registered Organisations) Act 2009* (Cth).

## Education (including Early Childhood Education)

45. The key measures are:

- \$1.6 billion over four years from 2021-22 (and \$589.0 million per year ongoing) 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 the states and territories to replace the National Partnership Agreement on Universal Access to Early Childhood Education;
  - \$285.0 million over five years from 2020-21 (and \$74.2 million per year ongoing) as part of the Commonwealth's commitment to provide stronger support for skills reform and ensure governments, employers and students invest in the training that delivers the best student outcomes to strengthen Australia's skills base; and
  - \$77.5 million over four years from 2021-22 (and \$5.5 million per year ongoing) for further initiatives to support teachers, students and young Australians.
46. With respect to First Nations Australians, \$243.6 million over five years from 2020-21 to improve economic, social and education outcomes. This includes \$63.5 million over four years from 2020-21 to support an additional 2700 places in Indigenous girls academies. These placements will provide culturally appropriate support to girls and young women to graduate Year 12. Funding for this measure has already been provided for by the Government.
47. With respect to the Commonwealth's deregulation agenda, there is a measure to reduce regulatory burden on private international education providers by removing the requirement for international education providers to report the receipt of international student fees on the Provider Registration and International Student Management System from 1 July 2021.

## Summary of other key budgetary initiatives

### Rural, Regional and Remote Australia

48. Key measures include:

- early payment of approximately 50 per cent of the 2021–22 Local Government Financial Assistance Grant funding. This cash injection of more than \$1.3 billion will give councils support to assist with the combined impacts of drought, bushfires, floods and the COVID-19 pandemic;
- \$348.0 million over four years from 2021-22 (and \$0.1 million in 2025-26) for a package of measures to support regional Australia's sustainability, resilience and job creation. The cost of this measure will be partially met from within the existing resources of the Department of Infrastructure, Transport, Regional Development and Communications. Funding includes:
  - \$256.5 million over four years from 2021-22 (and \$0.1 million in 2025-26) for round six of the Building Better Regions Fund to support investment in community infrastructure and capacity building projects in regional areas;
  - 84.8 million over two years from 2021-22 to the Regional Connectivity Program to support the delivery of reliable, affordable and innovative digital services and technologies in regional and remote Australia;
  - \$6.1 million over two years from 2021-22 to establish the Rebuilding Regional Communities program to assist community organisations and small enterprises in regional Australia to recover from the impacts of COVID-19;
  - \$0.6 million in 2021-22 to undertake a scoping study into establishing Australian Public Service Hubs in regional Australia; and
  - support to undertake an independent study to identify the regulatory barriers to business relocation into regional Australia;
- up to a further \$258.0 million, including up to \$160 million through the National Water Grid Connections pathway, from the \$3.5 billion National Water Grid Fund towards the construction of new and augmented water infrastructure projects, building a more resilient and secure Australia to help improve water security in the regions;
- \$189.6 million over five years from 2021-22 for a package of measures to support the Next Five Year Plan for Northern Australia, including:
  - \$111.9 million over five years from 2021-22 to establish a Northern Australia Development Program to support businesses to scale-up projects into commercial outcomes by providing co-investment funding and an advisory service;
  - \$68.5 million over two years from 2021-22 to deliver targeted digital connectivity solutions in Northern Australia through dedicated funding under the Regional Connectivity Program and the Mobile Black Spot Program; and

- \$9.3 million over five years from 2021-22 to implement and evaluate a pilot Regions of Growth program to provide on-ground resources in four geographic regions in Northern Australia to focus investment, job creation and business growth;
- \$170 million to strengthen internet and mobile coverage in regional Australia, particularly in bushfire prone areas;
- \$99.3 million over four years from 2021-22 (and \$24.9 million per year ongoing) for Services Australia to deliver government payments and services in remote locations, particularly in the Northern Territory, Western Australia, Northern Queensland, South Australia and Tasmania; and
- \$80.9 million over five years from 2020-21 for initiatives to support the delivery of primary care and the health workforce in rural and remote Australia. This investment further supports the implementation of the Stronger Rural Health Strategy.

