



# Budget 2024–25

A circular inset image showing two female healthcare workers in blue scrubs. They are smiling and looking towards the camera. The worker on the left is leaning over a desk, and the worker on the right is sitting at the desk. In the background, there is a large window with a view of green trees. On the desk, there are various medical supplies, including a blue box and a red container.

**Cost of living help  
& a future made  
in Australia**

[budget.gov.au](https://budget.gov.au)

May 2024



# Budget

## 2024–25

# Cost of living help & a future made in Australia

[budget.gov.au](https://budget.gov.au)

May 2024

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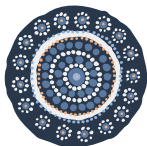
Manager  
Media Unit  
The Treasury  
Langton Crescent Parkes ACT 2600  
Email: [media@treasury.gov.au](mailto:media@treasury.gov.au)

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### **Aboriginal and Torres Strait Islander people are advised that this publication may contain images of deceased people.**



Treasury acknowledges the Traditional Custodians of country throughout Australia and their connections to land, sea and community. We pay our respects to their Elders past and present and extend that respect to all Aboriginal and Torres Strait Islander peoples today.

This illustration has been generated from artwork created by Treasury employees during NAIDOC Week 2018 in an Indigenous Art workshop run by Linda Huddleston and Lyn Talbot from the Burrunjū Aboriginal Corporation in Canberra.

The artwork symbolises the Treasury's Reconciliation Journey, National Sorry Day and Treasury's head office in Canberra.

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# Cost of living help and a future made in Australia

## Easing pressures today and investing in a better future

Australia is facing an uncertain global economic environment and a changing world. Global challenges, high but moderating inflation and higher interest rates have contributed to cost-of-living pressures and slower growth.

While many Australians remain under pressure, our economy is better placed than most to handle these challenges. This Government's responsible economic management has helped ease inflationary and budget pressures. Though inflation is still too high, it is now less than half its peak and almost half of what it was around the middle of 2022. Unemployment is near a 50-year low. Real wages growth has returned. Australia recorded the second strongest budget balance among G20 countries. And we are uniquely placed to maximise opportunities from changes in the global economy, including the net zero transformation.

The Budget helps people under pressure today and invests in a Future Made in Australia. It provides responsible cost-of-living relief, helps Australians earn more and keep more of what they earn, and builds a stronger and more resilient economy.

At the same time, the Budget forecasts a second surplus in 2023–24, representing the first back-to-back surplus in nearly two decades, lower debt every year over the forward estimates and lower inflation, which is now expected to be back in the RBA's target band sooner.

This Budget responds to the challenges of today and lays the foundation for future prosperity by:

- easing cost-of-living pressures
- building more homes for Australians
- investing in a Future Made in Australia
- strengthening Medicare and the care economy
- broadening opportunity and advancing equality

All of which is underpinned by responsible economic management.

This Budget strikes the right balance between keeping pressure off inflation, delivering cost-of-living relief, supporting sustainable economic growth and strengthening public finances.

# Key Budget initiatives



## Easing cost-of-living pressures

- ✔ All 13.6 million Australian taxpayers will get a tax cut, averaging \$36 a week
- ✔ \$3.5 billion for \$300 in energy bill relief to all Australian households; plus relief for one million small businesses
- ✔ Waiving \$3 billion in student debt for more than 3 million Australians
- ✔ \$1.9 billion to increase Commonwealth Rent Assistance by a further 10 per cent, benefiting nearly 1 million households
- ✔ Cheaper medicines as part of the up to \$3 billion agreement with community pharmacies



## Building more homes for Australians

- ✔ New housing investment of \$6.2 billion, for a total of \$32 billion under this Government
- ✔ An additional \$1 billion to help states and territories build more homes
- ✔ More student accommodation
- ✔ \$16.5 billion additional funding for infrastructure projects to connect our cities and towns



## Investing in a Future Made in Australia

- ✔ \$22.7 billion to become a renewable energy superpower and strengthen our economic resilience
- ✔ \$1.1 billion to reform higher education and support future productivity
- ✔ \$466.4 million to advance Australia's quantum computing capabilities



## Strengthening Medicare and the care economy

- ✔ \$2.8 billion to strengthen Medicare, including a further 29 Medicare Urgent Care Clinics
- ✔ \$3.4 billion for new and amended listings on the Pharmaceutical Benefits Scheme
- ✔ \$2.2 billion to improve the aged care system
- ✔ \$888.1 million to help people get the mental health care they need
- ✔ Funding set aside towards increased aged care and child care wages



## Broadening opportunity and advancing equality

- ✔ \$925.2 million for victim-survivors leaving violent intimate partner relationships
- ✔ \$1.1 billion to pay superannuation on Government-funded Paid Parental Leave

**Underpinned by responsible economic management**

# Budget at a glance

## An inflation-fighting and future-making Budget

The Government's responsible fiscal and economic management has returned the budget to surplus faster than any major advanced economy. Following a \$22.1 billion surplus in 2022–23, a \$9.3 billion surplus is now forecast for 2023–24 – the first back-to-back surpluses in nearly two decades.

Through banking tax receipt upgrades and targeting a surplus in 2023–24, the Government is supporting monetary policy by keeping the pressure off inflation. In this Budget, over 96 per cent of tax upgrades are expected to be returned in 2023–24.

Inflation is the primary focus of the Budget in the near term. This Budget continues to deliver responsible cost-of-living relief. Energy bill relief and rent assistance are estimated to directly reduce headline inflation by ½ of a percentage point in 2024–25 and are not expected to add to broader inflationary pressures. Treasury is forecasting this could see headline inflation return to the target band by the end of 2024.

The Government is stabilising and reducing gross debt as a share of the economy. Gross debt as a share of the economy is lower over the next decade than at the 2023–24 Mid-Year Economic and Fiscal Outlook (MYEFO). Gross debt is projected to peak at 35.2 per cent of GDP in 2026–27, 9.7 percentage points lower than was forecast in 2022 Pre-Election Economic and Fiscal Outlook.

		Actual		Estimates				
		2022–23	2023–24	2024–25	2025–26	2026–27	2027–28	Total (a)
		\$b	\$b	\$b	\$b	\$b	\$b	\$b
Underlying cash balance	\$b	22.1	9.3	-28.3	-42.8	-26.7	-24.3	-112.8
	% of GDP	0.9	0.3	-1.0	-1.5	-0.9	-0.8	
Gross debt	% of GDP	34.7	33.7	33.9	35.1	35.2	34.9	
Net debt	% of GDP	19.2	18.6	20.0	21.5	21.8	21.9	

(a) Total is equal to the sum of amounts from 2023–24 to 2027–28.

# Responsible economic management

## Delivering on our Economic and Fiscal Strategy

The Government's fiscal strategy strikes the right balance between getting inflation under control, easing cost-of-living pressures, supporting sustainable growth and building fiscal buffers in an uncertain global environment.

Since the 2022 Pre-Election Economic and Fiscal Outlook, the Government's responsible fiscal management has:

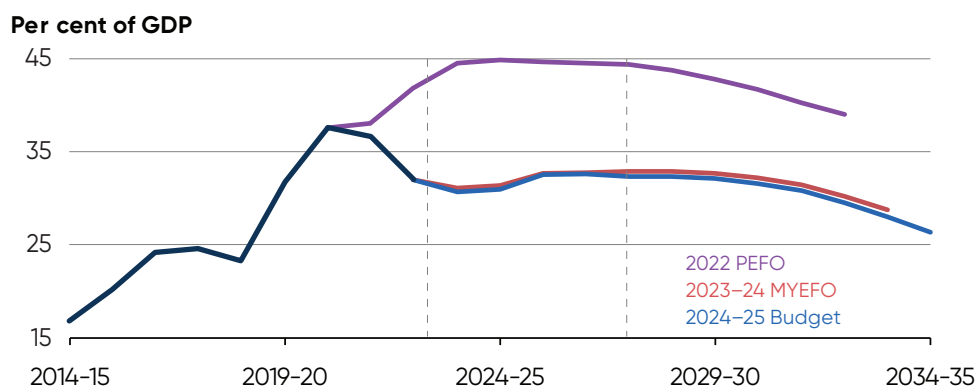
- Improved the cumulative underlying cash balance by \$214.7 billion, reducing cumulative deficits by around two thirds over the six years to 2027–28.
- Found \$104.8 billion in responsible savings, spending reprioritisations and budget improvements.
- Returned 82 per cent of tax upgrades to the budget over the forward estimates, including 96 per cent in 2023–24 in this Budget.
- Lowered the projected peak in gross debt as a share of GDP from 44.9 per cent of GDP to 35.2 per cent of GDP – lowering the peak by almost 10 percentage points of GDP.
- Avoided around \$80 billion in interest payments over the medium term due to the improvements to the Budget position.

This Budget provides \$15.4 billion to address unavoidable spending pressures to ensure Australians don't see a cut to the programs and services they rely on. This includes extending funding of terminating health programs, myGov and frontline services.

The budget continues to face long-term fiscal challenges from interest costs, the NDIS, defence, health, and aged care.

The Government's responsible approach is delivering lower debt, in line with the Economic and Fiscal Strategy, and has returned the budget to surplus faster than any major advanced economy. This is building the buffers required to address these challenges while continuing to deliver the high-quality services Australians deserve.

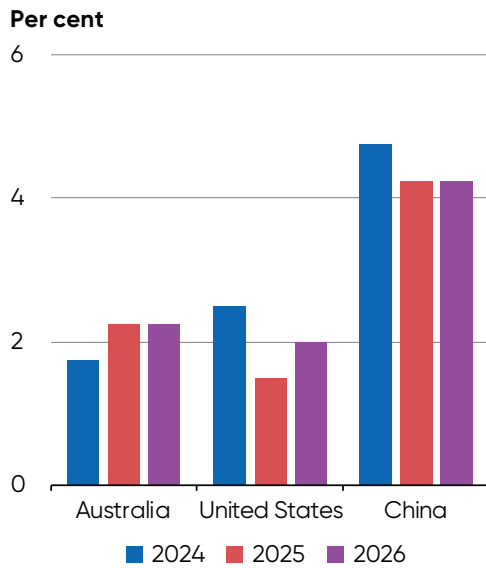
**Chart 1. Gross debt to GDP - now vs Pre-Election Economic and Fiscal Outlook**





# Global economic outlook

## Australia, United States and China growth forecasts



Source: Treasury.

## A weak and uncertain global economy

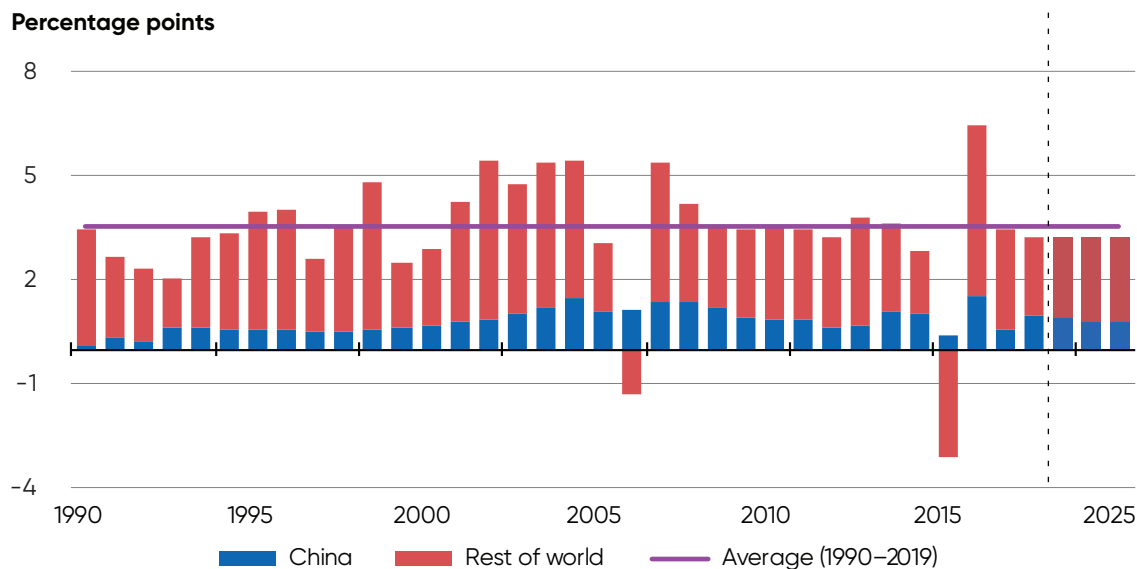
The global economic outlook is highly uncertain. Heightened geopolitical tensions in the Middle East have added to the risks associated with Russia's invasion of Ukraine, growth is slowing in China and weak elsewhere and supply chains are fragmenting.

