

Employment, Workplace Relations and Small Business

Business Entry Point Initiative

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Employment, Workplace Relations and Small Business:	-	-	-	-

Explanation

This measure allows for the progress and development of the Business Entry Point (BEP) initiative, involving expenses of \$2.1 million in 2000-01 to be absorbed within existing Department of Employment, Workplace Relations and Small Business resourcing. A further \$4.4 million has been set aside in 2000-01 from existing resourcing to fund non-current asset additions.

The BEP is an Internet-based service, supported by a telephone hotline, that provides for free access for business to all levels of government through a single entry point. The BEP initiative will be reviewed during 2000-01, following implementation of the tax reform measures.

Further Information

This measure contributes to the Government's target, announced by the Prime Minister on 8 December 1997, to deliver all appropriate services online via the Internet by 2001.

Dairy Regional Assistance Programme

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Employment, Workplace Relations and Small Business:	15.0	15.0	15.0	-

Explanation

As part of the Dairy Industry Adjustment package, a new Dairy Regional Assistance Programme (DRAP) will commence on 1 July 2000. DRAP will provide additional financial assistance to ameliorate the potential impact of dairy industry deregulation on regional communities dependent on the industry.

DRAP will assist dairy communities with new industry development and adjustment programmes. The funding will be available to seed new industries, support counselling services, retraining, and community infrastructure.

DRAP will be administered by the Commonwealth through the Regional Assistance Programme.

Further Information

See also the related expense measure titled *Monitoring of the prices of certain milk products* in the Treasury portfolio.

Employee Entitlements Support Scheme

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Employment, Workplace Relations and Small Business:	55.0	40.0	40.0	-

Explanation

The Government has established an Employee Entitlements Support Scheme to assist people who suffer a loss of employee entitlements due to employer insolvency. The Scheme will provide for a maximum payment of \$20,000 per person with that amount to be recovered, where possible, from the employer's remaining resources.

The Scheme has been established on an interim administrative basis in the first instance and is backdated to cover employees dismissed because of their employer's insolvency on or since 1 January 2000. Outstanding employee entitlements will be paid out of a fund established for this purpose.

The cost to the Commonwealth of the Scheme in 1999-2000 will be met from within existing resourcing.

The Government intends that the Scheme will be funded jointly by the Commonwealth and participating States and Territories on an equal basis. In the event that a State or Territory does not wish to participate, the Commonwealth will nevertheless contribute 50 per cent of the benefits of the Scheme for employees working in that State or Territory.

Further Information

In recognition of the primary responsibility that employers have to meet their employee entitlements, the Government has introduced legislation to amend the Corporations Law so as to strengthen legal obligations on company directors and managers to protect employee entitlements.

Retail Grocery Industry Ombudsman Scheme

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Employment, Workplace Relations and Small Business:	-	-	-	-

Explanation

The Government's response to the Report of the Joint Select Committee on the Retailing Sector *Fair Market or Market Failure?* provided for a number of initiatives to improve the operation of the retail grocery sector.

- The Government is supporting the development of a voluntary Retail Grocery Industry Code of Conduct. To facilitate this, a Retail Grocery Industry Code of Conduct Committee has been established. The Department of Employment, Workplace Relations and Small Business (DEWRSB) is providing limited secretariat support to the Committee, involving funding of \$0.1 million in 1999-2000, to be absorbed within existing DEWRSB resourcing.
- The *Trade Practices Act 1974* will be amended to enhance small business access to the unconscionable conduct provisions under section 51AC, and to give the Australian Competition and Consumer Commission the power to undertake representative actions and to seek damages on behalf of third parties.
- The Government will establish a Retail Grocery Industry Ombudsman Scheme and an office to support the operations of the Scheme, involving funding of around \$0.9 million a year, to be absorbed within existing DEWRSB resourcing.

Further Information

The Joint Select Committee on the Retailing Sector was established on 10 December 1998 to inquire into and report on market concentration in the retail sector. The Committee delivered its report to the Government on 30 August 1999. The Retail Grocery Code of Conduct will be reviewed after three years of operation, or earlier if appropriate.

Environment and Heritage

Establishment of a regulator for the mandatory target for the uptake of renewable energy in power supplies

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Australian Greenhouse Office:	-0.6	-0.5	-0.4	1.5

Explanation

The Government will establish a regulator as part of the Australian Greenhouse Office (AGO) to oversee the implementation and progress towards achieving the mandatory targets of an additional 9,500 gigawatt hours of renewable energy used in power supplies by 2010. The mandatory targets will be achieved by the imposition of legally enforceable liabilities on wholesale purchasers of electricity to proportionately contribute towards supporting the purchase of this additional renewable energy.

The four-year cost of this measure will be \$6.5 million, with no net Budget impact. The AGO will fully absorb the costs for each of the first three years (\$5 million from 2000-01 to 2002-03). In addition, the AGO will provide offsets during the first three years to fund the costs of the fourth year (\$1.5 million in 2003-04).

