

The pie with no sauce

Federal Budget 2023-24 Grants Summary

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2023-24 FEDERAL BUDGET: BUSINESS GRANTS REVIEW

Verdict: The pie with no sauce

Treasurer Jim Chalmers has handed down the 2023-24 budget, delivering Australia's first budget surplus in 15 years. It's a solid budget but not quite satisfying in terms of industry support. The emphasis of this budget is very much on addressing cost of living pressures. There are a few benefits for business, but no real highlights.

Support for Small Business

Some good news for small businesses, the instant asset write-off is back. That means businesses with a turnover below \$10 million will be able to deduct the full cost of assets that cost less than \$20,000! And the best part? You can write off multiple assets as long as each one is below the \$20,000 threshold.

But wait, there's more! The government is also introducing the Small Business Energy Incentive from 1 July 2023. This program is designed to help small and medium businesses save on energy bills. If your business has a turnover of less than \$50 million from 1 July deduct an extra 20% of the cost of eligible depreciating assets. These assets include electrified heating and cooling systems, more efficient white goods, and even installing batteries and heat pumps.

The maximum amount that can be claimed through the 'Energy Incentive' is \$20,000, which means up to \$100,000 worth of spending can be eligible for the incentive. This measure is expected to benefit up to 3.8 million small and medium-sized businesses. So, what are you waiting for? Start planning and take advantage of these great opportunities!

Cuts to Export Grant Funding

The Export Market Development Grant (EMDG) program, which provides reimbursement for export promotion expenses for aspiring and current exporters, underwent a major refresh in 2021, resulting in record low grant amounts being awarded to applicants. We wrote extensively about this last year here. The bad news is that it doesn't end there.

The program has been dealt another blow, with the government announcing they will save \$61.0 million over 4 years from 2023–24 by reducing funding for the EMDG program. This is disappointing news for a program that has been supporting business for almost 50 years.

National Reconstruction Fund (NRF)

One of the largest initiatives to support Australian Industry received another mention with \$61.4 million being invested to establish the National Reconstruction Fund Corporation, which will manage the \$15 billion fund (already committed by the government) to co-invest in transformational projects across specific sectors.

While the NRF Corporation won't provide grant support they will provide finance for projects that diversify and transform Australia's industry and economy. This means that they will support key sectors like resources, agriculture, forestry and fisheries, medical science, renewables and low emission technologies, defence capability, transport, and enabling capabilities such as engineering, data science and software development.

Science and Innovation

The Government is rolling out the Industry Growth Program, with \$392.4 million earmarked to help SMEs and startups turn their ideas into reality. Targeted support will be available to businesses operating in key sectors prioritised by the National Reconstruction Fund (see above).

Additionally, the Government is allocating \$3.4 billion over 10 years from 2023-24 to establish the Advanced Strategic Capabilities Accelerator within the Department of Defence. This initiative aims to fast-track the translation of innovative new technologies into Defence capability, working closely with Aussie industry.

The budget again falls short in providing support to boost investment in innovation. R&D spending in Australia has taken a hit over the past decade, dropping from a high of 2.4% in 2008 to a low of 1.8% in 2019 (well below the OECD average of 2.7%). While Labor promised to increase spending to 3% by 2030 before the last federal election, there's been no progress on this front yet.

Critical Technologies

There's evidence of a big boost to the development of critical technologies with a \$116 million investment to support the development of critical technologies in Australia to drive economic growth, boost technology industries and support the creation of new jobs.

This includes \$101.2 million to support businesses to integrate quantum and artificial intelligence (AI) technologies into their operations, through a number of measures including extending the National AI Centre, establishing an Australian Centre for Quantum Growth to support growth and commercialisation in Australia's quantum industry, and supporting SME adoption of AI technologies.

The government will also establish the Powering Australia Industry Growth Centre to develop advanced technology and skills as part of the Government's Australian Made Battery Plan.

Powering the Regions

In a significant budget commitment, the Government will allocate \$1.3 billion over 5 years to support the decarbonisation of existing industries, develop new clean energy industries and support sovereign manufacturing capacity essential to the energy transition.

This will include \$400.0 million to establish the Critical Inputs to Clean Energy Industries Stream to support the sovereign manufacturing capability of industries that produce inputs (primary steel production, cement and lime, alumina and aluminium) that are essential to the development of Australia's clean energy industries and a further \$400 million to establish the Industrial Transformation Stream to support reduction of direct and indirect emissions at existing industrial facilities in regional Australia.