Global growth is forecast to remain subdued over the next few years and is expected to record the longest stretch of below average growth since the early 1990s.

Most advanced economies recorded subdued outcomes during 2023, with around a third of OECD nations recording a technical recession. The United States has been the notable exception where earlier disinflation and a strong recovery in productivity have contributed to the economy consistently exceeding expectations.

Global inflation has moderated but remains too high, and there are risks it will persist. Tackling inflation remains the primary focus but, as inflationary pressures abate and labour markets soften, the global policy focus will increasingly shift to managing risks to growth.

## Contribution to global GDP growth



Source: IMF, Treasury.

# Domestic economic outlook

## Facing challenges from a position of economic strength

Australia is not immune from global developments. Moderating but high inflation and higher interest rates here have resulted in lower growth over the past year. The Australian economy faces these challenges from a position of economic strength with inflation that is now less than half of its peak, a resilient labour market with unemployment close to 50-year lows, a return to annual real wage growth and a solid pipeline of business investment.

The Government’s targeted cost-of-living measures are expected to reduce inflation, with energy bill relief and Commonwealth Rent Assistance expected to directly reduce inflation by ½ of a percentage point in 2024–25 and not expected to add to broader inflationary pressures. Treasury is forecasting this could see headline inflation return to the target band by the end of 2024, slightly earlier than expected at MYEFO.

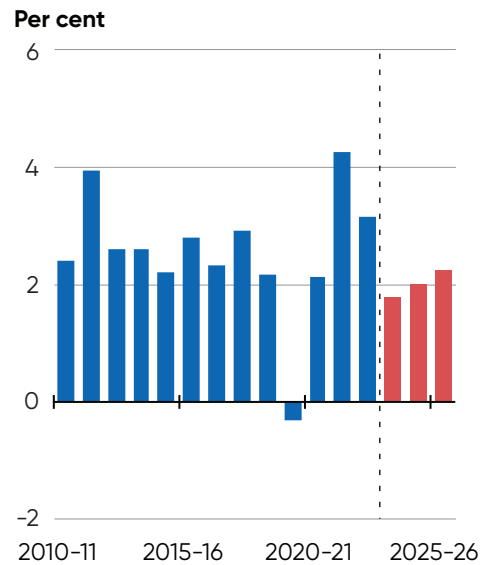
The labour market has been resilient with an unemployment rate near historic lows, workforce participation near its record high, and around 780,000 jobs created since May 2022. Employment is growing faster than any major advanced economy. The unemployment rate is expected to rise modestly but remain below pre-pandemic levels.

The combination of nominal wages growing at their fastest rate in nearly 15 years and the moderation in inflation has resulted in real wages returning to annual growth.

The pipeline of business investment remains strong and this growth is expected to continue through to 2025–26. If realised, this would be the longest sustained increase in investment since the mining boom.

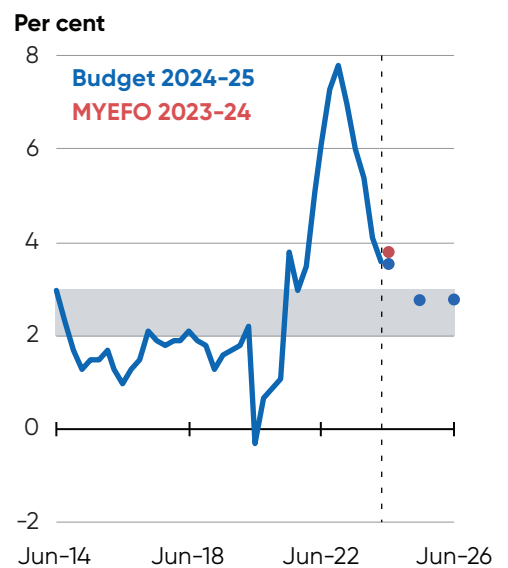
Real GDP is expected to grow by 1¾ per cent in 2023–24 and remain subdued over the period ahead. Real GDP is forecast to grow by 2 per cent in 2024–25 and 2¼ per cent in 2025–26. Moderating inflation, higher wage growth, continuing employment growth and the Government’s cost-of-living tax cuts should support a recovery in household consumption.

### Real GDP growth



Source: ABS National Accounts: National Income, Expenditure and Product and Treasury.

### Headline inflation



Source: ABS Consumer Price Index and Treasury. Note: Grey shading denotes the RBA target band. Forecasts are June quarter through-the-year inflation rates.

# Easing cost-of-living pressures



## Easing cost-of-living pressures

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- ✔ All 13.6 million Australian taxpayers will get a tax cut, with an average tax cut of \$1,888 or \$36 a week
- ✔ \$3.5 billion in energy bill relief for all Australian households and one million small businesses
- ✔ \$1.9 billion to increase Commonwealth Rent Assistance by a further 10 per cent, benefiting nearly 1 million households
- ✔ Cheaper medicines as part of the up to \$3 billion agreement with community pharmacies
- ✔ Waiving \$3 billion in student debt for more than 3 million Australians to make student loans fairer
- ✔ Getting consumers a better deal at the supermarket checkout and through the energy transition
- ✔ \$1.1 billion to pay superannuation on Government-funded Paid Parental Leave
- ✔ \$138 million to boost funding for emergency and food relief and financial support services
- ✔ Supporting wages growth through submissions to the Fair Work Commission and supporting pay rises for care sector workers
- ✔ Extending the freeze on deeming rates for 876,000 income support recipients

# Tax cuts for every Australian taxpayer



**\$1,888**

average tax cut in 2024-25



**Up to \$804**

tax relief in 2024-25 for taxpayers earning \$45,000 or less



**\$21,915**

less tax paid on the average income by 2034-35

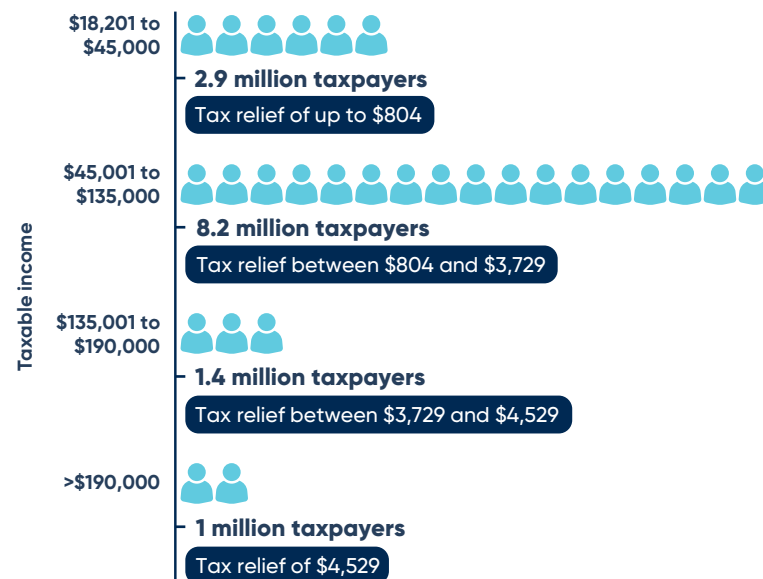
## Australians keeping more of what they earn

The Government is delivering tax cuts for all 13.6 million Australian taxpayers from 1 July 2024 to ease cost-of-living pressures for middle Australia, return bracket creep, support women and boost labour supply.

From 1 July this year, the Government will:

- Reduce the 19 per cent tax rate to 16 per cent
- Reduce the 32.5 per cent tax rate to 30 per cent
- Increase the income threshold above which the 37 per cent tax rate applies from \$120,000 to \$135,000
- Increase the income threshold above which the 45 per cent tax rate applies from \$180,000 to \$190,000.

### Tax cuts for every taxpayer



## Responsible cost-of-living relief for middle Australia

Australians are under pressure and tax cuts will help. The Government's tax changes provide bigger tax cuts for more taxpayers, delivering meaningful cost-of-living relief to middle Australia without adding to inflationary pressures.

### Returning bracket creep

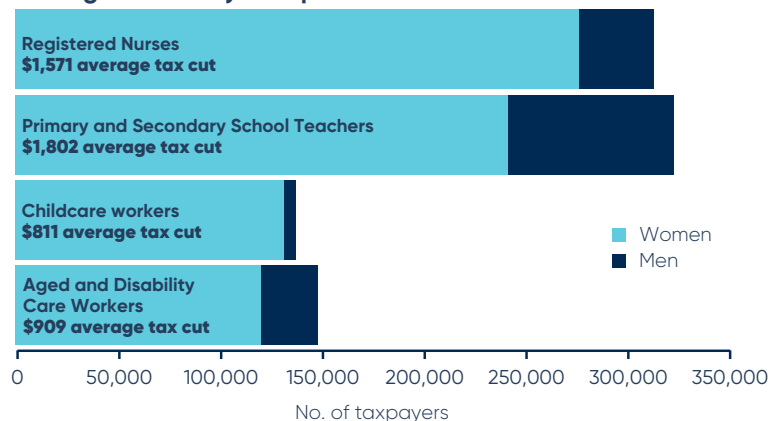
The Government's tax cuts return bracket creep and lower average tax rates for all taxpayers. The changes provide taxpayers with greater protection against bracket creep, particularly low- to middle-income taxpayers, and support the progressivity of the tax system.

### Boosting labour supply with more benefits for women

The tax cuts will ensure Australians keep more of what they earn. Increases in take-home pay will reduce disincentives for Australians to take on more hours of work. The tax cuts are expected to increase labour supply by 930,000 hours per week, equivalent to around 25,000 full-time jobs. This increase is driven by women and individuals in the low- to middle-income range, particularly those earning between \$25,000 and \$75,000.

All 6.5 million women taxpayers will receive a tax cut in 2024–25, with an average benefit of around \$1,650. This will increase the financial return from work and support participation.

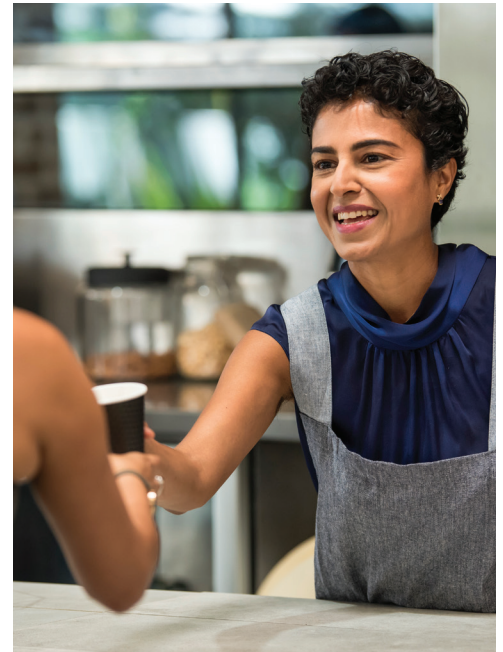
#### Average tax cut by occupation



Source: Treasury (See endnote 1 for details)

### Increasing the Medicare levy low-income thresholds

The Government has increased the Medicare levy low-income thresholds for 2023–24, ensuring more than one million low-income taxpayers continue to be exempt from the Medicare levy or pay a reduced levy rate.



Frances is full time barista earning \$50,000 per year. Frances' tax cut in 2024–25 will be \$929.

Jeremy and Sarah both work full time, earning \$75,292 and \$60,000 per annum respectively. They have two children, aged two and three, who both attend a long day care centre three days a week.

Under the Government's changes, they will receive a combined tax cut of \$2,740 and an additional \$2,430 in Child Care Subsidy. They will also receive \$300 in energy bill relief in 2024–25. Their net benefit from these changes is \$5,470, equivalent to a 5.5 per cent increase in their disposable income.

## New power bill relief

### Providing \$300 energy rebates to every Australian household

The Government is providing \$3.5 billion in energy bill relief for all Australian households and around one million small businesses. From 1 July 2024, more than 10 million households will receive a total rebate of \$300 and eligible small businesses will receive \$325 on their electricity bills throughout the year. This is estimated to directly reduce headline inflation by around 1/2 of a percentage point in 2024–25 and is not expected to add to broader inflationary pressures.