Further Information

The Government agreed to the implementation of the mandatory target for the uptake of renewable energy in power supplies as a result of the Prime Minister's November 1997 Statement *Safeguarding the Future: Australia's Response to Climate Change*.

Interim Sydney Harbour Federation Trust

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of the Environment and Heritage:	-	-	-	-

Explanation

The Government will allocate funding of \$6 million over two years, from existing funding, to the interim Sydney Harbour Federation Trust (the Trust is interim, pending passage of enabling legislation establishing the Trust). The funding will allow the Trust to develop management plans for each site and ensures that essential maintenance and security of Trust properties occurs, as well as providing limited

public access. The properties include North Head, Georges Head, Middle Head, Woolwich Dock and Cockatoo Island.

Pricing review of departmental resourcing

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of the Environment and Heritage:	-5.0	-5.0	-5.0	-5.0

Explanation

The Government has endorsed the outcomes of phase 1 of a pricing review on corporate services and grant administration outputs, conducted jointly between the Departments of the Environment and Heritage, and Finance and Administration. This will result in a reduction in the resourcing for the Department of the Environment and Heritage by \$5 million per annum. This reduction will be directed towards partly meeting the costs associated with the limits of the Continental Shelf off the Australian Antarctic Territory.

The reduction in resourcing reflects a range of improvements to efficiency and effectiveness that have been identified in the areas of corporate services and grant administration that were developed as part of the review of the Department's activities.

Further Information

See also the related expense measures titled *Reallocation of departmental resources* and *Reallocation of Technology Diffusion Programme Funds*, in the Industry, Science and Resources portfolio; and *Mapping of the Australian Antarctic Territory extended Continental Shelf* in the Finance and Administration portfolio.

Product stewardship arrangements for waste oil

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of the Environment and Heritage:	24.7	24.5	24.2	24.0

Explanation

As part of the development of product stewardship arrangements for waste oil, a five-cent per litre levy will be applied to lubricating oils and similar products during 2000-01, to fund payments involved in sustainable recycling and reuse of waste oil. Revenue raised through the new levy on lubricating oils and similar products will be

paid as a subsidy under this measure to waste oil recyclers and reusers to support sustainable long-term arrangements for the management of waste oil in Australia.

Further Information

The introduction of product stewardship arrangements for waste oil was announced in May 1999, as part of *The New Tax System — Measures for a Better Environment* package. The Government has also committed \$60 million over four years for transitional assistance to facilitate the introduction of product stewardship, as announced in the Mid Year Economic and Fiscal Outlook measure, *Oil Recycling*.

See also the related revenue measure *Product stewardship arrangements for waste oil* in the Treasury portfolio.

Family and Community Services

Amendments to A New Tax System (Family Assistance and Related Measures) Bill (2000)

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Family and Community Services:	0.7	0.2	0.2	0.2

Explanation

The Government will amend the *A New Tax System (Family Assistance and Related Measures) Bill (2000)* to ensure that the family assistance regime to be introduced on 1 July 2000 is comprehensive. Some of the amendments are of a technical nature to ease implementation while others involve changes to eligibility:

- extending eligibility to individuals who receive the Special Benefit but who do not meet the Family Tax Benefit or Child Care Benefit residence requirement;
- increasing rent assistance for parents paying low rent and sharing the care of a child; and
- measures to make the transition to the new Child Care Benefit scheme more effective.

Child Support Package — a lower cap on payer income subject to child support formula assessment

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Family and Community Services:

Explanation

The Government will modify the 'cap' on payer taxable income that is subject to child support assessment to more closely reflect the costs of raising children. The 'cap' is currently set using the benchmark of two and a half times the average total weekly earnings of all full-time employees (\$101,153 per annum in 2000-01). The 'cap' will now use the benchmark of two and a half times the average total weekly earnings of all employees (\$78,378 per annum in 1999-2000).

Child Support Package — assessment of income for child support parents undertaking overtime/second jobs

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Family and Community Services:	0.3	0.7	0.7	0.7

Explanation

To assist parents who are seeking to improve the circumstances of their second family, the Government will exclude second income earnings from the assessment process for child support. Under this measure, a child support payer who has taken on work outside their normal earning pattern to support their second family will be able to apply to the Child Support Agency to have some of the additional income excluded from the assessment of child support.

The Child Support Registrar will determine the extent of any reduction in child support taking into account the circumstances of both parents and the child.

The necessary assessments will increase expenses for the Department of Family and Community Services.