2023-24 FEDERAL BUDGET: GRANTS & FUNDING SUMMARY

Industry, Science and Resources

Enhanced Support for Small and Medium sized Businesses and Startups

Payments (\$m)

	2022-23	2023-24	2024-25	2025-26	2026-27
Department of Industry, Science and Resources	-	8.8	31.4	45.9	-4.1

The Government will provide \$431.9 million over 4 years from 2023–24 (and \$79.2 million per year ongoing) to improve support for small to medium enterprises (SMEs) and startups. Funding includes:

- \$392.4 million over 4 years from 2023–24 (and \$68.2 million per year ongoing) to establish the Industry Growth Program to support Australian SMEs and startups to commercialise their ideas and grow their operations. Support will be targeted towards businesses operating in the priority areas of the National Reconstruction Fund.
- \$39.6 million over 4 years from 2023–24 (and \$11.0 million per year ongoing) to continue the Single Business Service, supporting SMEs engagement with all levels of government.

Growing Australia’s Critical Technologies Industries

Payments (\$m)

	2022-23	2023-24	2024-25	2025-26	2026-27
Department of Industry, Science and Resources	-56.9	-20.6	13.4	31.6	17.9

The Government will provide \$116.0 million over 5 years from 2022–23 to support the development of critical technologies in Australia to drive economic growth, boost technology industries and support the creation of new jobs. Funding includes:

- \$101.2 million over 5 years from 2022–23 to support businesses to integrate quantum and artificial intelligence (AI) technologies into their operations, through:
 - a Critical Technologies Challenge Program, which will support projects that use critical technologies to solve significant national challenges, and will commence with a focus on projects that use quantum computing.
 - extending the National AI Centre and its role in supporting responsible AI usage through developing governance and industry capabilities.
 - establishing an Australian Centre for Quantum Growth to support ecosystem growth and commercialisation in Australia’s quantum industry.
 - supporting small and medium enterprises’ adoption of AI technologies to improve business processes and increase trade competitiveness.
- \$14.8 million over 4 years from 2023–24 to establish the Powering Australia Industry Growth Centre to develop advanced technology and skills as part of the Government’s Australian Made Battery Plan.

National Reconstruction Fund Corporation – establishment

Payments (\$m)

	2022-23	2023-24	2024-25	2025-26	2026-27
National Reconstruction Fund Corporation	-	53.2	-	-	-
National Reconstruction Fund Corporation	-	-	nfp	nfp	-
Department of Industry, Science and Resources	-7.3	-30.6	2.0	2.1	2.1
Total – Payments	-7.3	22.6	2.0	2.1	2.1
Related receipts (\$m)					
National Reconstruction Fund Corporation	-	5.2	21.7	50.3	111.5

The Government will provide \$61.4 million over 4 years from 2023–24 (and \$1.2 million per year ongoing) to establish the National Reconstruction Fund Corporation (NRFC). Funding includes:

- \$53.2 million in 2023–24 for the establishment and operational costs of the NRFC, with ongoing operations expected to be funded from revenues earned on investments made.
- \$8.2 million over 4 years from 2023–24 (and \$1.2 million per year ongoing) for the Department of Industry, Science and Resources to assist and support the establishment and oversight of the NRFC.

The NRF will earn estimated receipts of \$188.7 million over the forward estimates from the \$15.0 billion of investments in loans, equity investments and guarantees, with the returns to be reinvested to ensure the NRFC's sustainability.

Treasury

Small Business Support – helping small business manage their tax instalments and improving cashflow

Receipts (\$m)

	2022-23	2023-24	2024-25	2025-26	2026-27
Australian Taxation Office	-	-1,640.0	1,640.0	-	-
<i>Related payments (\$m)</i>					
Department of the Treasury	-	-40.0	40.0	-	-

The Government will amend the tax law to set the GDP adjustment factor for pay as you go (PAYG) and GST instalments at 6 per cent for the 2023–24 income year, a reduction from 12 per cent under the statutory formula.

The reduced factor will provide cash flow support to small businesses and other PAYG instalment taxpayers.

The 6 per cent GDP adjustment rate will apply to small businesses and individuals who are eligible to use the relevant instalment methods (up to \$10 million aggregated annual turnover for GST instalments and \$50 million annual aggregate turnover for PAYG instalments), in respect of instalments that relate to the 2023–24 income year and fall due after the enabling legislation receives Royal Assent.