The Government's current Energy Bill Relief Plan has moderated electricity price increases. Prices increased by just 2 per cent through the year to the March quarter this year. Had this relief not been provided they would have increased by 14.9 per cent. This Budget recognises that households and small businesses remain under pressure, and extends and expands that relief.

Wholesale electricity prices in the National Electricity Market have fallen 8 per cent in the first quarter of 2024 compared to the same time last year, as more cheap, renewable generation is rolled out to deliver the Government's 82 per cent renewable energy target.



Merryn lives alone and works full-time on the national minimum wage (\$45,906). Under the Government's changes, Merryn will receive a tax cut of \$827 as well as \$300 in energy bill relief in 2024–25. Her net benefit from these changes is \$1,127, equivalent to a 2.8 per cent increase in her disposable income.



# \$3.5 billion

of energy bill relief

# Support for renters

## Further boosting Commonwealth Rent Assistance for nearly 1 million households

The Government is providing \$1.9 billion over five years to increase maximum rates of Commonwealth Rent Assistance by a further 10 per cent. This builds on the 15 per cent increase in September 2023 and will take maximum rates over 40 per cent higher than in May 2022 – a combined result of indexation and the actions of our Government. This is the first back-to-back increase in the maximum rates of Commonwealth Rent Assistance outside of indexation changes in three decades.

For single parents or couples with one or two children the maximum rate of Rent Assistance has increased by over \$70 per fortnight since May 2022.

The Government's boost to Commonwealth Rent Assistance in last budget directly put downward pressure on rents. Rents increased 7.8 per cent through the year to the March quarter this year. Had the Government not boosted Commonwealth Rent Assistance, they would have risen by 9.5 per cent.



Gillian is a sole parent of a nine-year-old child, pays \$400 in rent a week and is not in the labour force. Under the Government's changes, Gillian is now eligible for Parenting Payment Single instead of JobSeeker Payment and will now receive an additional \$5,677 in income support. She will also benefit from an additional \$1,215 in Commonwealth Rent Assistance and \$300 in energy bill relief in 2024–25. Her net benefit from these changes is \$7,193, equivalent to a 19.6 per cent increase in her disposable income.



## Over \$70

increased rent assistance per fortnight for families with children



## Cheaper medicines



**\$7.70**

maximum PBS  
patient co-payment  
for pensioner and  
concession card  
holders until 2030



**Up to  
\$3 billion**

in additional funding  
for the Eighth  
Community Pharmacy  
Agreement

### Safeguarding health outcomes

Access to affordable medicines is critical to support good health outcomes for Australians. The Government is working to finalise the new Eighth Community Pharmacy Agreement, supported by up to an additional \$3 billion in funding, which will deliver cheaper medicines, improve patient health outcomes and secure a strong community pharmacy sector.

As part of the Agreement, instead of rising with inflation, there will be a one-year freeze on the maximum Pharmaceutical Benefits Scheme (PBS) patient co-payment for everyone with a Medicare card and a five-year freeze for pensioners and other concession cardholders.

Around six out of ten prescriptions on the PBS are issued to pensioners and other concession cardholders. This change means that no pensioner or concession card holder will pay more than \$7.70 (plus any applicable manufacturer premiums) for up to five years, even as the aged pension and social security payments rise in line with inflation.



# Supporting students

## Debt relief for students

The Government will cut \$3 billion in student debt for more than 3 million Australians. This will provide relief for everyone with Higher Education Loan Program (HELP) and other student loan debt, while continuing to protect the integrity and value of the student loan system which has massively expanded access to tertiary education.

In response to the Australian Universities Accord, the Government will cap the HELP indexation rate to be the lower of either the Consumer Price Index (CPI) or the Wage Price Index (WPI). The Government will backdate this relief to all HELP, VET Student Loan, Australian Apprenticeship Support Loan and other student support loan accounts that existed on 1 June 2023.

This will benefit all Australians with a HELP debt, fix last year's spike and prevent growth in debt from outpacing wages in the future.

Changing the calculation of HELP indexation applied from 1 June 2023 means that the indexation rate is reduced from 7.1 per cent to 3.2 per cent in 2023 and from 4.7 per cent to around 4 per cent in 2024.

Julian had a HELP debt of \$26,500 in 2023, which was the average outstanding HELP loan. Following the Government's changes in calculation he will receive a credit to his HELP account of \$1,190 across the 2023 and 2024 years, subject to the passage of legislation. Over the life of his loan, Julian's debt would be reduced by around \$1,600.

Based on expectations of WPI in the March 2024 quarter.



# A fair go for consumers



**\$1.1m**

enhancing  
supermarket price  
transparency with  
quarterly reporting by  
CHOICE



## Better outcomes at the checkout

The cost of essential food and grocery items is placing significant pressure on family budgets.

The Government is acting to secure fairer prices, with measures to help Australians with the cost of living and keep the pressure off into the future.

The Government is examining pricing and competition in the supermarket sector.

In January, the Government appointed Dr Craig Emerson to review the Food and Grocery Code. Dr Emerson's interim report, released in April 2024, recommended the Code be made mandatory with penalties of up to 10 per cent of turnover for major breaches, to improve supplier outcomes.

In February, the Government directed the Australian Competition and Consumer Commission to undertake a 12-month inquiry to investigate pricing and competition in the supermarket sector to ensure Australians are paying a fair price for their groceries.

The Government has also funded CHOICE for three years to produce quarterly price comparison reports to empower Australian consumers to make informed choices about food and grocery purchases. The first report will be released at the end of June.

## Harnessing the energy transition for consumers

The Government has committed \$27.7 million to develop priority reforms to ensure that consumer energy resources, including rooftop solar, household batteries, and electric vehicles, continue to unlock savings and benefits for all energy customers.

The Government has also committed \$1.8 million to support a range of energy retail market reforms, including enabling consumers to switch to a better deal with just 'one click,' preventing contracts rolling over to higher-cost deals, ensuring people receive the concessions and rebates they are entitled to, and reducing excess fees and charges.

# Growing wages

## Standing up for low-paid workers

The Government's efforts to get wages moving and bring down inflation has contributed to three consecutive quarters of real wage growth for the first time in more than five years, supporting a return to annual real wage growth sooner than expected. The Government's continued focus on gender equality has led to the Fair Work Commission undertaking research to identify occupations and industries with gender pay inequity and potential undervaluation of work.

The Government has backed real wage growth for low-paid workers in each of the last three Annual Wage Reviews. Record increases were delivered for award wage workers in 2022 and 2023, with full-time workers on the National Minimum Wage earning \$110 more a week than when the Government came to office.

The Government has committed to funding the Fair Work Commission decision to increase award wages for aged care workers, building on the \$11.3 billion already allocated for the interim 15 per cent increase. The Government has also committed to provide funding towards a wage increase for the early childhood education and care workforce, with details to be finalised following the Fair Work Commission processes currently underway.

## Enhancing services and supports

### Financial wellbeing and capability

Support will be boosted for Australians facing acute and urgent financial pressures with \$138 million to meet sustained high demand for crisis support including emergency relief, food relief and financial support services.

### Freezing social security deeming rates

Social security recipients will be supported to manage their budgets by continuing the freeze on social security deeming rates for financial investments at their current levels until 30 June 2025. This benefits around 876,000 income support recipients, including 450,000 Age Pensioners.

### Paid placements for nurses, teachers and social workers

Around 73,000 students will receive \$319.50 per week while undertaking mandatory placements.



**\$138  
million**

for emergency relief, food relief and financial support services



# Building more homes for Australians



## Building more homes for Australians

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### Help to build, rent and buy

- ✔ New housing investment of \$6.2 billion in this Budget
- ✔ An extra \$1 billion to states and territories to deliver new housing
- ✔ \$1.9 billion for a 10 per cent increase in Commonwealth Rent Assistance
- ✔ Additional \$1.9 billion in concessional finance for social and affordable homes
- ✔ An extra \$423 million for the National Agreement on Social Housing and Homelessness
- ✔ \$88.8 million to deliver 20,000 new fee-free TAFE places, including pre-apprenticeship programs, in courses relevant to the construction sector
- ✔ More student accommodation

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### Infrastructure and transport for more accessible cities and suburbs

- ✔ An additional \$16.5 billion for new and existing infrastructure projects across Australia over 10 years
- ✔ More money for every state: an additional \$9.5 billion for projects over the forward estimates
- ✔ Future-proofing Western Sydney with \$2 billion to improve transport networks and plan and build roads supporting housing developments
- ✔ \$2.2 billion to enhance connectivity and increase accessibility and reliability of South East Queensland transport networks

## Help to build, rent and buy



**\$6.2  
billion**

new investment in  
housing this Budget



**\$32  
billion**

invested in housing  
under this Government



**Nearly  
1 million**

households receiving  
the maximum rate of  
Commonwealth Rent  
Assistance, around one  
quarter of all renters will  
be better off

### Addressing housing pressures

The Government has an ambitious and comprehensive housing plan aimed at easing housing shortages and affordability pressures faced across the country by:

- building more homes sooner
- providing more support for renters
- providing a pathway to home ownership for low-income Australians.

This Budget invests a further \$6.2 billion in specific initiatives, taking the Government's total new investment since 2022 to \$32 billion. Existing investment has been made to directly increase the supply of social and affordable housing, delivering 40,000 social and affordable homes through the National Housing Accord and the Housing Australia Future Fund. This is in addition to providing \$2 billion to the states and territories to deliver around 4,000 new and refurbished social homes through the Social Housing Accelerator.

### Supporting more homes

The Government is making available a further \$1 billion to states and territories to deliver new housing – including for connecting essential services such as water, power, sewerage and roads. This investment expands on the \$500 million already committed through the Housing Support Program to support enabling infrastructure to unlock more homes.

### More help for renters

A \$1.9 billion investment will increase the maximum rates of Commonwealth Rent Assistance by a further 10 per cent to further alleviate rental stress. This builds on the 15 per cent increase already made in September 2023, taking the increase to Commonwealth Rent Assistance maximum rates to over 40 per cent since May 2022 including indexation.

### More housing for students

To deliver more accommodation for students and to reduce pressure on the private rental market, the Government will work with the higher education sector to develop regulations that will require universities to increase their supply of student accommodation.

## More housing support for vulnerable Australians

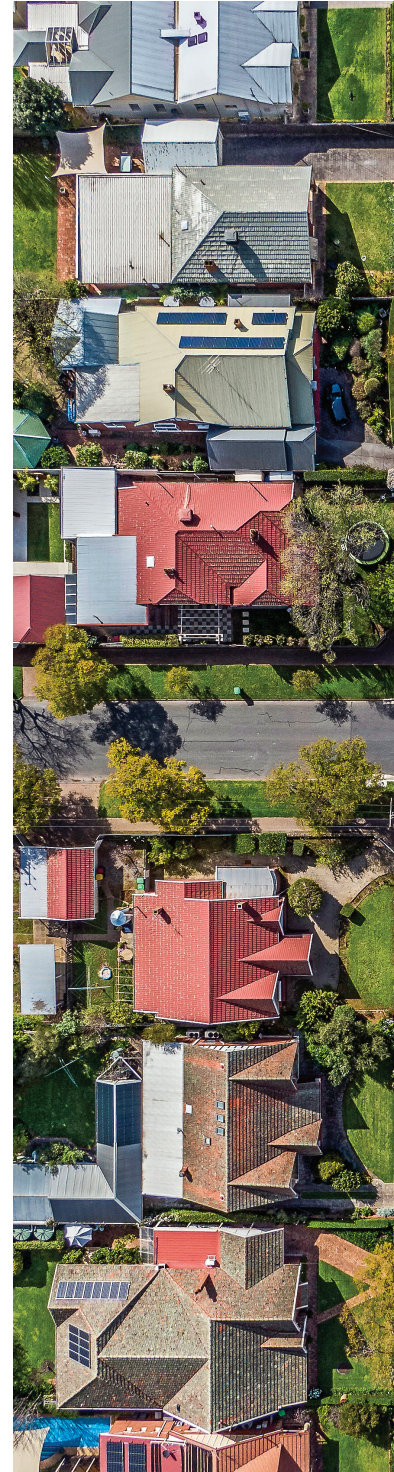
The Budget includes funding for a new five-year, \$9.3 billion National Agreement on Social Housing and Homelessness with states and territories. This represents an increase of \$423 million. Under the agreement, the Commonwealth will double its dedicated funding for homelessness services to \$400 million a year – funding that states and territories must match.