Child Support Package — an increase in the Family Tax Benefit income test deduction for payers with a subsequent family

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Family and Community Services:	0.1	5.3	5.7	6.1

Explanation

The Government will increase the level of deductions allowed for the Family Tax Benefit and Childcare Benefits income test for child support payers from 50 per cent to 100 per cent of any child support they pay. This measure will ensure that income assessed for Family Tax Benefit and Childcare Benefit reflects the income actually available to the family of a child support payer. It will not reduce the amount of child support paid.

Child Support Package — lower formula percentages for payers exercising contact with their children

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Family and Community Services:	1.4	16.4	14.5	15.2

Explanation

To assist parents to maintain contact with their children following separation or divorce, the Government will modify the child support formula to recognise the additional costs faced by parents who maintain contact with their children. A specific and transparent allowance for the costs of caring for a child between 10 per cent and 30 per cent of the nights of the year will be incorporated into the child support formula. In such cases, the child support formula (currently 18 per cent of income) will be reduced by either two percentage points (for parents exercising contact 10 to 19 per cent of nights) or three percentage points (for parents exercising contact 20 to 29 per cent of nights) depending on the level of contact. Currently the payment is reduced by 4 per cent for parents exercising contact for 30 to 39 per cent of nights. Above this, both parents are considered payers and different arrangements apply.

The reduction in child support paid will in some cases be partially offset by an increase in family payment.

Child Support Package — post separation counselling and support for non-resident parents

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Family and Community Services:	0.2	0.4	-	-

Explanation

The Government will implement a pilot programme in two sites to help parents who no longer live with their children to improve their relationships and parenting skills.

The pilot programme will provide intensive practical assistance and ongoing support by assisting clients to access existing community and government programmes such as parenting skills training; peer support services; relationship management programmes; legal advice services; and financial counselling services.

Compliance Strategy – measures to improve control of incorrect payment and fraud – detection

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Family and Community Services:	-14.9	-31.0	-29.2	-31.0

Explanation

The Government will introduce a number of initiatives to improve the detection of incorrect income support payments and fraud. This will be achieved through:

- increased data-matching reviews, and enhancement of the data-matching detection systems to improve the quality of matches;
- amendment to the *Data-matching Programme (Assistance and Tax) Act 1990* to allow matching of income details between the Australian Tax Office (ATO) and Centrelink to be extended to a period of 4 years; and
- an exchange of information between the ATO and Centrelink's tip-off recording systems.

Compliance Strategy – measures to improve control of incorrect payment and fraud – deterrence – publicity campaign to encourage customer compliance

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Family and Community Services:	0.7	-6.4	-21.3	-0.5

Explanation

During 2001-02, the Government will conduct a multi-media campaign intended to increase the level of voluntary compliance with social security law. After the initial set up costs, the increased compliance will lead to savings in welfare payments.

Compliance Strategy – measures to improve control of incorrect payment and fraud – research and development projects

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Family and Community Services:	-12.9	-17.1	-6.7	-0.9

Explanation

The Government will test ways to improve the control of incorrect income support payments, and fraud by:

- conducting random sample surveys of Age Pension and Youth Allowance customers to provide data on the level and reasons for incorrect payment; and
- implementing a number of feasibility studies to pilot additional data-matching and inter-agency activities to test their cost-effectiveness.

Continuation of payment to voluntary work agencies

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Family and Community Services:	1.2	1.6	1.6	1.7

Explanation

The Government will continue its support of voluntary work agencies that assist unemployed people to get and retain contact with the workforce. This initiative aims to improve the effectiveness of voluntary work amongst unemployed income support recipients.

The referral service will facilitate placement of unemployed people in suitable voluntary work positions so that they can obtain the maximum benefits from their voluntary work. Training in volunteer management will assist voluntary work agencies to implement good volunteer management practices to enhance the value of voluntary work to unemployed people.

Extend Double Orphan Pension eligibility

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Family and Community Services:

Explanation

The Government will extend the eligibility of the Double Orphan Pension to young people whose sole living parent is a long term remandee. For the period that the parent is on remand for a sentence which potentially carries a term of 10 years or more, the 'orphan' is provided with some financial support.

Extension of the Retirement Assistance for Farmers Scheme

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Family and Community Services:	1.5	1.9	1.9	2.0
Department of Veterans' Affairs:	0.4	0.3	0.3	0.4
Total	1.9	2.3	2.3	2.4

Explanation

The Government will extend the Retirement Assistance for Farmers Scheme until 30 June 2001, pending a review of the scheme. This will enable eligible farmers to gain access to benefits past the current closing date in September 2000.

The Retirement Assistance for Farmers Scheme was introduced to enable low income and pension-aged farmers (with net farm assets of up to \$500,000) to transfer their farms to a younger generation and gain immediate access to the Age Pension.

This is a cross portfolio measure between the Department of Family and Community Services and the Department of Veterans' Affairs.