This measure is estimated to have no net impact on receipts, and no net impact on GST payments to the states and territories, over the 5 years from 2022–23.

Small Business Support – \$20,000 instant asset write off

Receipts (\$m)

	2022-23	2023-24	2024-25	2025-26	2026-27
Australian Taxation Office	-	-	-670.0	-60.0	440.0

The Government will improve cash flow and reduce compliance costs for small businesses by temporarily increasing the instant asset write off threshold to \$20,000, from 1 July 2023 until 30 June 2024.

Small businesses, with aggregated annual turnover of less than \$10 million, will be able to immediately deduct the full cost of eligible assets costing less than \$20,000 that are first used or installed ready for use between 1 July 2023 and 30 June 2024. The \$20,000 threshold will apply on a per asset basis, so small businesses can instantly write off multiple assets.

Assets valued at \$20,000 or more (which cannot be immediately deducted) can continue to be placed into the small business simplified depreciation pool and depreciated at 15 per cent in the first income year and 30 per cent each income year thereafter.

The provisions that prevent small businesses from re entering the simplified depreciation regime for 5 years if they opt out will continue to be suspended until 30 June 2024.

This measure is estimated to decrease receipts by \$290.0 million over the 5 years from 2022–23.

Small Business Support – Small Business Energy Incentive

Receipts (\$m)

	2022-23	2023-24	2024-25	2025-26	2026-27
Australian Taxation Office	-	-	-260.0	-50.0	-
Related payments (\$m)					
Australian Taxation Office	-	3.9	0.3	-	-

The Government will support small and medium businesses to save on energy bills through incentivising the electrification of assets and improvements to energy efficiency.

Small and medium businesses, with aggregated annual turnover of less than \$50 million, will be able to deduct an additional 20 per cent of the cost of eligible depreciating assets that support electrification and more efficient use of energy. Up to \$100,000 of total expenditure will be eligible for the Small Business Energy Incentive, with the maximum bonus deduction being \$20,000.

A range of depreciating assets, as well as upgrades to existing assets, will be eligible for the Small Business Energy Incentive. These will include assets that upgrade to more efficient electrical goods such as energy efficient fridges, assets that support electrification such as heat pumps and electric heating or cooling systems, and demand management assets such as batteries or thermal energy storage. Full details of eligibility criteria will be finalised in consultation with stakeholders.

Eligible assets will need to be first used or installed ready for use between 1 July 2023 and 30 June 2024. Eligible upgrades will also need to be made in this period.

Certain exclusions will apply such as electric vehicles, renewable electricity generation assets, capital works, and assets that are not connected to the electricity grid and use fossil fuels.

This measure is estimated to decrease receipts by \$310.0 million and increase payments by \$4.2 million over the 5 years from 2022–23.

Comprehensive Sustainable Finance Agenda

Payments (\$m)

	2022-23	2023-24	2024-25	2025-26	2026-27
Australian Securities and Investments Commission	-	4.3	-	-	-
Australian Office of Financial Management	-	1.9	3.9	1.3	1.3
Department of the Treasury	-	1.6	nfp	-	-
Total – Payments	-	7.8	3.9	1.3	1.3
Related receipts (\$m)					
Australian Securities and Investments Commission	-	-	4.3	-	-

The Government will provide \$14.2 million over 4 years from 2023–24 to support its sustainable finance agenda, including \$8.3 million over 4 years from 2023–24 (and \$1.3 million per year ongoing) to establish a sovereign green bond program to raise capital for environmental and climate change related programs.

Foreign Affairs and Trade

Austrade and Export Market Development Grants – reprioritisation

Payments (\$m)

	2022-23	2023-24	2024-25	2025-26	2026-27
Australian Trade and Investment Commission	-	3.0	5.0	-43.5	-25.5

The Government will achieve savings of \$61.0 million over 4 years from 2023–24 by reducing funding for the Export Market Development Grants program. No funding already committed or applications currently under assessment will be impacted by this measure.

Expansion of Emerging Markets Impact Investment Fund

Payments (\$m)

	2022-23	2023-24	2024-25	2025-26	2026-27
Department of Foreign Affairs and Trade	-	-15.0	-56.0	-52.0	-45.0

The Government will provide \$210.0 million over 4 years from 2023–24 to expand the Emerging Markets Impact Investment Fund (EMIIF) from \$40.0 million to \$250.0 million.