The Government is targeting the \$1 billion increase to the National Housing Infrastructure Facility to better support housing for women and children experiencing domestic violence and for youth. The funding is being rebalanced to provide more up-front grants to support states and territories and community housing providers to deliver more housing for these cohorts.

## Other measures to support housing

The Government is:

- Providing \$88.8 million for 20,000 new fee-free TAFE places, including increased access to pre-apprenticeship programs, in courses relevant to the construction sector.
- Providing an additional \$1.9 billion in concessional loans to community housing providers and other charities to support delivery of new social and affordable homes under the Housing Australia Future Fund and National Housing Accord.
- Making a landmark \$4 billion joint investment with the Northern Territory Government to improve conditions and address overcrowding in remote housing in the Northern Territory.
- Allowing foreign investors to purchase established Build to Rent developments with a lower foreign investment fee, conditional on the property continuing to be operated as a Build to Rent development.





# Better transport for cities, regions and suburbs

## Investing in infrastructure

The Government is committed to investing in the infrastructure Australia needs by providing \$9.5 billion over the forward estimates, and \$16.5 billion over 10 years, for projects that improve productivity, liveability, and sustainability. All while maintaining focus on ensuring the deliverability of the over \$120 billion, ten-year infrastructure investment pipeline.



### New South Wales

Investment of

**\$20.8 billion**

Over ten years



**\$500 million**

to upgrade Mamre Road in Western Sydney



**\$400 million**

to upgrade priority sections of Elizabeth Drive



### Victoria

Investment of

**\$19.2 billion**

Over ten years



**\$3.3 billion**

for the North East Link



**\$437.3 million**

to upgrade suburban roads in south eastern and northern Melbourne



### Queensland

Investment of

**\$21.6 billion**

Over ten years



**\$1.2 billion**

for the Direct Sunshine Coast Rail Line



**\$467.2 million**

for the Bruce Highway Corridor



### South Australia

Investment of

**\$9.7 billion**

Over ten years



**\$120 million**

to upgrade the Mount Barker and Verdun Interchanges



**\$100 million**

to upgrade the South Eastern Freeway



**Western Australia**

Investment of

**\$8.9 billion**

Over ten years



**\$1.7 billion**

for METRONET, including a new project and funding for existing projects



**\$132.8 million**

for the Great Northern Highway Corridor



**Tasmania**

Investment of

**\$2.2 billion**

Over ten years



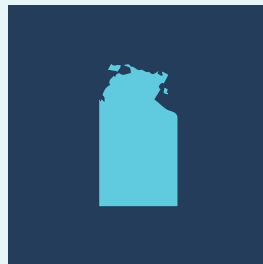
**\$80 million**

to upgrade the Lyell Highway between Granton and New Norfolk



**\$50 million**

to upgrade the Mornington Roundabout



**Northern Territory**

Investment of

**\$2.8 billion**

Over ten years



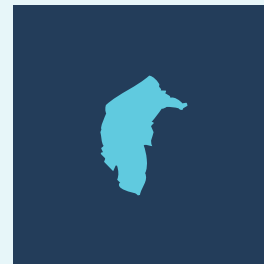
**\$237.6 million**

to deliver priority new projects along the Stuart, Victoria and Barkley Corridor



**\$176 million**

to deliver three new projects along the Regional Roads Corridor



**ACT**

Investment of

**\$808.6 million**

Over ten years



**\$50 million**

for the planning of Stage 2B of the Canberra Light Rail



**\$27.1 million**

for the William Hovell Drive Duplication



### **Better transport for Western Sydney**

The Government is committed to unlocking the potential of Western Sydney, investing \$2 billion into planning and delivering more efficient regional transport networks that will transform the way communities live and move within Western Sydney and connect people to jobs in the region.

- \$1.9 billion to plan and build roads and rail that will support a growing population by improving access to new and future housing developments and emerging economic precincts.
- Enhancing public transport connectivity and community liveability through \$100 million for rapid bus infrastructure and \$20 million additional funding for planning to extend the rail line from the Aerotropolis to Macarthur.

Further investments will ensure the Western Sydney International (Nancy-Bird Walton) Airport is ready to welcome its first travellers and freight in 2026, including \$302.6 million to enable operations.

### **Meeting the infrastructure needs of South East Queensland**

The Government is investing \$2.2 billion in well-planned infrastructure to better integrate the South East Queensland region, accommodate future growth, and support economic development.

- \$1.4 billion will enhance rail connectivity between Brisbane and the Sunshine Coast, reduce journey times and unlock future housing development.
- \$431.7 million additional funding will be provided for the Coomera Connector Stage 1 project and \$39.4 million for the relocation of the Loganlea Station to ensure better connectivity for the growing hubs south of Brisbane.

These investments to increase accessibility, capacity and reliability of transport networks also help prepare for the 2032 Olympic and Paralympic Games.

### **Better connections for regional and remote communities**

A further \$101.9 million is committed to upgrade regional airports and remote airstrips, delivering better connections and more resilient infrastructure for communities. A further \$40 million will be invested to support the roll-out of additional community wi-fi in remote and regional Australia.



# Investing in a Future Made in Australia



## Investing in a Future Made in Australia

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### Attracting investment in key industries and making Australia a renewable energy superpower

- ✔ A new 'front door' for priority projects, and streamlined and strengthened approvals
- ✔ \$6.7 billion production tax incentive for the production of renewable hydrogen
- ✔ \$1.7 billion to promote net zero innovation, including for green metals and low-carbon fuels
- ✔ \$1.5 billion to strengthen battery and solar panel supply chains through production incentives

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### Value adding to our resources and strengthening economic security

- ✔ \$7 billion production tax incentive for the processing and refining of critical minerals
- ✔ \$566.1 million to map Australia's geological potential to support net zero transition
- ✔ \$14 million to build better markets through trade, promoting competitive and fair global markets
- ✔ \$268 million to support the development of defence industries and skills

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### Investing in skills for priority industries and higher education

- ✔ \$1.1 billion to reform higher education and deliver our skilled workforce
- ✔ \$88.8 million for 20,000 new training places relevant to construction
- ✔ \$55.6 million to support women's careers in clean energy

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### Strengthening our digital, science and innovation capabilities

- ✔ \$466.4 million to advance Australia's quantum computing capabilities
- ✔ \$288.1 million to expand Digital ID into a whole-of-economy service
- ✔ \$448.7 million for advanced satellite data on climate, agriculture, and natural disasters

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### Supporting small business and our regions

- ✔ \$290 million to extend the \$20,000 instant asset write-off for small businesses
- ✔ \$10.8 million to support the mental and financial wellbeing of small business owners
- ✔ \$519.1 million from the Future Drought Fund for farmers and rural communities

# Attracting investment in key industries



## Making Australians the beneficiaries of change

A Future Made in Australia is about creating new jobs and opportunities for every part of our country by maximising the economic and industrial benefits of the move to net zero and securing Australia's place in a changing global economic and strategic landscape.

The Government's \$22.7 billion Future Made in Australia package will help facilitate the private sector investment required for Australia to be an indispensable part of the global economy. It recognises the best opportunities for Australia are at the intersection of industry, clean energy, resources and human capital. It builds a stronger, more diversified and resilient economy powered by clean energy, in a way that creates secure, well-paid jobs in our regions and suburbs; and invests in the people, communities and services that will drive success.

## Better deploying capital in priority areas

The Future Made in Australia package will realise Australia's potential to become a renewable energy superpower, value-add to our resources and strengthen economic security by better attracting and enabling investment in priority areas. The Government will create a Future Made in Australia Act and establish a National Interest Framework that identifies priority industries and ensures investments associated with them are responsible and targeted.

The Framework will have a focus on industries that contribute to the net zero transformation where Australia has a comparative advantage, and where Australia has national interest imperatives related to economic resilience and security. It will also allow for the setting of new Community Benefit Principles to ensure government investment has flow-on benefits for the broader community, and will complement the Buy Australian Plan and Secure Australian Jobs Code.

The Future Made in Australia package is complemented by broader government priorities and initiatives in this Budget, which help make our economy stronger and more resilient. These include investments in education, defence capabilities, trade and regional engagement and support for small business, farmers and regions.

## Strengthening and streamlining approvals

The Government is making it easier to invest in transformational projects by streamlining approval processes in ways that strengthen standards. Through smarter use of data, better decision-making processes and appropriate resourcing, this Budget provides a faster pathway to better decisions on environmental, energy, planning, cultural heritage and foreign investment approvals.

This includes:

- \$134.2 million to better prioritise approvals for renewable energy projects of national significance, and support faster decisions on environment, cultural heritage and planning approvals.
- Working with the states and territories through the Energy and Climate Change Ministerial Council to accelerate electricity grid connections, delivering an additional 3.2 gigawatts of capacity so far.
- \$20.7 million to improve engagement with communities impacted by the energy transition and accelerate the delivery of key energy projects, through a bolstered Australian Energy Infrastructure Commissioner and voluntary national developer standards.
- \$15.7 million to strengthen scrutiny of high-risk foreign investment proposals, enhance monitoring and enforcement activities and support faster decisions.

The Government's stronger, more streamlined and more transparent approach to foreign investment aims to attract the significant foreign capital flows that Australia needs. The Government will also encourage foreign investment by providing refunds of 75 per cent of application fees for unsuccessful competitive bids.

## Promoting sustainable finance

The Government is committing \$17.3 million to mobilise private sector investment in sustainable activities. This includes extending Australia's sustainable finance taxonomy to the agriculture sector and developing a labelling regime for financial products marketed as sustainable. The Government will also examine opportunities to improve data quality and provide \$1.3 million to develop and issue guidance for best practice transition plans. This builds on the Government's climate disclosure legislation and the issuance of around \$7 billion of sovereign green bonds in 2023–24.



**\$134.2  
million**

to improve approval  
processes





# Making Australia a renewable energy superpower



**\$8  
billion**

over the decade to  
accelerate investment  
in renewable  
hydrogen



## Powering Australia with cheaper, cleaner, more reliable energy

Australia's potential to produce abundant renewable energy is a powerful source of comparative advantage. To realise this, the Government is unlocking more than \$65 billion of investment in renewable capacity through the Capacity Investment Scheme by 2030.

This Budget helps Australians benefit from cheaper, cleaner energy sooner by investing \$27.7 billion to integrate consumer energy resources like batteries and solar into the grid.

The New Vehicle Efficiency Standard will save Australians around \$95 billion at the bowser by 2050 and reduce transport emissions.

## Unlocking investment in net zero industries and jobs

The Government is creating new jobs and opportunities for all by maximising the economic and industrial benefits of the transition. This Budget accelerates growth of new industries by establishing the \$1.7 billion Future Made in Australia Innovation Fund and delivering a 10-year extension of funding to the Australian Renewable Energy Agency. It also delivers the \$44.4 million Energy Industry Jobs Plan and \$134.2 million for skills and employment support in key regions.

The Future Made in Australia package establishes time-limited incentives to invest in new industries. The Hydrogen Production Tax Incentive will make Australia's pipeline of hydrogen projects commercial sooner, at an estimated cost of \$6.7 billion over the decade. This Budget also expands the Hydrogen Headstart program by \$1.3 billion, supporting early movers to invest in the industry's development.

Green metals and low-carbon liquid fuels are also key to the net zero transformation, and this Budget supports consultation to accelerate investment and incentivise efficient production in these sectors.

These complement incentives that build economic resilience, including the 10 per cent production tax incentive for the processing and refining of critical minerals, and investments in clean energy technology supply chains.

### Boosting demand for Australia's green exports

The Government is making it easier for businesses and trading partners to source low-emissions products by building better markets and product standards for green products.

This Budget provides \$32.2 million to fast-track the initial phase of the Guarantee of Origin scheme, focused on renewable hydrogen, and bring forward the expansion of the scheme to accredit the emissions content of green metals and low-carbon liquid fuels. The Government is also working closely with trading partners to identify opportunities to drive greater supply chain transparency and better market recognition of high environmental, social and governance standards in the critical minerals sector.