49. Under a number of the funding headings set out in the Budget, funding is specifically allocated for rural, regional and remote areas. These include, for example:

- higher incentives to rural and regional GPs for bulk billed services, helping to keep more doctors in the regions;
- as part of the package of \$17.7 billion announced for the aged care system:
  - \$630.2 million to improve access to quality aged care services for consumers in regional, rural and remote areas including those with Indigenous backgrounds and special needs groups;
  - \$216.7 million over three years from 2021-22 to grow and upskill the workforce and enhance nurse leadership and clinical skills through additional nursing scholarships and places in the Aged Care Transition to Practice Program, to provide more dementia and palliative care training for aged care workers, to recruit aged care workers in regional, rural and remote areas and to provide eligible registered nurses with additional financial support; and
  - \$13.4 million in 2021-22 to establish regional offices as a first phase of a nation-wide rollout to improve advice to Government on issues impacting the delivery of aged care in regional and rural areas;
- as part of the package announced for natural disaster preparation, response and recovery, \$8.5 million in 2021-22 for the Rural Financial Counselling Service to improve delivery of financial counselling services to primary producers experiencing financial hardship, and extend support for a further six months for rural and regional small businesses affected by drought, COVID-19 or the 2019-20 bushfires;
- as part of the \$243.6 million over five years from 2020-21 to improve economic, social and education outcomes for Indigenous Australians, \$5 million in 2021-22 for grants to improve the food security of remote Indigenous communities (noting that funding for this measure has already been provided for by the Government); and



- \$11.2 million to continue the remote response to COVID-19 to support regional and remote Indigenous communities throughout Australia, as part of the \$879.0 million over two years from 2020-21 to continue the health response to the COVID-19 pandemic.

## Energy

### 50. Key measures include:

- up to \$215.4 million over six years from 2020-21 to support investment in new dispatchable generation and support affordable and reliable power for consumers in the nation's electricity markets;
- \$58.6 million over four years from 2021-22 to support key gas infrastructure projects, unlock new gas supply and empower gas customers;
- \$50.0 million over ten years from 2021-22 to establish an early stage seed capital financing function within the Australian Renewable Energy Agency (**ARENA**). The cost of this measure will be met from within the existing resources of ARENA;
- \$23.7 million over two years from 2021-22 to the Australian Energy Regulator to meet new statutory obligations to support compliance and enforcement activity;
- \$15.7 million over three years from 2021- 22 to drive economic opportunities and support strategic basin plans;
- \$11.5 million over four years from 2021-22 (and \$0.5 million per year ongoing) to modernise the Clean Energy Regulator's Emission and Energy Reporting System to introduce bulk upload and automated data transfer capabilities; and
- \$3.1 million over two years from 2021-22 for the Australian Energy Regulator to develop a regulatory sandbox service for the energy market, providing temporary waivers from regulatory requirements to enable trials of new business models.

## Environment and Climate

### 51. Key measures include:

- \$1.6 billion over ten years from 2021-22 (including \$761.9 million over four years from 2021-22) to incentivise private investment in technologies identified in the Government's Technology Investment Roadmap and Low Emissions Technology Statements, grow new export industries, create jobs and reduce emissions, including:
  - \$1.2 billion over ten years from 2021-22 (including \$643.4 million over four years from 2021-22) to create a technology co-investment facility that supports the development of regional hydrogen hubs, carbon capture, use and storage technologies, very low cost soil carbon measurement and new agricultural feed technologies, a high-integrity carbon offset scheme in the Indo-Pacific region, and support the implementation of the Technology Investment Roadmap and Low Emissions Technology Statements;