The EMIIF will continue to provide catalytic financing for small and medium enterprises operating in the Indo Pacific and support the mobilisation of private and multilateral finance for development outcomes, including women’s economic empowerment and climate action.

The cost of this measure will be met from within Australia’s existing Official Development Assistance funding. As the majority of funding will provide equity and loan financing (rather than grants), the measure has a positive impact on the underlying cash balance.

Climate Change, Energy, the Environment and Water

Petroleum Resource Rent Tax – Government Response to the Review of the PRRT Gas Transfer Pricing arrangements

The Government will introduce a cap on the use of deductions to offset assessable PRRT income of liquefied natural gas (LNG) producers under the PRRT. The cap will bring forward PRRT receipts from LNG projects which are yet to pay PRRT and ensure a greater return to taxpayers from the offshore LNG industry. The cap will limit deductible expenditure to the value of 90 per cent of each taxpayer's PRRT assessable receipts in respect of each project interest in the relevant income year and apply after mandatory transfers of exploration expenditure.

Powering Australia – amendment to the Electric Car Discount

The Government will sunset the eligibility of plug in hybrid electric cars from the fringe benefits tax exemption for eligible electric cars. This change will apply from 1 April 2025. Arrangements involving plug in hybrid electric cars entered into between 1 July 2022 and 31 March 2025 remain eligible for the Electric Car Discount.

Reform of the Product Stewardship for Oil Scheme

The Government will increase the Product Stewardship for Oil (PSO) levy by 5.7 cents from 1 July 2023. The PSO levy will increase from 8.5 cents to 14.2 cents per litre for specific oils and greases. The Government will also make consequential changes to PSO category 8 benefits from 1 July 2023, raising these to 14.2 cents for oils to match the increased PSO levy.

Climate Change, Energy, the Environment and Water – reprioritisation

The Government will redirect \$113.1 million over 8 years from 2022–23 across the Climate Change, Energy, the Environment and Water portfolio to fund portfolio policy priorities. Redirected funding includes:

- \$6.5 million from uncommitted funding from the Food Waste for Healthy Soils Fund.
- \$4.0 million from uncommitted funding from the Food Waste for Healthy Soils Fund.
- \$0.7 million from uncommitted funding from the Energy Efficient Communities program.

Hydrogen Headstart

Payments (\$m)

	2022-23	2023-24	2024-25	2025-26	2026-27
Department of Climate Change, Energy, the Environment and Water	-	7.3	2.8	2.2	151.2
Australian Renewable Energy Agency	-	4.2	4.8	4.7	4.8
Total – Payments	-	11.5	7.7	6.9	156.1

The Government will provide \$2.0 billion to accelerate development of Australia's hydrogen industry, catalyse clean energy industries, and help Australia connect to new global hydrogen supply chains. Funding includes:

- \$2.0 billion for the establishment of a new Hydrogen Headstart program, which will provide revenue support for investment in renewable hydrogen production through competitive production contracts.
- \$5.6 million in 2023 24 to analyse the implications for Australia of intensifying global competition for clean energy industry, and to identify actions before the end of 2023 to further catalyse clean energy industries, ensure Australian manufacturing competitiveness and attract capital investment

- \$2.0 million over two years from 2024–25 to establish a fund to support First Nations communities to engage with hydrogen project proponents and planning processes.

Natural Heritage Trust – project funding

The Government will allocate \$741.3 million over 5 years from 2023–24 from the Natural Heritage Trust special account to support local and long term environmental and agricultural outcomes. Funding includes:

- \$341.2 million over 5 years from 2023–24 to protect nature, threatened species and habitats and to maintain delivery capability through activities like the BushBlitz, Natural Resource Management (NRM) partnerships and on ground conservation and recovery activities.
- \$302.1 million over 5 years from 2023–24 to support a climate smart, sustainable agricultural sector including funding for NRM organisations, on ground projects, support for farmers to improve soil health and natural resources and funding to maintain delivery capability.

The cost of this measure will be met from within the existing resourcing of the Natural Heritage Trust special account.