Family Assistance Office review mechanism

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Family and Community Services:	10.7	3.2	0.1	0.1

Explanation

On 10 April 2000 the Minister for Family and Community Services announced the broad parameters of a scheme to enable people to claim a top-up payment if they are able to demonstrate that they are disadvantaged by the introduction of the new family assistance arrangements. The assessment will be made by the Family Assistance Office based on the combined effects of changes to income tax, family assistance and other social payments as part of taxation reforms, and the impact of the Goods and Services Tax (GST). This funding enables the Family Assistance Office to assess inquiries regarding this scheme. Should assessment identify people disadvantaged funding for additional payments will be provided at that time.

Further Information

See also the related capital measure *Family Assistance Office review mechanism* in the Family and Community Services portfolio.

Further simplification of the Social Security Act (1991)

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Family and Community Services:	0.2	-0.2	-1.1	-1.7
Department of Veterans' Affairs:	0.3	..	-0.2	-0.2
Total:	0.5	-0.2	-1.3	-1.9

Explanation

The Government will further simplify the *Social Security Act (1991)* to achieve a simpler social security system that is fairer, easier to administer and more efficient. These changes will improve and simplify the means test provisions and the various rate calculators that determine the rates of payment for entitlements.

Although there are some set up costs, these are more than offset by the savings in later years.

This is a cross portfolio measure between the Department of Family and Community Services and the Department of Veterans' Affairs.

Increase in Youth Allowance assets limits for farms and businesses

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Family and Community Services:	18.5	36.8	37.7	38.6

Explanation

The Government will increase the family asset threshold governing access to Youth Allowance for dependent young people, by increasing the discount for farm and business assets from 50 per cent to 75 per cent. The measure increases the maximum limit for business assets from \$829,000 to \$1.7 million. The family actual means test and parental income test will continue to be applied where appropriate.

Dependent tertiary students who qualified for a Category 2 loan under the Student Financial Supplement Scheme because they were not eligible for Youth Allowance due to their family's business assets, will now be eligible to receive Youth Allowance subject to the family income test.

Further information

The measure is designed to prevent the asset threshold imposing a disincentive for young people from families with farm and small business assets to continue with education or training.

Introduction of a Preparing for Work Activity Agreement for new claimants of unemployment benefits

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Family and Community Services:	-25.8	-59.8	-62.2	-64.2

Explanation

The Government will build on the successful mutual obligations framework by requiring all new claimants of unemployment payments who have an activity test requirement to enter into a Preparing for Work Activity Agreement. This Agreement will increase compliance with mutual obligation requirements, ensure that benefit recipients are aware of their rights and obligations, and streamline unemployment processes.

Pay Family Allowance to carers of orphaned children

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Family and Community Services:	0.3	0.2	0.3	0.4

Explanation

The Government will pay higher amounts of Family Allowance to foster parents of orphaned children, where the foster parents are eligible for a lesser amount than the natural parents would have been. The amount of Family Tax Benefit will follow the child from the natural family to the foster family, and the difference between the natural and foster parent rates will be paid as a supplement with the existing Double Orphan Pension entitlement.

Pricing review of departmental resourcing

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Family and Community Services:	-8.1	-18.1	-28.6	-36.2

Explanation

The Government has endorsed the outcomes of a joint pricing review between the Department of Family and Community Services (FACS) and the Department of Finance and Administration. This review has resulted in a reduction in resourcing for FACS equivalent to 1 per cent of its total departmental appropriation in 2000-01, 3 per cent in 2001-02 and 5 per cent in both 2002-03 and 2003-04. The review has also resulted in a 3 per cent per annum reduction in resourcing to the Child Support Agency. This will be achieved through strategies that increase the proportion of child support paid directly from one parent to another without intervention from the Agency.

An important element of the review was the collection of performance information from a range of providers to identify and promote better practices in the delivery of government services.

The reduction in resourcing reflects a range of improvements to efficiency and effectiveness that have been identified as part of the review.

Protection of people affected by the termination of the Social Security Agreement with the United Kingdom

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Family and Community Services:	-0.8	-2.8	-4.0	-5.5

Explanation

The Government announced in July 1999 that it would be terminating the Social Security Agreement with the United Kingdom. This measure provides for the protection of people affected by the termination of the Agreement.

People who migrated on or before 1 March 2000, the date that written notice of termination was formally served, will get early access to the Australian Age Pension, as happens now under the Agreement, after the Agreement terminates on 1 March 2001.

Further Information

Formal notice of termination was served on the UK Government on 1 March 2000. The Agreement will terminate on 1 March 2001, twelve months after notice was served.

Under the termination provisions of the Agreement, people currently receiving payments under the Agreement or who have lodged claims and are entitled to payment before the Agreement terminates will continue to be paid.

Removal of anomaly between ABSTUDY and the social security income test

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Family and Community Services:	1.3	0.4	0.4	0.4
Department of Veterans' Affairs:
Total:	1.3	0.4	0.4	0.4

Explanation

The Government will ensure equity in the treatment of ABSTUDY recipients compared to other income support recipients by excluding ABSTUDY payments from the normal partner social security income test.