- \$279.9 million over ten years from 2021-22 (including \$81.7 million over four years from 2021-22) to establish the below baseline crediting mechanism recommended by the King Review and help realise abatement opportunities in large industrial facilities;
- \$26.4 million over four years to support Australian businesses and supply chains to reduce their energy costs and improve productivity through the uptake of more energy efficient industrial equipment and business practices; and
- \$10.4 million over four years to expand the range of certifications offered by the Climate Active program and ensure it remains a best practice standard and certification scheme for Australian businesses looking to voluntarily reduce emissions;
- \$1.5 billion over four years from 2020-21 for a package of measures to continue efforts to achieve a sustainable and certain future for the Murray-Darling Basin (Basin), its people, industries and the environment;
- \$1.2 billion over five years from 2020-21 to improve Australia's capability to better prepare for, respond to, and recover from natural disasters, including by the separation of the Government's response and recovery functions, with Emergency Management Australia in the Department of Home Affairs to co-ordinate responses to national emergencies and a new National Recovery and Resilience Agency to lead resilience to and recovery from hazards and disasters;
- \$850.4 million over five years from 2020-21 for a package of measures to back-in the farm sector's ambition of a \$100 billion industry by 2030, support Australia's soils and biodiversity stewardship, and maximise the benefits of Australia's fisheries and forestry resources;
- \$212.2 million over four years from 2020-21 for a package of measures to continue support for farmers and communities to manage drought (noting that partial funding for this measure has already been provided for by the Government);
- \$100.1 million over five years from 2021-22 to stimulate economic growth and jobs in the emerging blue economy while improving the environmental outcomes for key species and sites in Australia's oceans;
- \$29.3 million over four years from 2021-22 to maintain the timeliness of Commonwealth environmental assessments and to support the delivery of policy reforms as part of the Government's initial response to the *Independent Review of the Environment Protection and Biodiversity Conservation Act 1999*, including:
  - \$17.1 million over two years from 2021-22 to maintain timely Commonwealth environmental assessments and approvals during the transition to single touch approvals;
  - \$9.0 million over four years from 2021-22 to establish an independent, statutory office holder known as the Environment Assurance Commissioner, tasked with monitoring and auditing Commonwealth, state and territory environmental approval systems;

- \$2.7 million over three years from 2021-22 to pilot a Commonwealth-accredited regional plan to support and accelerate development in a priority regional area; and
- \$0.5 million over two years from 2021-22 for improved Indigenous heritage protection and Indigenous involvement in *Environment Protection and Biodiversity Conservation Act 1999* decision-making processes.
- \$11.0 million over four years from 2021-22 to further stimulate and incentivise recycling behaviours among Australian businesses and communities.

## Infrastructure

### 52. Key measures include:

- ‘Gas-fired recovery’ measures comprising an additional \$58.6 million over four years from 2021-22 (in addition to the JobMaker Plan announced in the 2020-21 Budget). The majority of funding (\$38.7 million) will be invested in infrastructure projects intended to alleviate a potential gas shortfall on Australia’s east coast. \$5.6 million will fund the development of the 2022 National Gas Infrastructure Plan which will forecast future market requirements and infrastructure investment priorities;
- Power affordability and reliability: Up to \$215.4 million over six years from 2020-21 on measures to support investment in affordable and reliable power in national electricity markets. This includes \$76.9 million to underwrite the Portland Aluminium Smelter, \$30 million on a new power station in Port Kembla, and \$29.4 investment in hydrogen-ready gas generation infrastructure;
- Northern Australia: \$189.6 million over five years from 2021-22 as part of the Next Five Year Plan for Northern Australia;
- Funding to States and Territories—infrastructure investments to support economic recovery and create jobs;
- New South Wales: \$3.3 billion from 2021-22 for priority road projects;
- South Australia: \$3.2 billion from 2021-22 for priority road and rail projects;
- Victoria: \$3.0 billion from 2021-22 for priority road and rail projects;
- Queensland: \$1.6 billion from 2021-22 for priority regional and urban road and rail infrastructure projects;
- Western Australia: \$1.3 billion from 2021-22 for priority road and rail projects;
- Northern Territory: \$323.9 million from 2021-22 for priority road and rail projects;
- Tasmania: \$322.6 million from 2021-22 for priority road projects;
- Australian Capital Territory: \$167.3 million from 2020-21 for priority road and rail projects; and

- Local Government funding—infrastructure investments: \$1.0 billion over two years from 2021-22 to extend the Local Roads and Community Infrastructure Program.