Powering the Regions Fund – final design

The Government will allocate \$1.3 billion over 5 years from 2022–23 from \$1.9 billion provided in the 2022–23 October Budget to support the decarbonisation of existing industries, develop new clean energy industries and support sovereign manufacturing capacity essential to the energy transition including:

- \$450.3 million over 4 years from 2023–24 (and a further \$149.7 million over 3 years from 2027–28) to establish the Safeguard Transformation Stream to support decarbonisation investments at trade exposed industrial facilities covered by the Safeguard Mechanism.
- \$400.0 million over 4 years from 2023–24 to establish the Industrial Transformation Stream to support reduction of direct and indirect emissions at existing industrial facilities, or clean energy development, in regional Australia.
- \$400.0 million over 3 years from 2023–24 to establish the Critical Inputs to Clean Energy Industries Stream to support the sovereign manufacturing capability of industries that produce inputs (primary steel production, cement and lime, alumina and aluminium) that are essential to the development of Australia’s clean energy industries.
- \$14.5 million over 4 years from 2023–24 to accelerate the development of the offshore renewable energy industry growth strategy and regulatory compliance activities.

Urban Rivers and Catchments Program – additional funding

Payments (\$m)

	2022-23	2023-24	2024-25	2025-26	2026-27
Department of Climate Change, Energy, the Environment and Water	-	-17.3	3.2	6.9	7.2

The Government will provide additional funding of \$118.5 million over 6 years from 2023 24 for the Urban Rivers and Catchments Program to fund projects to improve local waterways, fund activities that restore the natural habitats of aquatic species and create recreational spaces for local communities. The additional funding will deliver the next phase of the program.

Cross Portfolio

Energy Price Relief Plan

The Government will provide \$1.5 billion over 5 years from 2022–23 (and \$2.7 million per year ongoing) to reduce the impact of rising energy prices on Australian households and businesses by providing targeted energy bill relief and progressing gas market reforms. Funding includes:

- \$1.5 billion over two years from 2023–24 to establish the Energy Bill Relief Fund to support targeted energy bill relief to eligible households and small business customers of electricity retailers.

Defence

Advanced Strategic Capabilities Accelerator

The Government will provide \$3.4 billion over 10 years from 2023–24 to establish the Advanced Strategic Capabilities Accelerator within the Department of Defence to lift capacity to translate disruptive new technologies into Defence capability rapidly, in close partnership with Australian industry.

Education

Higher Education Support – amendments

The Government will also extend the Women in STEM Cadetships and Advanced Apprenticeships Program for two years to 30 June 2027, to provide new and existing participants more time to complete their science, technology, engineering and maths qualification while simultaneously continuing their careers.

Employment and Workplace Relations

Employment and Workplace Relations – reprioritisation

Payments (\$m)

	2022-23	2023-24	2024-25	2025-26	2026-27
Office of the Fair Work Ombudsman	-	-4.1	-3.9	-3.9	-3.9
Department of Employment and Workplace Relations	-16.9	-36.4	-47.6	-48.3	-47.9
Total – Payments	-16.9	-40.5	-51.5	-52.2	-51.9

The Government will achieve savings of \$212.9 million over 5 years from 2022–23 (and \$41.4 million per year ongoing) across the Employment and Workplace Relations portfolio which will be redirected to fund other portfolio policy priorities. Savings include:

- \$111.6 million over 4 years from 2023–24 by reducing place allocations for the Self Employment Assistance Small Business Coaching program to more accurately reflect utilisation of places.
- \$27.5 million over 4 years from 2023–24 by temporarily reducing uncommitted Industry Workforce Training program funding.
- \$22.8 million over 4 years from 2023–24 by ceasing the Entrepreneurship Facilitators Program from 1 July 2023.
- \$20.0 million over 4 years from 2023–24 by temporarily reducing uncommitted funding to support Job and Skills Councils.
- \$15.8 million over 4 years from 2023–24 by reducing the departmental operating funding of the Office of the Fair Work Ombudsman by 2.5 per cent.
- \$10.4 million over two years from 2022–23 by not proceeding with the Accelerating Australian Apprenticeships Pilot program.
- \$3.9 million over two years from 2022–23 by rescoping the Skills Assessments Pilots to align with current demand trends.
- \$1.1 million in 2023–24 by ceasing the Career Revive program on 30 June 2023.

The savings from this measure will be redirected to fund other Government policy priorities in the Employment and Workplace Relations portfolio.