This measure removes an anomaly in social security legislation where ABSTUDY payments are not excluded from the partner social security income test, unlike other income support payments. Approximately 600 ABSTUDY/social security recipient couples will receive fairer payments.

This is a cross portfolio measure between the Department of Family and Community Services, and the Department of Veterans' Affairs (DVA). As there are a small number of DVA pensioners in receipt of ABSTUDY benefits, the exclusion of ABSTUDY from the income test also has an impact on DVA expenses.

Removal of direct deduction rules from partners of compensation recipients

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Family and Community Services:	0.3	3.8	4.1	4.3
Department of Veterans' Affairs:	0.2	0.2	0.2	0.2
Total:	0.5	4.0	4.3	4.5

Explanation

The Government will increase the amount of income support payments made to couples with low levels of income derived largely (or solely) from compensation payments.

This allows for a more generous treatment for the partner of a compensation recipient by replacing the current dollar for dollar direct deduction rules for partners of compensation recipients with the normal social security income test.

This is a cross portfolio measure between the Department of Family and Community Services, and the Department of Veterans' Affairs (DVA). A small number of DVA's income support pensioners also receive periodic compensation payments, resulting in an small expense to DVA from the implementation of this measure

Revised means test treatment of private trusts and private companies

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Family and Community Services:	22.2	-37.7	-126.6	-132.6
Department of Health and Aged Care:	-	-2.3	-4.8	-5.0
Department of Veterans' Affairs:	3.2	-2.6	-8.8	-8.9
Total:	25.4	-42.6	-140.3	-146.5

Explanation

The Government will introduce measures to ensure that customers who hold their assets in private companies or trusts receive comparable treatment under the means test to those customers who hold their assets directly.

Currently assets held in discretionary trusts are not assessable and any income derived from the trust is assessed only upon distribution. Assets held in private companies are currently assessed according to the net asset backing of the company. This may bear little relationship to the wealth an individual actually controls within the company.

In order to moderate the impact on farmers, in some circumstances, controllers of smaller farms (to a net value not exceeding \$750,000) will be allowed to remain as trust appointer. This will allow them elementary power with respect to farm property without affecting their entitlement to income support.

The revised treatment will apply to all means tested income support payments made under the *Social Security Act 1991* and the *Veterans' Entitlements Act 1986* from 1 January 2002.

The complex initial assessment and major systems changes together result in significant upfront costs. This upfront investment will return major savings to Government.

This is a cross portfolio measure between the Department of Family and Community Services, the Department of Veterans' Affairs and the Department of Health and Aged Care. See also the related capital measure, *Revised means test of private trusts and private companies*, in the Family and Community Services portfolio.

Stronger Families and Communities Strategy — 'Can Do Community' Initiative

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Family and Community Services:	0.8	1.8	1.8	0.8

Explanation

This measure forms part of the *Stronger Families and Communities Strategy* announced by the Prime Minister on 16 April 2000. The Government will encourage community participation by showcasing Australian best practice examples of community revitalisation, and providing communities with access to new ideas and contacts useful in developing their own local solutions to local problems. It will include a project ideas bank, and mechanisms to encourage people to become more involved in their community.

Stronger Families and Communities Strategy — national communication campaign

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Family and Community Services:	3.5	2.5	1.0	1.0

Explanation

This measure forms part of the *Stronger Families and Communities Strategy* announced by the Prime Minister on 16 April 2000. The Government will implement a communications strategy to encourage families to use prevention and early intervention services; promote local partnerships to support families in their community and workplace, and address values and attitudes by promoting key messages.

The strategy will target particular audiences through a range of media including television, radio, print media, Internet, CD ROM, videos and publications.

Stronger Families and Communities Strategy — Early Intervention Parenting and Family Relationship Support Initiative

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Family and Community Services:	2.6	12.1	14.2	17.2

Explanation

This measure forms part of the *Stronger Families and Communities Strategy* announced by the Prime Minister on 16 April 2000. The Government will enhance parenting and family relationship support through services and activities with a focus on prevention and early intervention, and target 'at risk' and disadvantaged groups. This initiative will provide practical skills and support for parents and families.

Elements include:

- enhancing parenting skills;
- establishing more playgroups in regional and rural areas;
- providing relationship education in innovative and responsive ways;
- developing relationship education materials tailored to the needs of families and transitions in family life;
- family counselling in rural and regional communities; and
- the development of training resources for legal, medical and other professionals who work with families to assist and refer families when they need support.

Stronger Families and Communities Strategy — greater flexibility and choice in child care initiative

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Family and Community Services:	4.0	12.0	20.1	29.3

Explanation

This measure forms part of the *Stronger Families and Communities Strategy* announced by the Prime Minister on 16 April 2000. This package aims to improve the flexibility of child care to better meet the needs of families and increase equity for families under the Child Care Benefit.