## Housing

53. Supplementary funding under the National Housing and Homelessness Agreement: an additional \$124.7 million over 2021-22 and 2022-23 under the National Housing and Homelessness Agreement. The additional funds will be provided to States and Territories to increase public housing stocks and meet wage requirements pursuant to a decision of Fair Work Australia on social and community service sector wages.
54. 'Housing package' to increase home ownership and support construction jobs: A \$782.1 million funding package over the forward estimates period, most of which will be allocated to extending the HomeBuilder program (\$775.8 million over two years from 2021-22, so that existing applicants need only commence construction within 18 months, not the present requirement of six months). Other measures in the package concern home-buyer deposit schemes, including a new Family Home Guarantee for single parents, enabling up to 10,000 people per year to enter or re-enter the market with a deposit of 2 per cent or more. The First Home Loan Deposit Scheme will also be allocated an additional 10,000 places from 2021-22, enabling the purchase of a newly constructed home with a minimum deposit of 5 per cent.

## Charities and Not-for-profits

55. The Government will provide \$1.9 million capital funding in 2022-23 to the ATO to build an online system to enhance the transparency of income tax exemptions claimed by not-for-profit entities. Under the measure, from 1 July 2023, the ATO will require income tax exempt not-for-profits with an active Australian Business Number to submit online annual self-review forms with the information they ordinarily use to self-assess their eligibility for the exemption.

## Immigration

56. Key measures include:
- Planning levels across the 2021-22 Migration Program will be maintained at 160,000. Family and Skilled stream places will be maintained at their 2020-21 planning levels. Onshore visa applicants will be prioritised, including onshore Partner visas.
  - The Government has budgeted \$811,836,000 for Irregular Maritime Arrivals Offshore Management for 2021-2022.
  - Student visa holders, employed in the tourism or hospitality sectors, will be temporarily allowed to work more than 40 hours per fortnight. This measure follows the temporary lifting of restrictions on student visa holders employed in the agriculture sector.
  - The Humanitarian Program will be maintained at 13,750 places in 2021-22. 'The size of the program will remain as a ceiling rather than a target'.

- \$464.7 million will be provided over two years from 2020-21 to increase the capacity of the onshore Immigration Detention Network and to extend use of the North West Point Immigration Detention Centre on Christmas Island.
- The Government will provide \$54.8 million over four years from 2021-22 to address the backlog of cases within the Migration and Refugee Division (MRD) of the Administrative Appeals Tribunal. The Government expects that this measure will be partially met by an increase of the application fee payable for review of non-protection visa decisions in the MRD. This measure is also expected to increase revenue by \$7.1 million over four years from 2021-22 from lodgment fees for appeals to the Federal Circuit Court and the Federal Court of Australia.

## Health

### 57. Key measures include:

- COVID-19 emergency response – extension: The Government will provide \$845.3 million over two years from 2020-21 to support its emergency response to COVID-19. Funding includes:
  - \$487.0 million over two years from 2020-21 to expand quarantine services in the Northern Territory. The Government expects that the cost of this measure will be partially recovered from people who quarantine at this facility;
  - \$271.5 million in 2020-21 to extend activities under the National Partnership on the COVID-19 Response; and
  - \$86.8 million over two years from 2020-21 to expand activities of the National Incident Centre and to support the National Medical Stockpile.
- COVID-19 guaranteeing Medicare and access to medicines – extension: The Government will provide \$879.0 million over two years from 2020-21 to continue the health response to the COVID-19 pandemic, to support access to health care services and reduce the risk of community transmission of COVID-19. Funding includes:
  - \$557.1 million to extend temporary Medicare Benefits Schedule (MBS) pathology items for the testing and detection of COVID-19;
  - \$204.6 million for the extension of temporary telehealth MBS services from 1 April 2021 to 31 December 2021;
  - \$87.5 million to extend dedicated Commonwealth respiratory clinics to manage and diagnose COVID-19 cases; and
  - \$11.2 million to continue the remote response to COVID-19 to support regional and remote Indigenous communities throughout Australia.
- COVID -19 vaccines: The Government will provide an additional \$1.9 billion over five years from 2020-21 to distribute and administer COVID-19 vaccines to residents of Australia. The Government has also entered into advance purchase agreements for an additional 30 million doses of the Pfizer BioNTech vaccine and has provisioned to purchase additional vaccine doses, including mRNA vaccines. The financial

implications of the agreements are not for publication due to commercial-in-confidence sensitivities. The \$1.9 billion funding includes:

- \$777.8 million over two years from 2020-21 for the COVID-19 Vaccination Program, including for surge workforce, general practitioners and community pharmacies to administer vaccines;
  - \$510.8 million over two years from 2020-21 for the National Partnership on the COVID-19 Response for the states and territories to administer vaccines;
  - \$358.8 million over five years from 2020-21 to support the implementation, monitoring and reporting of the vaccine rollout;
  - \$233.8 million over two years from 2020-21 for COVID-19 vaccine distribution, vaccine consumables, logistics and storage; and
  - \$6.7 million over two years from 2020-21 for the national communications campaign for the COVID-19 Vaccination Program.
- Significant non-COVID-19 measures – Mental health: The Government will provide \$2.0 billion over four years from 2021-22 for the National Mental Health and Suicide Prevention Plan, including initiatives to be progressed with states and territories for a new national agreement on mental health and suicide prevention. Funding includes:
    - \$487.2 million over four years from 2021-22 to establish a network of Head to Health adult mental health centres and satellites;
    - \$278.6 million over four years from 2021-22 to expand and enhance headspace youth mental health services, including in conjunction with the states and territories; and
    - \$112.4 million over four years from 2021-22 for continuity of psychosocial support services for people with a severe psychosocial disability who are not eligible for the National Disability Insurance Scheme.

## Aboriginal and Torres Strait Islander Peoples

58. Key measures include:

- Skills and job advancement:
  - \$128.4 million over three years for a new Indigenous Skills and Employment Program, which will replace existing programs, including the Employment Parity Initiative, Vocational Training and Employment Centres, and Tailored Assistance Employment Grants;
  - \$63.5 million over four years from 2020-21 to support an additional 2700 places in Indigenous girls academies to support girls and young women to graduate Year 12;
  - \$36.7 million over four years from 2020-21 to supplement funding for the Prescribed Body Corporate Capacity Building program, which will support recent reforms to the *Native Title Act 1993* (Cth);



- \$10 million over two years from 2021-22 for Indigenous enterprises and community organisations to improve their access to off-grid solar power systems, stockyards, greenhouses and water security equipment; and

Funding for this measure has already been provided for by the Government.

- Mental health:
  - \$79.0 million over four years from 2021-22 to implement initiatives under the National Aboriginal and Torres Strait Islander Suicide Prevention Strategy providing crisis and support services for Aboriginal and Torres Strait Islander people; and
  - \$58.8 million over two years from 2021-22 to fund initiatives to attract, upskill and re-distribute mental health professionals and increase the number of Aboriginal and Torres Strait Islander mental health workers.
- Family safety:
  - \$31.6 million over five years from 2021-22 for a dedicated Aboriginal and Torres Strait Islander survey on safety and violence; and
  - \$26.0 million over four years to support Aboriginal and Torres Strait Islander women and children who have experienced or are experiencing family violence.
- Other:
  - \$28.1 million over five years from 2020-21 (and \$6.0 million per year ongoing) to deliver the Government's Indigenous Visual Arts Industry Action Plan, to provide additional funding for the Indigenous Visual Arts Industry Support program and to support Indigenous arts centres and fairs through the impacts of COVID-19; and
  - \$0.5 million over two years from 2021-22 for improved Indigenous heritage protection and Indigenous involvement in Environment Protection and Biodiversity Conservation Act 1999 decision-making processes.

## People with Disability

59. The Government has announced an additional \$13.2 billion over four years to support the National Disability Insurance Scheme.
60. The Government will also provide \$17.9 million over four years from 2021-22 to establish a new Early Childhood Program to deliver a range of disability-specific information, workshops and supported playgroups for young children aged 0 to 8 years with disability or developmental needs.

## Survivors of Child Sexual Abuse

61. The Government will continue to provide support for the delivery of the National Redress Scheme for survivors of institutional child sexual abuse. The financial implications and



final package of improvements for this measure are not for publication due to ongoing negotiations with the states and territories.

62. The Government will provide an unspecified contribution to the resolution of litigation brought forward by former child migrants against the Commonwealth relating to institutional child sexual abuse. This is consistent with the recommendations of the Royal Commission into Institutional Responses to Child Sexual Abuse.