Safe and Fair Workplaces

Payments (\$m)

	2022-23	2023-24	2024-25	2025-26	2026-27
Department of Employment and Workplace Relations	-	12.5	12.1	1.1	1.1
Fair Work Commission	-	0.6	-	-	-
Total – Payments	-	13.1	12.1	1.1	1.1

The Government will provide \$27.4 million over 4 years from 2023–24 (and \$1.1 million per year ongoing) to improve the safety and fairness of workplaces, and continue detailed consultation with key industries. Funding includes:

- \$20.0 million over two years from 2023–24 to increase to the Productivity, Education and Training Fund, to support engagement and practical activities of worker and employer representatives with workplace reforms as they progress and the implementation of the Government’s Workplace Relations agenda.

Targeted Support for Apprenticeships

Payments (\$m)

	2022-23	2023-24	2024-25	2025-26	2026-27
Department of Employment and Workplace Relations	2.7	25.1	18.1	2.0	6.4
Services Australia	-	0.2	-25.5	-20.5	-9.9
Total – Payments	2.7	25.3	-7.3	-18.4	-3.5

Grant funding of \$5.0 million over 3 years from 2024–25 will be provided to organisations with appropriate expertise in supporting women in the workplace, to further support women in historically male dominated trade apprenticeships. This will include providing education, advice or support to increase culturally safe and inclusive workplaces, reduce the cultural barriers to women’s participation, address workplace challenges and support businesses to attract and retain women. The new model will also provide support to women who commence their non traditional trade apprenticeships prior to 1 July 2024 during their transition to new service arrangements.

Finance

Buy Australian Plan

Payments (\$m)

	2022-23	2023-24	2024-25	2025-26	2026-27
Department of Finance	-	6.6	4.0	4.7	2.9

Related receipts (\$m)

Department of Finance	-	6.6	4.0	4.7	2.9
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The Government will provide \$18.1 million over 4 years from 2023–24 (and \$1.5 million per year ongoing) to the Department of Finance (Finance) to improve the Government procurement process for business, including:

- delivering tools to improve the ability of businesses to compete for procurement opportunities more effectively.
- improving AusTender to increase transparency and establish a supplier portal for panels.
- increasing engagement with small to medium enterprises to promote awareness of opportunities to sell to the Australian Government.
- improving procurement and contract management capability across the Australian Public Service to deliver value for money Commonwealth procurements.

Health and Aged Care

COVID 19 Aged Care Response

Payments (\$m)

	2022-23	2023-24	2024-25	2025-26	2026-27
Department of Health and Aged Care	223.1	361.5	-	-	-
Aged Care Quality and Safety Commission	3.1	3.1	-	-	-
Department of Veterans' Affairs	0.3	-	-	-	-
Services Australia	0.1	-	-	-	-
Total – Payments	226.7	364.6	-	-	-

The Government will provide additional funding of \$591.3 million over two years from 2022–23 to continue the Government's response to COVID 19 in aged care. Funding includes:

- \$536.6 million over two years from 2022–23 to reimburse aged care providers for additional costs incurred due to COVID 19 outbreaks that occur on or before 31 December 2023.

Supporting Affordable Health Care – Cost Recovery Arrangements

Payments (\$m)

	2022-23	2023-24	2024-25	2025-26	2026-27
Department of Health and Aged Care	-	10.1	6.7	6.4	6.3

Related receipts (\$m)

Department of Health and Aged Care	-	5.7	9.0	9.3	9.8
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The Government will provide \$29.5 million over 4 years from 2023–24 to design, implement and maintain a range of cost recovery arrangements to support affordable health care and ensure services provided to commercial entities are consistent with the Australian Government Charging Framework. Funding includes \$11.4 million over 4 years from 2023–24 (and \$2.9 million ongoing) to fund enhanced services to the medical device industry under new arrangements relating to the Prostheses List. These costs will be partially offset from increased revenue of \$9.3 million over 4 years (\$3.3 million ongoing) recovered from existing and new charges for services to the industry.