### Realising the opportunities of the net zero transformation

Australia is committed to reaching net zero greenhouse gas emissions by 2050 and is developing six sector plans covering electricity and energy, transport, industry, resources, agriculture and land, and the built environment. This Budget continues the Government's investment in effective emissions abatement, including through \$63.8 million to support emissions reduction efforts in the agriculture and land sector.

The Government is also investing \$399 million to establish the Net Zero Economy Authority and support the economy-wide net zero transformation that is underway by acting as a catalyst for private and public investment, major project development, employment transition and skills and community development. This Budget also strengthens community engagement in and benefits from the transition by investing an additional \$48 million in the reforms to the Australian Carbon Credit Unit scheme and \$20.7 million to improve community engagement and realise community benefits for regional communities affected by the energy transition.



**\$95 billion**

in savings at the fuel bowser by 2050



# Adding value to resources and strengthening economic security



## Backing a strong resources sector

The Government is investing \$8.8 billion over the decade to add more value to our resources and strengthen critical minerals supply chains. This Budget establishes a production tax incentive for processing and refining of critical minerals at an estimated cost of \$7 billion over the decade. It also commits up to \$1.2 billion in strategic critical minerals projects through the Critical Minerals Facility and the Northern Australia Infrastructure Facility, and in pre-feasibility studies for common user precincts. This is in addition to \$566.1 million to support Geoscience Australia to map all of Australia's critical minerals, strategic materials, groundwater and other resources essential for the transition to net zero.

## Manufacturing clean energy technologies

The Government is also committing \$1.5 billion to manufacturing of clean energy technologies, including the \$1 billion Solar Sunshot and \$523.2 million Battery Breakthrough Initiative. These investments will be delivered by ARENA and help scale Australian innovations and strengthen supply chain resilience.

## Strengthening supply chains

To support the delivery of the 82 per cent renewable energy target, the Government has formed the National Renewable Energy Supply Chain Action Plan with states and territories. The Government will also invest an additional \$14.3 million to improve the competitiveness of the Australian economy by working with trade partners to support global rules on unfair trade practices and to negotiate benchmarks for trade in high quality critical minerals.



**\$8.8  
billion**

over the decade  
to incentivise  
onshore refining  
and processing of  
our critical minerals

# Investing in digital, science and innovation

Science and research lay the foundations for new industries and productivity growth. This Budget invests in the data, technology and capabilities that will underpin future innovations.

## Investing in new technologies and capabilities

Building on Australia's existing strengths in research and applied technology, the Government is investing \$466.4 million to partner with PsiQuantum and the Queensland Government to make PsiQuantum the anchor tenant of a quantum precinct located in Brisbane, Australia. They will build the world's first commercial-scale quantum computer, and deliver skills, education, research, and industry commitments.

To grow our core science and innovation capability, the Government will undertake a strategic examination of Australia's research and development (R&D) system to grow investment in R&D and build a more resilient, dynamic economy. To increase diversity in education and industry, \$38.2 million will be invested in a range of science, technology, engineering, and maths programs.

The Government is providing \$448.7 million to partner with the United States in the Landsat Next satellite program to provide access to critical data to monitor the earth's climate, agricultural production, and natural disasters.

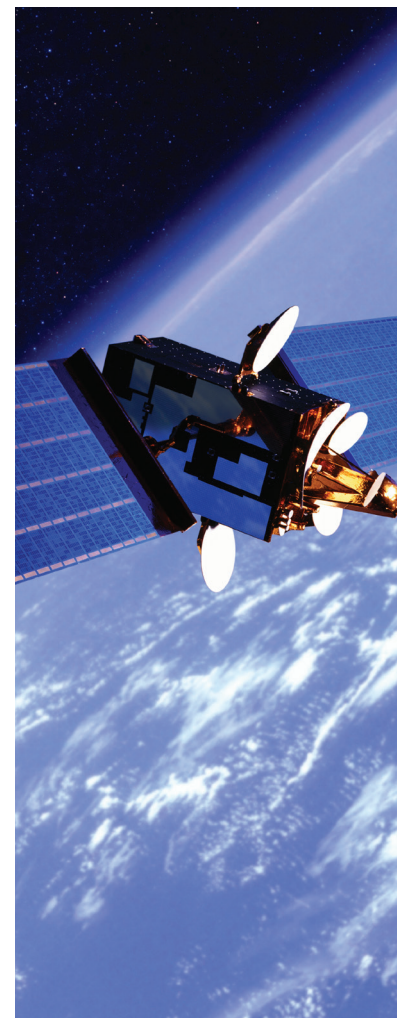
## Modernising and digitising industries

The Government is guiding the safe and responsible development of technologies. This Budget \$288.1 million is being committed to support the further delivery and expansion of Australia's Digital ID System so more Australians can realise the economic, security and privacy benefits of Digital ID. A National Robotics Strategy will also be released to promote the responsible production and adoption of robotics and automation technologies for advanced manufacturing in Australia.



## \$466.4 million

into PsiQuantum to advance Australia's quantum computing capabilities



## Reforming tertiary education

Felicity is a full-time student receiving Youth Allowance, living by herself. She is studying a Bachelor of Nursing and must stop paid work during her mandatory prac placement.

During her prac, Felicity receives \$712.05 per week from the Government including: \$319.50 of CPP, \$285.55 of Youth Allowance (YA), \$103.50 of Commonwealth Rent Assistance (CRA) and \$3.50 of Energy Supplement.

Felicity receives \$351.55 a week more than she would have in 2023 before indexation and the changes to YA, CRA and CPP in the current and 2023–24 Budget.

Single, away from home rate of Youth Allowance (student)



The Government is committing \$1.6 billion over 5 years, and an additional \$2.7 billion from 2028–29 to 2034–35 to reform our tertiary education system and deliver our future workforce.

This includes \$1.1 billion for landmark reforms to university funding and tertiary system governance, which will drive higher levels of attainment, broaden access and support a more integrated tertiary education system that is responsive and adaptable to skills needs.

The Budget also invests to deliver on immediate skills needs, providing over \$500 million for skills and training in priority industries and to support women's participation in these sectors.

The investments will help more people take advantage of the opportunities that come with higher education. Attaining a bachelor degree is estimated to increase lifetime earnings by 60 per cent relative to having a highest level of education of year 11 or below.

**The Government will set a tertiary attainment target of 80 per cent of the working-age population to have a tertiary qualification by 2050.**

### Supporting students on placements

The Government will establish Commonwealth Prac Payments (CPP) for students undertaking mandatory placements. From 1 July 2025, the payment will provide more than 73,000 eligible students, including teachers, nurses, midwives and social workers with \$319.50 per week during their placements.

### Broadening access to university

To drive growth in tertiary participation, the Government will reform the university funding model. From January 2026, needs-based funding will provide per student funding contributions for under-represented students. The Government will also provide \$350.3 million to fully fund university enabling courses and increase pathways for prospective students to university.

## Investing in the skills pipeline for priority industries

### Skills and training for Future Made in Australia industries

The Government will expand eligibility to the New Energy Apprenticeships Program to include apprentices with exposure to work in clean energy, including in construction and advanced manufacturing. This will provide access to \$10,000 incentive payments and support our target of 10,000 new energy apprentices.

To further support renewable energy superpower ambitions, the Government will commit \$30 million to turbocharge the VET teaching workforce for clean energy courses and \$50 million to support clean energy training facility upgrades and expansion.

Delivering the skills for a Future Made in Australia will require more women working in male-dominated sectors. The Government will invest \$55.6 million to establish the Building Women's Careers program to support women's participation in key industries including clean energy and advanced manufacturing. The program will help to drive structural change and broaden the employment opportunities of a Future Made in Australia.

### Supporting apprentices and building the construction workforce

The Government has committed to maintaining \$5,000 support payments to apprentices in priority occupations for another 12 months to 1 July 2025, up from \$3,000 in the absence of any changes. Employers of these apprentices will receive a \$5,000 hiring incentive, up from \$4,000 in the absence of changes. This will provide certainty to apprentices while the Strategic Review of the Apprenticeship Incentive System is underway.

The Government will also invest \$88.8 million to deliver 20,000 new fee-free TAFE places including pre-apprenticeships in courses relevant to the construction sector. The Government will also provide \$1.8 million to deliver streamlined skills assessments for around 1,900 migrants from comparable countries to work in Australia's housing construction industry.



**\$55.6 million**

to support women's participation in male dominated industries



**20,000**

more fee-free TAFE places



**\$10,000**

apprentice incentive payment for clean energy sector apprenticeships

# Strengthening our defence industry capability

## An integrated and focused approach to defending Australia

The Government is investing an additional \$50.3 billion over ten years to implement the 2024 National Defence Strategy to meet Australia's strategic needs.

Overall funding for Defence will reach \$765 billion over the decade. Defence's Integrated Investment Program has been rebuilt to create a focused Australian Defence Force, accelerate delivery of priority capabilities, and provide certainty to grow Australia's defence industry. This includes funding for the Royal Australian Navy's surface combatant fleet and establishing a guided weapons and explosive ordnance manufacturing capability earlier in Australia.

The Government is reforming Defence's budget to maximise value for money, transparency, and assurance to support the National Defence Strategy and delivery of priority capabilities.

### Developing defence industry and skills

The Government will help develop the capable, innovative and competitive sovereign industrial base we need and reform Defence procurement to streamline tendering processes and speed up capability acquisition. Industry development grants funding of \$165.7 million will also help businesses to scale up and deliver the Sovereign Defence Industrial Priorities, which include continuous naval shipbuilding and sustainment, and development and integration of autonomous systems.

The Government is also providing \$101.8 million to attract and retain the skilled industrial workforce needed to support Australian shipbuilding and delivery of our conventionally-armed, nuclear-powered submarines. This includes a pilot apprenticeship program in trades and technologies specific to shipbuilding.

### Investing in civil maritime capabilities

The Government is continuing to safeguard Australia's border security by providing \$123.8 million to maintain and enhance civil maritime security capabilities. This includes \$71.2 million to increase the Australian Border Force's on-water response and aerial surveillance capabilities.



# Securing Australia's place in the world

## Strengthening relationships and simplifying trade

### A stable, prosperous and resilient Pacific region

The Government is delivering over \$2 billion in development assistance to the Pacific in 2024–25, maintaining Australia's position as one of the region's most comprehensive development partners. This includes delivery of the historic Australia–Tuvalu Falepili Union.

### Investing in our relationship with Southeast Asia

Australia's prosperity, security and economic future is intimately tied to our strong relationships within Southeast Asia. Following the launch of Australia's Southeast Asia Economic Strategy to 2040, the Government is committing \$505.9 million to deepen ties with the region.

Australia recently celebrated 50 years of partnership with the Association of Southeast Asian Nations (ASEAN). At the ASEAN–Australia Special Summit, the Government announced a range of new and expanded initiatives, including a \$2 billion Southeast Asia Investment Financing Facility to boost Australian trade and investment.

### Simplifying trade

From 1 July 2024 the Government will abolish 457 nuisance tariffs, streamlining \$8.5 billion in annual trade and eliminating tariffs on goods such as toothbrushes, fridges, dishwashers, clothing, and sanitary products.

The Government will provide \$29.9 million to coordinate trade simplification and deliver the Digital Trade Accelerator program, and \$10.9 million to enhance the Go Global Toolkit to support exporters.

The Government is expanding the successful Australia–India Business Exchange, diversifying trade and helping even more Australian businesses build commercial ties with India and across South Asia. There will also be \$2 million to support Australian agricultural exporters enter the Chinese markets.



**Over  
\$2 billion**

in development assistance to the Pacific in 2024–25



**\$505.9  
million**

over five years funding to deepen ties with Southeast Asia



# Support for small businesses



## Helping small businesses

This Budget's Small Business Statement reaffirms the Government's commitment to deliver a better deal for small businesses, with \$641.4 million in targeted support for small businesses.

### Improving cash flow

The Government is supporting small business cash flow by providing \$290 million to extend the \$20,000 instant asset write-off for 12 months, \$25.3 million to improve payment times to small businesses and \$23.3 million to increase eInvoicing adoption, which will also disrupt payment redirection scams and boost productivity.

### Easing cost pressures and reducing the administrative burden

This Budget provides \$3.5 billion of energy bill relief, including rebates of \$325 to around one million small businesses.

The Government is reducing the administrative burden for small business by abolishing 457 nuisance tariffs and delivering \$10 million to provide additional support for small business employers administering the Paid Parental Leave scheme.