### Data and Privacy

63. Measures relating to data intersect with many other funding areas. One area which provides for significant funding in relation to data is the Digital Economy Strategy, providing \$1.2 billion over six years from 2021-22 (including \$127.7 million in capital funding over two years from 2021-22). As part of this Strategy, the following data-related funding is provided:

- \$111.3 million over two years from 2021-22 (including \$35.0 million in capital funding) to continue implementation of the Consumer Data Right in the banking sector and to accelerate its rollout to other parts of the economy including the energy and telecommunications sectors;
- \$40.2 million over four years from 2021-22 (and \$6.3 million per year ongoing) to enhance the Australian Government's location based data infrastructure to create a secure, dynamic and three-dimensional Digital Atlas of Australia's geography, to support business investment, environmental management and natural disaster responses;
- \$31.7 million over four years from 2021-22 to enhance the security of Australia's mobile networks and accelerate the commercialisation of sovereign network and data security solutions;
- \$16.5 million over four years from 2021-22 (and \$0.2 million per year ongoing) to identify Australian Government data assets and establish a searchable data catalogue;
- developing an Australian Data Strategy 2021-2025 in partnership with state and territory governments, and in consultation with the private and not for profit sectors, with costs to be met from within the existing resources of the Department of the Prime Minister and Cabinet; and
- \$1.8 million over two years from 2021-22 to deliver a National Data Security Action Plan co-designed with industry.

64. \$3.9 million is also provided over four years from 2021-22 for the appointment of a Freedom of Information Commissioner to the Office of the Australian Information Commissioner.

## Women's Economic Measures

65. Key measures include:

- \$1.8 billion over five years from 2020-21 to improve women's workforce participation and economic security. Funding includes (but is not limited to):
  - \$1.7 billion over five years from 2020-21 (and \$671.2 million per year ongoing) to assist families by reducing out of pocket costs and supporting parental choice, through changing child Care Subsidy rates and caps;
  - \$42.4 million over seven years from 2021-22 to establish the Boosting the Next Generation of Women in Science, Technology, Engineering and Mathematics (**STEM**) Program by co-funding scholarships for women in STEM in partnership with industry;
  - \$38.3 million over five years from 2021-22 to increase grant funding available through the Women's Leadership and Development Program; and
  - \$10.7 million over two years from 2021-22 to extend the family law small claims property pilot and Legal Aid Commission family law property mediation trial for settlement of property of less than \$500,000 following a relationship breakdown;
- \$16.9 million over four years from 2021-22 (and \$0.6 million per year ongoing) to streamline the child care regulatory system; and
- 5,000 additional gateway service places and in-training support services to encourage and support more women commencing in non-traditional trade occupations.

## Defence

66. The key new expenditure is an additional \$77.3 million over two years from 2021-22 for Australian Defence Force (**ADF**) operations in the Middle East (Operations Accordion, Highroad and Okra). This will enable the conclusion of these operations and the drawdown of ADF personnel by September 2021, in line with the anticipated drawdown of the United States and other partners.

## Veteran's Affairs (including Royal Commission)

67. The key expense measure is the funding of a Royal Commission on Defence and Veteran Suicide over two years, from 2021-22. A total of \$174.2 million has been allocated, of which:

- \$145.3 million is allocated for the combined operating costs of the Royal Commission, as well as funding for families and advocacy organisations to participate; and
- \$28.9 million to the Department of Veterans' Affairs to enable it to respond to information requests from the Royal Commission and the National Commissioner for Defence and Veteran Suicide.

## Changes in Agency Funding

### Australian Law Reform Commission (ALRC)

68. Total allocated funding for the ALRC in 2021-22 is \$2.701 million (down from an estimated actual expenditure of \$2.905 million in 2020-21).

### Australian Human Rights Commission (AHRC)

69. Total allocated funding for the AHRC in 2021-22 is \$23.469 million (down from an estimated actual expenditure of \$23.978 million in 2020-21).

70. The Government will provide \$3.5 million over two years from 2020-21 to the AHRC to conduct the Independent Review into Commonwealth Parliamentary Workplaces.

### Australian Securities and Investments Commission (ASIC)

71. Total allocated funding for 2021-22 is \$590 million (down from estimated actual expenditure of \$645.9 million in 2020-21). The apparent decrease is attributable to a \$39.3 million reduction in its external revenue.