This will include:

- providing better support to assist families to balance paid work, education, community activities and parenting responsibilities through increased flexibility and choice of child care; and
- enlarging the choice of service through
 - extending access to the means tested Child Care Benefit for in-home care for non standard hours and caring for sick children (7,700 new places over four years);
 - allowing private operators to manage Family Day Care schemes and Outside School Hours Care Schemes within existing planning frameworks;
 - providing incentives to private operators to set up centres in rural and regional Australia by offering establishment, set-up and equipment funding along with guaranteed child care benefit funding for the first two years of operation; and
 - setting common standards of quality.

Stronger Families and Communities Strategy – Local Solutions to Local Problems Initiative

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Family and Community Services:	1.5	4.8	4.6	4.6

Explanation

This measure forms part of the *Stronger Families and Communities Strategy* announced by the Prime Minister on 16 April 2000. The Government will assist socially disadvantaged communities to respond to local problems through a variety of practical, locally developed solutions. The communities will be able to tailor the initiatives to address local needs and priorities. There will be a focus on initiatives that work in a partnership approach and build capacity over the long term.

Funding for up to 500 projects over four years will be provided for individual communities to develop flexible and relevant solutions for enhancing community cohesiveness and wellbeing. It will also assist in strengthening links between communities, business and government to produce better outcomes for communities.

Stronger Families and Communities Strategy — longitudinal study of Australian children

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Family and Community Services:	0.2	1.8	0.5	3.6

Explanation

This measure forms part of the *Stronger Families and Communities Strategy* announced by the Prime Minister on 16 April 2000. The Government will conduct a national longitudinal cohort study of children and their families to inform Government policy on early childhood and effective early intervention and prevention strategies in areas of health, education, child care and family support. It will provide unique Australian data and complement other current social research on families.

Stronger Families and Communities Strategy — National Skills Development Programme for volunteers and the International Year of the Volunteer

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Family and Community Services:	3.8	6.0	3.0	3.0

Explanation

This measure forms part of the *Stronger Families and Communities Strategy* announced by the Prime Minister on 16 April 2000. The United Nations has identified 2001 as the International Year of the Volunteer. The Government has decided to respond by offering a number of activities that communities may select to celebrate the International Year of the Volunteer. This will include promotion of volunteer activity, greater recognition of volunteers and the fostering of volunteer efforts in rural and regional areas. Funding continues beyond the International Year of the Volunteer because volunteers are an important ingredient of strong and sustainable communities.

The initiative will also enable people to develop skills as volunteers by providing the skills training necessary for volunteers to provide a better standard of service to community groups.

Stronger Families and Communities Strategy — Potential Leadership in Local Communities Initiative

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Family and Community Services:	3.0	11.7	11.2	11.2

Explanation

This measure forms part of the *Stronger Families and Communities Strategy* announced by the Prime Minister on 16 April 2000. The Government will support leadership at the community level by identifying potential community leaders in socially disadvantaged areas and those active in the community outside industry and government structures. A coaching programme will give individuals the skills and support to identify local problems and develop local solutions. This will further enhance the capacity of communities to address local problems and tap into local resources. Funding for up to 400 communities over four years will be provided.

Stronger Families and Communities Strategy — Stronger Families Fund

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Family and Community Services:	2.5	7.5	13.0	17.0

Explanation

This measure forms part of the *Stronger Families and Communities Strategy* announced by the Prime Minister on 16 April 2000. The Government will establish a Stronger Families Fund. The Fund will encourage communities to develop innovative ways to help families function better by focusing assistance on early childhood and parenting.

Neighbourhoods and communities will identify ways to strengthen and support families in their local community by combining Stronger Families Fund and community resources and infrastructure to respond to local needs and issues. Projects might cross a range of government portfolio areas and will focus on prevention and early intervention. Projects will build on existing infrastructure such as health and childcare centres, schools, playgroups, workplaces, churches, sporting and recreational clubs. Partnerships between local residents, volunteers and paid professionals from business, government and non-government organisations will be an integral part of this approach.

A total of about 75 projects across Australia will be established, a number of which will be developed in Aboriginal and Torres Strait Islander communities. They will utilise

opportunities for linkages with other initiatives including the National Indigenous English Literacy, Numeracy and Attendance Strategy.

The New Tax System — GST Assistance Scheme for low income earners

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Family and Community Services:	9.6	-	-	-

Explanation

The *GST Assistance Scheme for low income earners* will provide a one-off payment of \$120 to low income persons who can identify themselves as not being eligible to receive compensation from either the taxation or social security systems and not being a dependant of such a person.

Unauthorised Arrivals in Australia — apply the activity test to recipients of Special Benefits

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Family and Community Services:	4.0	0.9	-1.9	-2.0

Explanation

The Government will apply activity testing and other requirements to the holders of Temporary Protection Visas.