### Supporting confidence and resilience in the small business sector

This Budget invests a further \$10.8 million to deliver tailored, free and confidential financial and mental wellbeing supports for small business owners.

To help small businesses understand and comply with recent workplace relations changes, the Government is providing \$20.5 million to the Fair Work Ombudsman.

The Government is providing \$3 million to implement the Government's response to the Review of the Franchising Code of Conduct, including remaking and enhancing the Code, and an additional \$2.6 million to support more small businesses through alternative dispute resolution.



# \$325

for around one million  
small businesses

# A more resilient Australia

## Preparing for the future

The Government is investing both in preparing for future droughts and for the heightened risk of natural disasters.

### Disaster resilience and preparedness

The Government will provide \$138.7 million to improve Australia's response and resilience to natural hazards and disasters. Support includes funding for the National Emergency Management Agency to supply communities with vital goods, equipment, and temporary accommodation during an emergency, aerial firefighting capability, and mental health support. This is in addition to the \$11.4 billion previously committed for Disaster Recovery Funding Arrangements for the states and territories.

The Government is establishing a pilot program for Australia's Strategic Fleet. These vessels will improve Australia's capacity to respond and support communities and supply chains during crises.

### Preparing for drought and climate change

This Budget provides \$174.6 million from the National Water Grid Fund to deliver new water infrastructure projects that will enhance water security, boost agricultural production and help drought-proof regional communities.



## \$510 million

in Government spending in 2024–25 to respond, recover and build resilience to natural disasters

The Government will provide \$519.1 million from its Future Drought Fund to help farmers and rural communities manage climate change impacts and prepare for future droughts.

This will build the drought resilience of more farmers like Victorian cropper Ed Rickard.

The Fund supported Ed in developing a better farm business plan, which identified his need for weather stations and soil moisture probes. It also helped him implement a succession plan that ensured his farm's long-term viability.

# Strengthening Medicare and the care economy



## Strengthening Medicare and the care economy

- ✔ \$2.8 billion to strengthen Medicare and boost our world-class health system
- ✔ \$3.4 billion for new and amended listings on the Pharmaceutical Benefits Scheme
- ✔ \$825.7 million to continue to test for and vaccinate against COVID-19
- ✔ \$888.1 million to help people get the mental health care they need
- ✔ \$2.2 billion to improve aged care
- ✔ \$468.7 million to support people with disability and get the NDIS back on track
- ✔ \$227.6 million for a new specialised disability employment program to support approximately 270,000 Australians with disability to prepare for and find work
- ✔ \$1.8 billion to support additional frontline staff at Services Australia
- ✔ \$630.3 million to sustain, secure and enhance myGov
- ✔ \$314.1 million to enhance safety and security at Services Australia
- ✔ Funding set aside towards increased aged care and early childhood education and care wages

# High-quality health services through Medicare



Rohan's daughter Zoya has been off school with a runny nose and a cough. By 6pm, she is lethargic and has a fever. Rohan is concerned because his regular GP is now closed. Instead of waiting for hours at the emergency department, he takes Zoya to a **Medicare Urgent Care Clinic**, without having to make an appointment. During the bulk billed visit, Zoya is diagnosed with an infection by the doctor and prescribed appropriate medication. Rohan and Zoya leave within an hour of arrival. Zoya makes a full recovery.

## Boosting access to essential health services

### Building a better system

The Government is investing \$2.8 billion to continue its commitment to strengthen Medicare. This includes the \$1.2 billion package to address pressures facing the health system, which provides:

- \$882.2 million to support older Australians avoid hospital admission, be discharged from hospital earlier and improve their transition out of hospital to other appropriate care.
- \$227 million to deliver a further 29 Medicare Urgent Care Clinics and boost support for regional and remote clinics. This will increase the total number of clinics across Australia to 87. Since commencing last year, existing clinics have already provided almost 400,000 bulk billed visits.
- \$90 million to address health workforce shortages by making it simpler and quicker for international health practitioners to work in Australia.

### Improving health outcomes

Almost half of Australians live with a chronic condition. This Budget will provide \$141.1 million for research and services for people living with chronic conditions, including bowel and skin cancer, diabetes and dementia.

To improve health outcomes, the Government is also providing:

- Support for Australians to enjoy healthier, more active lives by investing \$132.7 million in sport participation and performance programs.
- \$825.7 million to ensure Australians can continue to access testing for and vaccinations against COVID-19. The Government is also ensuring continued access to oral antiviral medicines on the Pharmaceutical Benefits Scheme (PBS).
- \$41.6 million over two years to continue funding for alcohol and other drug treatment and support services, including the Good Sports alcohol management program for community sporting clubs.

The Government is also allocating an additional \$411.6 million (for a total \$1.6 billion over 13 years) through the Medical Research Future Fund to continue existing research missions and to introduce two new research missions for low-survival cancers and reducing health inequities.

### Improving access to medicines

- The Government is investing \$3.4 billion for new and amended listings to the PBS providing eligible patients with significant savings on treatment costs.
- By expanding the Closing the Gap PBS Co-payment Program, eligible First Nations patients will have free or cheaper access to all PBS medicines.
- Australians will benefit from \$141.1 million being provided to support and expand the National Immunisation Program.

### Mental health support

Almost half of Australians will experience a mental health concern in their lifetime. The Government is committed to creating a system where Australians can access quality and affordable care when and where they need it.

This Budget continues this commitment by strengthening the mental health system and responding to recommendations made in the independent evaluation of the Better Access initiative, which provides Medicare-subsidised treatment services.

The Government's \$888.1 million mental health package over eight years will help people get the care they need, while relieving pressure on the Better Access initiative and making it easier to access services.

To address the gap for people with mild mental health concerns, a new national, free low-intensity digital service will be established. From 1 January 2026, every Australian will be able to access this free service without a referral, providing timely, high quality mental health support. Once fully established, 150,000 people are expected to make use of this service each year.

The Government is also improving access to free mental health services through a network of walk-in Medicare Mental Health Centres, built on the established Head to Health network. The upgraded national network of 61 Medicare Mental Health Centres will be open by 30 June 2026. They will provide clinical services for adults with moderate to severe mental health needs.

For people who have complex needs, the Government is providing funding for Primary Health Networks to work in partnerships with GPs to deliver multidisciplinary wraparound supports and care coordination.



**\$1.2 billion**

working with states to further strengthen Medicare, reduce pressure on hospitals and deliver on the health workforce



**\$888.1 million**

mental health package to ensure people get the support they need



# Improving the aged care system



## \$2.2 billion

to deliver key aged care reforms and to continue to implement recommendations from the Royal Commission into Aged Care Quality and Safety

### Providing quality care

The Government is committed to supporting older Australians to receive the quality care they need in the later years of their lives. This Budget provides \$2.2 billion to deliver key aged care reforms and to continue to implement recommendations from the Royal Commission into Aged Care Quality and Safety.

The Government's new Aged Care Act will put the rights and needs of older people at the centre of the aged care system. The new Act will provide the framework for fundamental change within the aged care sector.

The Government has already delivered priority reforms to improve quality of life for older Australians in aged care including:

- 24/7 nurses on-site in aged care homes
- Ensuring providers deliver a sector average of 200 care minutes per resident per day
- Introducing star ratings to assist older Australians to make informed choices
- Increasing transparency in how providers manage their money through Dollars to Care.

The Government is continuing to develop and consult on a new Aged Care Act, which will establish a new Support at Home program and improve the standard of in-home aged care.



## More Home Care Packages

Most Australians want to be able to age in place and remain in their homes as long as they are able. To support older Australians the Government is investing \$531.4 million to release an additional 24,100 Home Care Packages in 2024–25 to reduce average wait times and to support people to age at home if that is their preference.

## Improving aged care

The Government wants an aged care system that Australians can trust and have confidence in. The Government is providing funding of \$110.9 million over 4 years to increase the regulatory capability of the Aged Care Quality and Safety Commission.

The Government is investing \$1.2 billion in critical digital systems to support the introduction of the new Aged Care Act and deliver a contemporary IT system. The Government is providing \$37 million for the My Aged Care Contact Centre to reduce wait times for people seeking information and access to aged care.

## Higher wages for aged care workers

The Royal Commission into Aged Care Quality and Safety found that higher wages in aged care are necessary for staff attraction and high-quality care. To support fair wages for care workers, the Government has committed to fund the Fair Work Commission decision to increase the award wage for direct and indirect aged care workers once the final determination is made. This will build on the \$11.3 billion already allocated to support the interim 15 per cent wage increase for aged care workers.

The Government is also providing \$87.2 million for workforce initiatives to attract nurses and other workers into aged care.





# Reforming the disability sector



**\$160.7  
million**

to better protect  
the safety of NDIS  
participants



**\$227.6  
million**

invested in a new  
specialised disability  
employment program

## Better and more sustainable services

### Getting the National Disability Insurance Scheme (NDIS) back on track

The Government is committed to improving outcomes for NDIS participants and ensuring every dollar of NDIS funding goes to those who need it most.

In this Budget, the Government is providing a further \$468.7 million to support people with disability and get the NDIS back on track. Key investments include:

- \$214 million over two years to fight fraud and to co-design NDIS reforms with people with disability, announced earlier this year
- \$160.7 million to upgrade the NDIS Quality and Safeguards Commission's information technology
- \$45.5 million to establish a NDIS Evidence Advisory Committee
- \$20 million to start consultation and design on reforms to help NDIS participants and people with disability navigate services.

This builds on \$732.9 million provided in the 2023–24 Budget.

On 27 March 2024 the Government introduced the Getting the NDIS Back on Track Bill to Parliament. The Government's legislative reforms are aimed at getting the scheme back on track and securing its future.

In December 2023, National Cabinet agreed to work together to improve the experience of participants and restore the original intent of the Scheme to support people with permanent and significant disability, within a broader ecosystem of supports. This builds on an earlier decision by National Cabinet to ensure Scheme sustainability and achieve an 8 per cent growth target by 1 July 2026, with further moderation as the NDIS matures.

### Improving employment for people with disability

\$227.6 million will be invested in a new specialised disability employment program to replace the existing Disability Employment Services program by 1 July 2025. This includes investing in a modern digital platform to deliver better supports to providers and participants. These reforms will support more people with disability into sustainable work, through a program with greater flexibility, increased individual supports, and better service quality. Eligibility will also be expanded to include volunteers outside the income support system and those with less than eight hours per week work capacity.

# Delivering essential services

## Investing in reliability and security

### Strengthening resourcing for Services Australia

The Government is delivering safer and more efficient government services for all Australians.

In this Budget \$1.8 billion will be provided to support the delivery of customer and payment services. This includes funding for frontline and service delivery staff to manage claims, respond to natural disasters and improve the cyber security environment. The Government is also providing \$314.1 million over two years to significantly strengthen safety and security at Services Australia centres.

To ensure that the millions of Australian myGov accounts remain contemporary, secure, and fit-for-purpose, the Government is investing \$580.3 million over 4 years and \$139.6 million per year ongoing to sustain the myGov platform and identify potential enhancements. A further \$50 million will also improve the usability, safety and security of the myGov platform and ensure Services Australia can support people to protect their information and privacy.

### Strengthening the Australian Taxation Office (ATO) against fraud

\$187.4 million is being provided to better protect taxpayer data and Commonwealth revenue against fraudulent attacks on the tax and superannuation systems. Funding will upgrade the ATO's information and communications technologies and increase their fraud prevention capabilities. This will ensure the ATO has dedicated resources to manage increasing risk, prevent revenue loss, and support victims of fraud and cyber crime.

### Looking after our veterans

Veterans' claims processing remains an important priority for the Government with an additional \$186 million investment for staffing resources and \$8.4 million to improve case management and protect against cyber risk. Having successfully eliminated the claims backlog in early 2024, these investments will ensure claims processing continues to be appropriately resourced now and systems are improved into the future. The Government will provide \$222 million to harmonise veterans' compensation and rehabilitation legislation, creating a simpler system so veterans and their families can more easily get the support they are entitled to.

A further \$48.4 million will be available for Veterans' Home Care and Community Nursing programs and \$10.2 million to provide access to funded medical treatment for ill and injured veterans while their claims for liability are processed.