Home Affairs

Disaster Support

Payments (\$m)

	2022-23	2023-24	2024-25	2025-26	2026-27
Department of the Treasury	-	-	-	-	-
Department of Health and Aged Care	-	2.9	4.3	-	-
Department of Infrastructure, Transport, Regional Development, Communications and the Arts	-	nfp	nfp	nfp	nfp
National Emergency Management Agency	-3.5	nfp	nfp	nfp	nfp
Total – Payments	-3.5	2.9	4.3	-	-

The Government will provide funding to improve Australia’s resilience to natural disasters and support recovery of impacted communities including:

- \$2.3 million in 2022–23 to extend the Regional Small Business Support Program Pilot until 30 June 2023 to continue existing support to regional small businesses, with costs met from within existing uncommitted resources of the National Emergency Management Agency

Infrastructure, Transport, Regional Development, Communications and the Arts

Heavy Vehicle Road User Charge – increase

Payments (\$m)

	2022-23	2023-24	2024-25	2025-26	2026-27
Department of Infrastructure, Transport, Regional Development, Communications and the Arts	-	-	-	-	-
Australian Taxation Office	-	-101.8	-228.2	-369.3	-391.5
Total – Payments	-	-101.8	-228.2	-369.3	-391.5

The Government will increase the Heavy Vehicle Road User Charge rate from 27.2 cents per litre of diesel by 6 per cent per year over 3 years from 2023–24 to 32.4 cents per litre in 2025–26. This will decrease expenditure on the fuel tax credit by \$1.1 billion over 4 years from 2023–24.

The change to the Road User Charge was a decision of the Infrastructure and Transport Ministers in April 2023 to contribute to road maintenance and repair.

Revive – National Cultural Policy and Location Incentive

Payments (\$m)

	2022-23	2023-24	2024-25	2025-26	2026-27
Australian Institute of Aboriginal and Torres Strait Islander Studies	0.6	2.6	1.8	-	-
Australia Council	-	22.5	45.5	62.6	72.6
National Gallery of Australia	-	2.1	2.9	3.0	3.8
Screen Australia	-	0.9	0.9	0.9	0.9
Department of Health and Aged Care	-	-	-	1.5	1.7
Australian Taxation Office	-	-	-4.4	36.7	25.1
Department of Infrastructure, Transport, Regional Development, Communications and the Arts	-42.2	0.5	16.5	-20.2	-54.2
Total – Payments	-41.6	28.6	63.2	84.6	49.9
<i>Related receipts (\$m)</i>					
Australia Council	-	0.5	0.5	0.6	0.6

The Government will provide \$286.0 million over 5 years from 2022–23 (and \$81.2 million per year ongoing) to support Australia’s arts, entertainment and cultural sector under the National Cultural Policy – Revive (Revive). Funding includes:

- \$199.0 million over 4 years from 2023–24 (and \$72.3 million per year ongoing) for Creative Australia to support delivery of Revive and to establish 4 new bodies to provide greater strategic oversight and engagement across the sector including a First Nations led body, Music Australia, Writers Australia and Creative Workplaces.
- \$13.4 million over 5 years from 2022–23 to protect First Nations traditional knowledge and cultural expression and First Nations artists and related workers through the introduction of stand alone legislation and artist mentorship and training programs.

- \$12.0 million over 4 years from 2023–24 (and \$3.0 million per year ongoing) for Screen Australia to support Australian interactive games businesses to grow operations and capitalise on emerging opportunities.

The Government will also provide:

- \$112.2 million over 4 years from 2024–25 to attract investment from large budget screen productions and provide domestic employment and training opportunities by increasing the Location Offset rebate rate to 30 per cent, whilst increasing the minimum Qualifying Australian Production Expenditure thresholds to \$20.0 million for feature films and \$1.5 million per hour for television series.
- \$6.9 million over 4 years from 2023–24 (and \$1.8 million per year ongoing) for Ausfilm to continue to market Australia as a destination for screen production.
- \$0.5 million over 3 years from 2024–25 (and \$0.2 million per year ongoing) for the Australia India Audio Visual Co Production Agreement to enable eligible producers to access the Producer Offset, a refundable tax offset for approved Australian expenditure.

Supporting Transport Priorities

- \$43.6 million over 4 years from 2022–23 to establish a new National Road Safety Action Grants Program to support community education and awareness, vulnerable road users, First Nations road safety, technology, innovation and research.

Supported Employment

Payments (\$m)

	2022-23	2023-24	2024-25	2025-26	2026-27
Department of Social Services	-	16.1	23.2	14.7	3.1

The Government will provide \$57.0 million over 4 years from 2023–24 to support the evolution of the supported employment sector, following the recent Fair Work Commission decision on the Supported Employment Services Award 2020 and other changes impacting the sector. Funding includes:

- \$35.0 million over 3 years from 2023–24 to establish a structural adjustment fund to assist supported employment organisations to evolve their business models.



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