Under this measure, holders of Temporary Protection Visas will be subject to mutual obligation requirements similar to Australian nationals in receipt of unemployment benefits. In addition to providing access to the Job Network, this is expected to increase their integration with the workforce and therefore improve the chance of moving off Special Benefits and into employment.

This measure increases expenses in the short term, reflecting the need to implement changes to systems and to provide appropriate assessment and translating services. These expenses will be more than offset in later years as usage of Special Benefits declines.

Further Information

This measure forms part of the package of measures implemented in response to the report on *Unauthorised Arrivals in Australia*, commissioned to address the rapid growth of unauthorised arrivals by boat and to reduce outlays on detention and processing.

See also the related expense and capital measures in the Immigration and Multicultural Affairs and Attorney-General's portfolios.

Welfare reform pilots — mature age participation pilot

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Family and Community Services:	3.0	0.1	-	-

Explanation

The Government will introduce a pilot programme to test the extent to which certain groups of older working-age Australians (aged 50 years and over) face barriers to greater economic and social participation.

The pilot programme will test the feasibility and effectiveness of a range of approaches to assist these people to be more active in work and community life. The pilot will test ways of offering new opportunities to some groups of older Australians, who may not have previously had access to the full range of employment and other services. These opportunities could offer a way of fostering a culture of self-reliance in the community, while providing an effective safety net.

Welfare reform pilots — tailored assistance for the very long term unemployed pilot

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Family and Community Services:	1.4	-	-	-

Explanation

The Government will introduce a pilot programme to test the effectiveness of different strategies to help the very long-term unemployed. The pilot will involve intensive interviews with Newstart Allowance customers who have been on income support for five years or more. The interview will examine the extent of multiple and extreme barriers to workforce participation that interviewees face and develop strategies to address these barriers.

Welfare reform pilots – workless families assistance pilot

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Family and Community Services:	2.4	..	-	-

Explanation

The Government will introduce a pilot programme to test new ways to help families without paid work and who have school age children to increase their economic and social participation.

The pilot programme will test approaches to help couples balance their caring and economic participation roles by improving access to existing programmes such as job search, training, voluntary work, or other activities. The characteristics and reasons associated with uptake/non-uptake of services by Parenting Payment customers will also be explored.

Finance and Administration

Mapping of the Australian Antarctic Territory extended Continental Shelf

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Finance and Administration:	15.8	11.6	1.4	1.6

Explanation

The Government will undertake a programme of mapping the limits of the Continental Shelf off the Australian Antarctic Territory beyond Australia's 200 nautical mile Exclusive Economic Zone, to preserve Australia's rights under the United Nations Convention on the Law of the Sea.

Resources will be provided to the Department of Finance and Administration to manage this project in consultation with the Antarctic Division of the Department of Environment and Heritage. The Department of Finance and Administration will contract out the services to collect and analyse data necessary to delineate the outer limits of the Antarctic continental shelf for submission to the Commission on the Limits of the Continental Shelf by November 2004.

Further Information

See also related expense measures *Reallocation of departmental resources* and *Reallocation of Technology Diffusion Programme funds* in the Industry, Science and Resources portfolio and *Pricing review of departmental resourcing* in the Environment and Heritage portfolio.

Reduction in departmental resourcing

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Finance and Administration:	-5.0	-5.0	-5.0	-5.0

Explanation

The resourcing of the Department of Finance and Administration will be reduced by \$5 million per annum reflecting further efficiencies in the use of its resources.

Continuation of resourcing for OASITO

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Office of Asset Sales and Information Technology Outsourcing:	5.0	-	-	-

Explanation

The Government will provide the Office of Asset Sales and Information Technology Outsourcing (OASITO) with funding of \$5 million in 2000-01. This will enable OASITO to continue to undertake activities associated with its asset sales programme and re-instate funding for a notional asset sales team of about 30 staff on a full year basis.

OASITO will also provide advice (in conjunction with the Department of Defence) on the Commonwealth's options for the future ownership and control of the Australian Submarine Corporation. This study is estimated to cost \$2 million in 1999-2000.

Further Information

Consistent with previous practice, the departmental expenses for OASITO are determined in the annual budget process.

Foreign Affairs and Trade

Australian Youth Ambassadors for Development Programme

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Australian Agency for International Development:	-	-	-	-

Explanation

The Government announced in 1998 a two-year pilot to foster links between Australia and regional countries by placing young skilled Australians in developing countries throughout the Asia-Pacific region to carry out a range of development activities. The aim of the pilot is for youth ambassadors to bring back to Australia a practical appreciation of the cultures, economies and development needs of the countries in our region. Following its success with young Australians and strong support from Australian organisations and partner countries, the programme has been established as an ongoing aid programme at a cost of \$5 million in 2000-01 (funded from the existing global aid budget) with the aim of placing 240 Youth Ambassadors each year.