**\$2.8 billion**

to improve delivery of government services



**Over 25 million**

myGov accounts will be maintained and kept secure

**Broadening  
opportunity and  
advancing equality**



## Broadening opportunity and advancing equality

- ✔ Delivering \$925.2 million for financial assistance and support services for victim-survivors leaving a violent partner
- ✔ \$1.1 billion to pay superannuation on Government-funded Paid Parental Leave, benefiting 180,000 families each year
- ✔ Addressing gender-based violence in higher education
- ✔ \$56.1 million to support women's sexual and reproductive health initiatives
- ✔ \$777.4 million to develop local jobs, services and economic opportunities in remote regions
- ✔ \$111.1 million to improve remote First Nations communities' access to essential services in the Northern Territory
- ✔ \$41.2 million in targeted support for JobSeeker Payment recipients with additional barriers to work
- ✔ \$68 million to roll out community wi-fi in remote communities and better support digital literacy
- ✔ \$53.8 million to establish First Nations language centres and expand learning services
- ✔ \$29.1 million to partner with First Nations community-controlled peak bodies to improve early childhood and education outcomes
- ✔ Establishing the \$100 million Outcomes Fund and supporting place-based strategies in skills and employment

# Progressing equality, supporting women



**\$925.2  
million**

to provide support  
to victim-survivors  
leaving an intimate  
partner violence  
relationship



**Up to  
\$5,000**

in financial support  
for victim-survivors,  
indexed to keep pace  
with the cost of living

## Standing up for women's health and safety

### Financial assistance for victim-survivors leaving a violent partner

The Government is investing \$925.2 million over 5 years from 2023–24 to provide support for victim-survivors leaving a violent intimate partner relationship including support for migrants, regardless of their visa status. This includes continuing existing trials until mid-2025 and then establishing the permanent Leaving Violence Program.

Under the new program, victim-survivors can access up to \$5,000 in financial support, which will be indexed annually to ensure the payment meets the rising cost of living. Additional support services will also be available through the program including safety planning, risk assessment and referrals to other services for up to 12 weeks.

### Addressing gender-based violence in higher education

The Government is committed to strengthening accountability for systemic gender-based violence issues in higher education by:

- establishing an independent National Student Ombudsman to investigate student complaints and help to resolve disputes with universities
- introducing a National Higher Education Code to Prevent and Respond to Gender-based Violence.

These investments, alongside additional efforts to prevent and respond to gender-based violence in this Budget, form part of the Government's \$3.4 billion total investment for women's safety and to support the National Plan to End Violence Against Women and Children 2022–2032. This is complemented by the actions agreed by governments at the National Cabinet on gender-based violence held on 1 May 2024.

### Investing in women's health

The Government is investing \$56.1 million over 4 years in initiatives that will improve access to sexual and reproductive healthcare for women across the life-course. This includes training for GPs to provide better menopause care, and to become qualified in the insertion and removal of long-acting reversible contraceptives. It also includes the delivery of free period products in rural and remote Aboriginal and Torres Strait Islander communities.

## A national strategy to make sure the Government works for women

The Government has released Australia's first national strategy to achieve gender equality. Working for Women: A Strategy for Gender Equality will drive Government action on women's safety, sharing and valuing care, economic equality, women's health and women's leadership, representation and decision making. To support Working for Women, the Government will deliver a regular survey to hear directly from women about their concerns and priorities for gender equality.

Addressing industry gender segregation, tax cuts, and the new Commonwealth Prac Payment are among the measures in this Budget that help implement Working for Women.

## Taking pressure off parents

The Government is recognising the important contribution parents make to society by paying superannuation on Government-funded Paid Parental Leave (PPL) for parents of babies born or adopted on or after 1 July 2025. The Government will provide \$1.1 billion over the forward estimates, with payments being made annually to individuals' super funds from 1 July 2026. This will reduce the impact of career breaks to care for young children on superannuation balances and support parents to achieve a more dignified retirement.

This initiative builds on the Government's \$1.2 billion investment from 2022–23 to 2026–27 to enhance the PPL scheme which will expand by two weeks each year from 1 July 2024 to reach a total of 26 weeks by 1 July 2026.



Courtney earns around \$70,000 per year and takes 22 weeks of PPL after her child is born in July 2026, while her partner takes four weeks of PPL. Based on projected future payment rates, Courtney's family will receive around an additional \$5,790 of Parental Leave Pay due to the expansion of the PPL scheme to a total of 26 weeks by 1 July 2026.

Both partners are also entitled to superannuation on their PPL payment. They do not have to do anything additional to receive their super payment. Courtney receives around \$2,500 as a contribution to her superannuation account. Courtney will retire with a superannuation balance around \$4,250 or 1.15 per cent higher.

# Support for Aboriginal and Torres Strait Islander Australians



## Partnering with First Nations communities

The Budget is investing \$2.4 billion over 5 years to create new opportunities and achieve better outcomes for First Nations people, including in the priority areas of jobs, health, education, justice, housing and other essential infrastructure and services.

The Government is investing in support of a landmark \$4 billion partnership (including \$839.4 million over five years from 2023–24 in this Budget and \$2.1 billion over 10 years) with the Northern Territory Government to improve conditions and address overcrowding in remote housing in the Northern Territory.

## Investing in First Nations economic empowerment and self-determination

The new Remote Jobs and Economic Development Program will create up to 3,000 jobs in remote Australia while building skills and experience and delivering the services communities need. A Community Jobs and Business Fund will be established under the Program to identify and pursue projects that support community development and create local economic opportunities. This \$777.4 million investment is the first step to replace the Community Development Program with real jobs, proper wages, and decent conditions. The Government also intends to enhance Indigenous Business Australia's ability to leverage their capital, enabling greater investment in First Nations housing, communities and businesses.

## Supporting early childhood and education community-controlled sectors

The Government is supporting First Nations students and teachers to thrive in the education sector. Funding of \$29.1 million over four years will be provided to First Nations early childhood and education peak bodies to advise the Government on issues including a new national First Nations Education Policy and First Nations Teacher Strategy.

## Improving remote First Nations communities' access to essential services in the Northern Territory

Essential services in remote Northern Territory communities will receive continued support from the Australian Government, with \$111.1 invested in 2024–25 for critical health, safety, wellbeing, schooling and justice services.



**\$777.4  
million**

for strong First Nations workforce participation and developing local economies

# Supporting the most vulnerable

## Supporting people seeking work with new paid employment pathways

A \$54 million investment in two new paid work placement programs will pilot support for job seekers with barriers to work, connecting them with new opportunities in businesses and social enterprises. These pilots will deliver placements paying award or above wages.

## Targeted support for job seekers with a partial capacity to work

The Government is extending eligibility for the existing higher rate of JobSeeker Payment to single recipients with an assessed partial capacity to work between zero and 14 hours per week.

Combined with a higher rate of Energy Supplement, eligible recipients will receive an increase to their rate of payment of at least \$54.90 per fortnight. The base rate of payment will also be indexed to help keep pace with increases in the cost of living.

## Embedding and enhancing place-based approaches

The Government's \$100 million Outcomes Fund will be established from 2024–25 to fund projects that support communities experiencing entrenched disadvantage. The Fund will focus on three areas: improving outcomes for children and families; helping those experiencing barriers to employment; and improving access to services for people facing or experiencing homelessness. Payments will be made in return for projects achieving agreed, measurable outcomes.

This Budget continues to invest in place-based strategies across a range of policy areas, including as part of the net zero transition. The Government will provide \$134.2 million for skills and employment support in key regions. This includes developing Regional Workforce Transition Plans, negotiated with governments and reflecting the voices of communities, workers, employers and unions, that will support the delivery of place-based services and supports.

Anika is 45 years old and rents by herself in South Australia. She has been assessed as having a partial capacity to work of eight to 14 hours per week but has not been able to find work.

Anika receives \$966.50 per fortnight in income support from JobSeeker Payment, Commonwealth Rent Assistance and supplementary payments.

From 20 September 2024, Anika will become eligible for the higher rate of JobSeeker Payment and Energy Supplement and the maximum rate of Commonwealth Rent Assistance will increase by 10 per cent.

She will receive at least \$1,040.20 per fortnight, including an extra \$54.90 from JobSeeker Payment and Energy Supplement and \$18.80 from Commonwealth Rent Assistance, plus an additional increase due to regular indexation.

Anika will also receive \$300 in Energy Bill Relief in 2024–25 from the Australian Government in addition to the \$250 she already received in 2023–24.





# Appendices

## Appendix A: Budget aggregates

Estimates						
	2023–24	2024–25	2025–26	2026–27	2027–28	Total <sup>(a)</sup>
	\$b	\$b	\$b	\$b	\$b	\$b
<b>Cash estimates</b>						
<b>Underlying cash balance</b>	<b>9.3</b>	<b>-28.3</b>	<b>-42.8</b>	<b>-26.7</b>	<b>-24.3</b>	<b>-112.8</b>
Per cent of GDP	0.3	-1.0	-1.5	-0.9	-0.8	
<b>Receipts</b>	<b>692.3</b>	<b>698.4</b>	<b>719.4</b>	<b>760.0</b>	<b>801.8</b>	<b>3,671.9</b>
Per cent of GDP	25.8	25.3	25.1	25.1	25.2	
<b>Payments</b>	<b>683.0</b>	<b>726.7</b>	<b>762.2</b>	<b>786.7</b>	<b>826.2</b>	<b>3,784.8</b>
Per cent of GDP	25.4	26.4	26.6	26.0	26.0	
<b>Balance sheet aggregates</b>						
<b>Gross debt (b)</b>	<b>904.0</b>	<b>934.0</b>	<b>1,007.0</b>	<b>1,064.0</b>	<b>1,112.0</b>	
Per cent of GDP	33.7	33.9	35.1	35.2	34.9	
<b>Net debt (c)</b>	<b>499.9</b>	<b>552.5</b>	<b>615.5</b>	<b>660.0</b>	<b>697.5</b>	
Per cent of GDP	18.6	20.0	21.5	21.8	21.9	
<b>Accrual estimates</b>						
<b>Revenue</b>	<b>706.9</b>	<b>711.5</b>	<b>732.7</b>	<b>776.2</b>	<b>819.6</b>	<b>3,747.0</b>
Per cent of GDP	26.3	25.8	25.5	25.7	25.8	
<b>Expenses</b>	<b>691.1</b>	<b>734.5</b>	<b>767.3</b>	<b>793.8</b>	<b>829.8</b>	<b>3,816.4</b>
Per cent of GDP	25.7	26.6	26.7	26.3	26.1	
<b>Net operating balance</b>	<b>15.8</b>	<b>-23.0</b>	<b>-34.5</b>	<b>-17.5</b>	<b>-10.1</b>	<b>-69.4</b>
Per cent of GDP	0.6	-0.8	-1.2	-0.6	-0.3	
<b>Net capital investment</b>	<b>7.8</b>	<b>6.3</b>	<b>8.1</b>	<b>9.0</b>	<b>11.9</b>	<b>43.0</b>
Per cent of GDP	0.3	0.2	0.3	0.3	0.4	
<b>Fiscal balance</b>	<b>8.1</b>	<b>-29.3</b>	<b>-42.6</b>	<b>-26.5</b>	<b>-22.0</b>	<b>-112.4</b>
Per cent of GDP	0.3	-1.1	-1.5	-0.9	-0.7	
Memorandum:						
Headline cash balance	6.5	-47.2	-63.8	-46.8	-42.0	-193.4

(a) Total is equal to the sum of amounts from 2023–24 to 2027–28.