72. The Government has also provided \$49.0 million over five years for the Treasury to support its engagement with, and support for, its portfolio agencies, including, ASIC and the Australian Small Business and Family Enterprise Ombudsman.

### Australian Competition and Consumer Commission (ACCC)

73. Total allocated funding for 2021-22 is \$321.7 million (down from estimated actual expenditure of \$337.1 million in 2020-21).

### Australian Prudential Regulation Authority (APRA)

74. Total allocated funding for 2021-22 is \$679 million (up from estimated actual expenditure of \$638.4 million in 2020-21).

### Independent National Security Legislation Monitor (INSLM)

75. Funding for the INSLM is unclear. The INSLM's salary as a statutory office-holder is set by the Remuneration Tribunal. Their staff, accommodation and operating budget are provided from the general departmental budget of the Attorney-General's Department. The Department's expense measures do not appear to provide a breakdown of the funds allocated to support the INSLM. This is in contrast to previous portfolio budget statements released by the Prime Minister and Cabinet Portfolio, prior to machinery of government changes in 2018, most of which provided this breakdown.

### Commonwealth Ombudsman and Inspector-General of Intelligence and Security (IGIS)

76. An additional \$4.1 million over the forward estimates period is provided, divided between the Commonwealth Ombudsman and the IGIS, to enable effective oversight of expanded agency powers as a result of the *Telecommunications and Other Legislation Amendment (Assistance and Access) Act 2018* (Cth) and proposed expansions of agency powers presently being considered by the Parliament in the Surveillance Legislation Amendment

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(Identify and Disrupt) Bill 2020. This funding has been offset by a corresponding reduction from the operating budget of the Department of Home Affairs.

- 77. Total allocated funding for the Ombudsman for 2021-22 is \$45.59 million (relatively stable with the 2020-21 estimated actual expenditure of \$45.6 million).
- 78. Total allocated funding for the IGIS for 2021-22 is \$12.5 million (relatively stable with the 2020-21 estimated actual expenditure of \$12.9 million).

## Office of the Australian Information Commissioner (OAIC)

- 79. Total allocated funding for 2021-22 is \$25.4 million (up slightly from the 2020-21 estimated actual expenditure of \$23.2 million). However, the OAIC's temporary increase to its funding for privacy functions will expire at the end of this financial year and has not been renewed in the budget. This funding shortfall is offset partially in the total agency budget as a result of funding increases to implement parts of the Government's Digital Economy Strategy and to fund the functions of the Privacy Commissioner. However, unless additional funding for the privacy functions is allocated outside the 2021-22 budget, there will be a funding shortfall for those specific functions.
- 80. The OAIC will receive an additional \$4 million over the forward estimates period to fund the functions of the Freedom of Information Commissioner (\$1 million per annum). While the *Australian Information Commissioner Act 2010* (Cth) creates separate statutory offices for the Australian Information Commissioner, Privacy Commissioner and Freedom of Information Commissioner, since around 2015, the Government has appointed the Australian Information Commissioner to perform all three roles. Budget Paper No. 2 states that the additional funding is 'for the appointment of a Freedom of Information Commissioner to the Office of the Australian Information Commissioner' which may suggest an intention to appoint a dedicated Commissioner who is not also the Australian Information Commissioner. No further explanation is given in the portfolio budget statements or media releases. The OAIC has also been allocated an additional \$3.524 million in 2021-21 and 2022-23 as part of the Digital Economy Strategy.
- 81. The OAIC's ongoing annual budget will decrease by approximately \$8 million from 2022-23, due to the expiry of additional funding allocated four years ago for the handling of privacy complaints. No continuation of funding has been allocated in the 2021-22 Budget. It is possible that the issue of funding for OAIC's privacy functions will be addressed outside of the Budget, potentially as part of the present review of the *Privacy Act 1988* (Cth) being undertaken by the Attorney-General's Department.

## Australian National Audit Office (ANAO)

- 82. Total allocated funding for 2021-22 is \$86.1 million (up from \$73.7 actual estimated expenditure in 2020-21).
- 83. An additional \$61.5 million is provided over the forward estimates period to 'address rising costs due to more complex financial data and records management arrangements, new audit controls relating to COVID-19 measures and the need to enhance IT cybersecurity migration'.