Debt forgiveness for Heavily Indebted Poor Countries

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Australian Agency for International Development:	*	*	*	*

Explanation

The Government will provide 100 per cent bilateral debt forgiveness for countries which qualify for debt relief under the enhanced Heavily Indebted Poor Countries (HIPC) Initiative co-ordinated by the International Monetary Fund and World Bank. The enhanced HIPC Initiative provides debt relief to countries with unsustainable debt burdens which are establishing sound institutional and policy frameworks and ensures that the proceeds of debt relief are directed towards poverty reduction.

Of the 40 countries that have currently been identified for possible debt relief under the enhanced HIPC Initiative, there are two — Nicaragua and Ethiopia — which have debts to Australia and are expected to qualify for relief. Australia is owed \$5.7 million by Nicaragua and \$12.6 million by Ethiopia. When Nicaragua and Ethiopia receive debt relief under HIPC, all of the debt they owe to the Australian Government will be forgiven. The cost of this measure will be additional to the aid budget.

The precise timing and magnitude of the impact on the Budget of this measure will depend on when Ethiopia and Nicaragua receive debt relief under the enhanced HIPC Initiative and on factors such as movements in exchange rates.

Establishment of an ongoing East Timor Aid Programme

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Australian Agency for International Development:	25.0	25.0	25.0	25.0

Explanation

The Government will provide a total of \$150 million over the next four years towards the reconstruction of East Timor. Additional funding of \$25 million per annum over four years will be provided which, together with at least an additional \$10 million per annum from the existing global aid budget, will enable Australia's aid response in East Timor to focus on long-term development activities and nation building. This measure contributes to the Government's commitment to provide substantial assistance to East Timor.

Australia will play a key role in promoting good governance, peace building, and the creation of a stable and viable East Timor. Australia's contribution will include funding to the United Nations Transitional Administration in East Timor, which will oversee reconstruction and development activities.

The programme will emphasise capacity building to enable the East Timorese to enhance their capacity for self-government and take responsibility for their future development. Humanitarian relief to assist the resettlement and rehabilitation of East Timorese communities will also be provided.

Grant to the Commonwealth's Trade and Investment Access Facility

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Australian Agency for International Development:	-	-	-	-

Explanation

The Commonwealth's Trade and Investment Access Facility (TIAF) was established in 1997 at the Prime Minister's initiative with an Australian grant of \$1.5 million over three years. The Government will continue its support for the Facility with an annual grant of \$0.5 million a year for the next three years (funded from the existing global aid budget). Continued funding will assist TIAF to help Commonwealth developing

countries manage the impact of globalisation and make better use of the World Trade Organisation to pursue trade and investment opportunities. This measure delivers on the Prime Minister's commitment made at the 1999 Commonwealth Heads of Government Meeting.

Extension of the Australia-South Pacific 2000 Programme

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Australian Agency for International Development:	-	-	-	-

Explanation

The Government will provide \$3 million (\$0.5 million per annum) over six years (funded from within the existing aid budget) in order to extend to 2006 the Australia-South Pacific 2000 Programme. This Programme aims to encourage development in the South Pacific and was due to end in 2000. This measure delivers on the Prime Minister's commitment made at the 1999 Commonwealth Heads of Government Meeting.

Increased contribution to the Commonwealth Fund for Technical Cooperation

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Australian Agency for International Development:	-	-	-	-

Explanation

The Government will increase its contribution to the Commonwealth Fund for Technical Cooperation (CFTC) by 10 per cent each year for the next three years (funded from the existing global aid budget), taking Australia's contribution from \$7.2 million in 1999-2000 to \$9.5 million in 2002-03. This funding will support CFTC's programmes in areas such as supporting democratic and legal institutions, economic management and public sector reform. This measure delivers on the Prime Minister's commitment made at the 1999 Commonwealth Heads of Government Meeting.

Pricing review of departmental resourcing

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Foreign Affairs and Trade:	1.1	1.1	1.1	1.1

Explanation

The Government has endorsed the outcomes of a joint pricing review between the Department of Foreign Affairs and Trade (DFAT) and the Department of Finance and Administration. This review has resulted in an increase in DFAT's resourcing of \$1.1 million per annum.

This funding will be used to maintain the current level of consular service in the face of increasing demand. In particular, it will be used to ensure that essential travel advice and information is better targeted, to develop global on-line case management technology, and to extend access to the 24-hour Consular Operations Centre to as many consular clients and countries as possible.

This measure contributes to the Government's commitment to provide a comprehensive and high quality consular service for Australians abroad.

The increase in resourcing will be offset by an increase in consular notarial fees. See the related revenue measure titled *Increase in Consular notarial fees*, in the Foreign Affairs and Trade Portfolio.