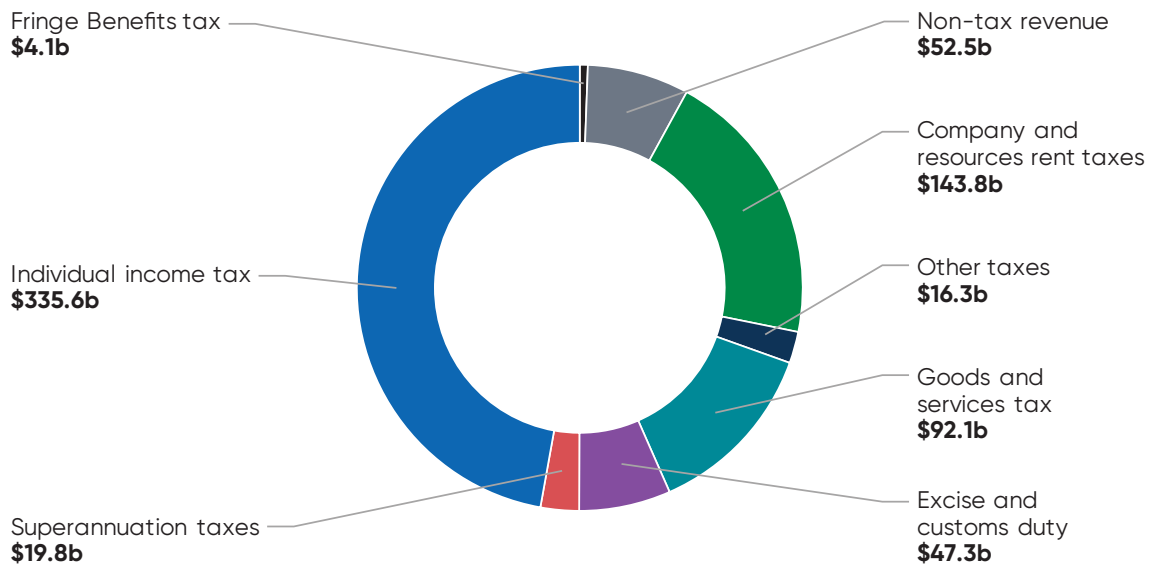
(b) Gross debt measures the face value of Australian Government Securities (AGS) on issue.

(c) Net debt is the sum of interest bearing liabilities (which includes AGS on issue measured at market value) less the sum of selected financial assets (cash and deposits, advances paid and investments, loans and placements).

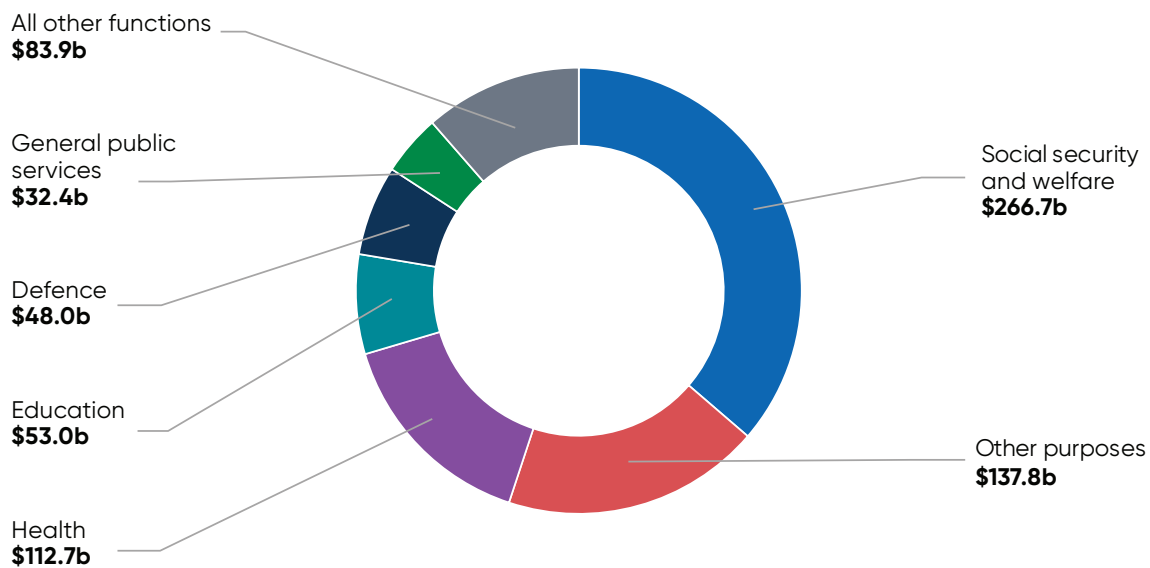
# Appendix B: Revenue and spending

Total revenue for 2024–25 is expected to be \$711.5 billion. Total expenses are expected to be \$734.5 billion.

## Where revenue comes from (2024–25)



## Where government spending is directed (2024–25)



## Appendix C: Major initiatives

This table summarises the major initiatives in the 2024–25 Budget and their impact on the underlying cash balance. More comprehensive information is provided in Budget paper No. 2, Budget Measures 2024–25.

Initiatives <sup>(a)</sup>	2023–24 \$m	2024–25 \$m	2025–26 \$m	2026–27 \$m	2027–28 \$m	Total \$m
2024 National Defence Strategy and Integrated Investment Program	0.0	-400.0	-770.0	-730.0	-3,800.0	-5,700.0
Energy Bill Relief Fund – extension and expansion	-0.1	-2,617.4	-872.2	0.0	0.0	-3,489.8
Building a Better Future Through Considered Infrastructure Investment	15.8	-322.9	-645.4	-904.4	-1,003.5	-2,860.5
Services Australia – additional resourcing	-105.0	-1,200.3	-1,146.5	-152.6	-153.6	-2,758.0
Improving Aged Care Support	15.8	-1,467.9	-655.9	-49.9	-19.4	-2,177.2
Commonwealth Rent Assistance – increase the maximum rates	-6.2	-384.3	-493.5	-503.2	-518.0	-1,905.1
Future Made in Australia – Making Australia a Renewable Energy Superpower <sup>(b)</sup>	28.8	-192.9	-349.2	-358.1	-1,010.4	-1,881.9
Personal Income Tax – Cost-of-Living Tax Cuts	0.0	1,260.0	-1,630.0	-920.0	-10.0	-1,300.0
Housing Support	-1,000.2	-134.9	-142.4	34.0	10.7	-1,232.8
Strengthening Medicare <sup>(b)</sup>	-0.2	-366.3	-252.2	-260.7	-244.8	-1,124.2
Commonwealth Government-Funded Paid Parental Leave – enhancement <sup>(b)</sup>	0.0	-12.4	-26.8	-375.0	-499.9	-914.1
Australian Universities Accord – tertiary education system reforms <sup>(b)</sup>	-22.1	-174.2	-204.2	-235.0	-270.7	-906.2
The Leaving Violence Program – financial support for victim-survivors of intimate partner violence	0.0	-200.1	-186.7	-252.9	-259.1	-898.8
Remote Jobs and Economic Development Program	-3.9	-129.4	-145.5	-218.6	-255.5	-753.1

(a) Impact on underlying cash balance. Figures may not sum due to rounding.

(b) Figures presented are net of related receipts.

## Appendix D: Major Budget improvements

This table summarises the major Budget improvements in the 2024–25 Budget and their impact on the underlying cash balance. More comprehensive information is provided in Budget paper No. 2, Budget Measures 2024–25.

Initiatives <sup>(a)</sup>	2023–24 \$m	2024–25 \$m	2025–26 \$m	2026–27 \$m	2027–28 \$m	Total \$m
National Disability Insurance Scheme – getting the NDIS back on track <sup>(b)</sup>	0.0	1,902.9	3,729.3	4,061.0	4,413.4	14,106.7
Strengthening Tax Compliance – extending the Shadow Economy Compliance Program <sup>(c)</sup>	0.0	0.0	0.0	436.7	829.9	1,266.6
Strengthening Tax Compliance – extending the Tax Avoidance Taskforce <sup>(c)</sup>	0.0	0.0	0.0	250.0	1,015.5	1,265.6
Savings from External Labour – extension	0.0	93.8	93.8	93.8	718.8	1,000.2
Strengthening the foreign resident capital gains tax regime <sup>(c)</sup>	0.0	-0.1	196.7	197.0	198.5	592.0
National Water Grid Fund – responsible investment in water infrastructure for the regions	42.5	-62.1	112.1	159.2	248.3	500.0
Child Care Subsidy Reform – further measures for strong and sustainable foundations	0.0	-2.2	137.6	141.4	133.9	410.7
Migration – Mobility Arrangement for Talented Early-professionals Scheme (MATES) and extending the validity of the Business Visitor visa for Indian nationals <sup>(c)</sup>	0.0	11.9	73.7	139.3	139.3	364.2
Strengthening Tax Compliance – extending the Personal Income Tax Compliance Program <sup>(c)</sup>	0.0	0.0	0.0	0.0	136.0	136.0
Strengthening Tax Compliance – Australian Taxation Office Counter Fraud Strategy <sup>(c)</sup>	0.0	-6.7	43.0	55.0	23.5	114.8

(a) Impact on underlying cash balance. Figures may not sum due to rounding.

(b) The NDIS reforms being undertaken by the government are expected to moderate from 2024-25 the additional growth in NDIS expenditure projected by the NDIS Actuary based on data up to December 2023. The NDIS will continue to be a demand-driven scheme that supports Australians who need it. The measure also provides additional funding to support people with disability and get the NDIS back on track. The financial impacts are the net impact of the overall measure.

(c) Figures presented are net of related payments.

## Appendix E: Detailed economic forecasts

### Domestic economy detailed forecasts <sup>(a)</sup>

	Outcomes	Forecasts		
	2022–23	2023–24	2024–25	2025–26
<b>Real gross domestic product</b>	<b>3.1</b>	<b>1 3/4</b>	<b>2</b>	<b>2 1/4</b>
Household consumption	5.0	1/4	2	2 3/4
Dwelling investment	-3.8	-3	0	6 1/2
Total business investment <sup>(b)</sup>	8.3	5 1/2	1	2
<i>By industry</i>				
Mining investment	1.7	4 1/2	-3 1/2	2
Non-mining investment	10.5	5 1/2	2 1/2	2
Private final demand <sup>(b)</sup>	4.2	1	1 3/4	3
Public final demand <sup>(b)</sup>	2.4	4 1/2	1 1/2	1 1/2
Change in inventories <sup>(c)</sup>	-0.1	-1/2	1/4	0
Gross national expenditure	3.5	1 1/4	1 3/4	2 1/2
Exports of goods and services	6.7	5	5	2 1/2
Imports of goods and services	9.3	2 1/2	4	4 1/2
Net exports <sup>(c)</sup>	-0.1	3/4	1/2	-1/4
Nominal gross domestic product	9.9	4 3/4	2 3/4	4
<i>Prices and wages</i>				
Consumer price index <sup>(d)</sup>	6.0	3 1/2	2 3/4	2 3/4
Wage price index <sup>(d)</sup>	3.7	4	3 1/4	3 1/4
GDP deflator	6.5	3	1/2	1 3/4
<i>Labour market</i>				
Participation rate (per cent) <sup>(e)</sup>	66.6	66 1/2	66 1/2	66 1/4
Employment <sup>(d)</sup>	3.5	2 1/4	3/4	1 1/4
Unemployment rate (per cent) <sup>(e)</sup>	3.6	4	4 1/2	4 1/2
<i>Balance of payments</i>				
Terms of trade <sup>(f)</sup>	-0.5	-3 3/4	-7 3/4	-4
Current account balance (per cent of GDP)	1.1	1 1/4	-3/4	-2
Net overseas migration <sup>(g)</sup>	528,000	395,000	260,000	255,000

(a) Percentage change on preceding year unless otherwise indicated.

(b) Excluding second-hand asset sales between the public and private sector.

(c) Percentage point contribution to growth in GDP.

(d) Through-the-year growth rate to the June quarter.

(e) Seasonally adjusted rate for the June quarter.

(f) Key commodities are assumed to decline from elevated levels over four quarters to the end of the March quarter of 2025: the iron ore spot price is assumed to decline to US\$60/tonne; the metallurgical coal spot price declines to US\$140/tonne; the thermal coal spot price declines to US\$70/tonne; and the LNG spot price converges to US\$10/mmBtu. All bulk prices are in free on board (FOB) terms.

(g) Net overseas migration is forecast to be 235,000 in 2026–27 and 2027–28.

Note: The forecasts for the domestic economy are based on several technical assumptions. The exchange rate is assumed to remain around its recent average level – a trade-weighted index of around 62 and a \$US exchange rate of around 65 US cents. Interest rates are informed by the Bloomberg survey of market economists. World oil prices (Malaysian Tapis) are assumed to remain flat around US\$94 per barrel.

Source: ABS Australian National Accounts: National Income, Expenditure and Product; Balance of Payments and International Investment Position, Australia; National state and territory population; Labour Force Survey, Australia; Wage Price Index, Australia; Consumer Price Index, Australia; unpublished ABS data and Treasury.



# Endnotes and image credits

## Endnote 1

Occupation data based on taxfilers reporting their salary and wage income on 2020–21 tax returns.

Average taxable income and tax cut amounts are calculated using taxable income from 2020–21 tax return data.

These figures are based on the average taxable income which includes part time workers and may not be representative of a full-time salary for these occupations.

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