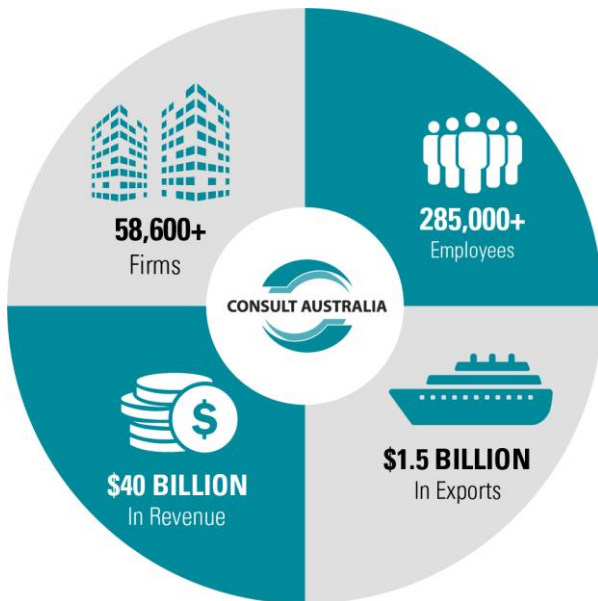




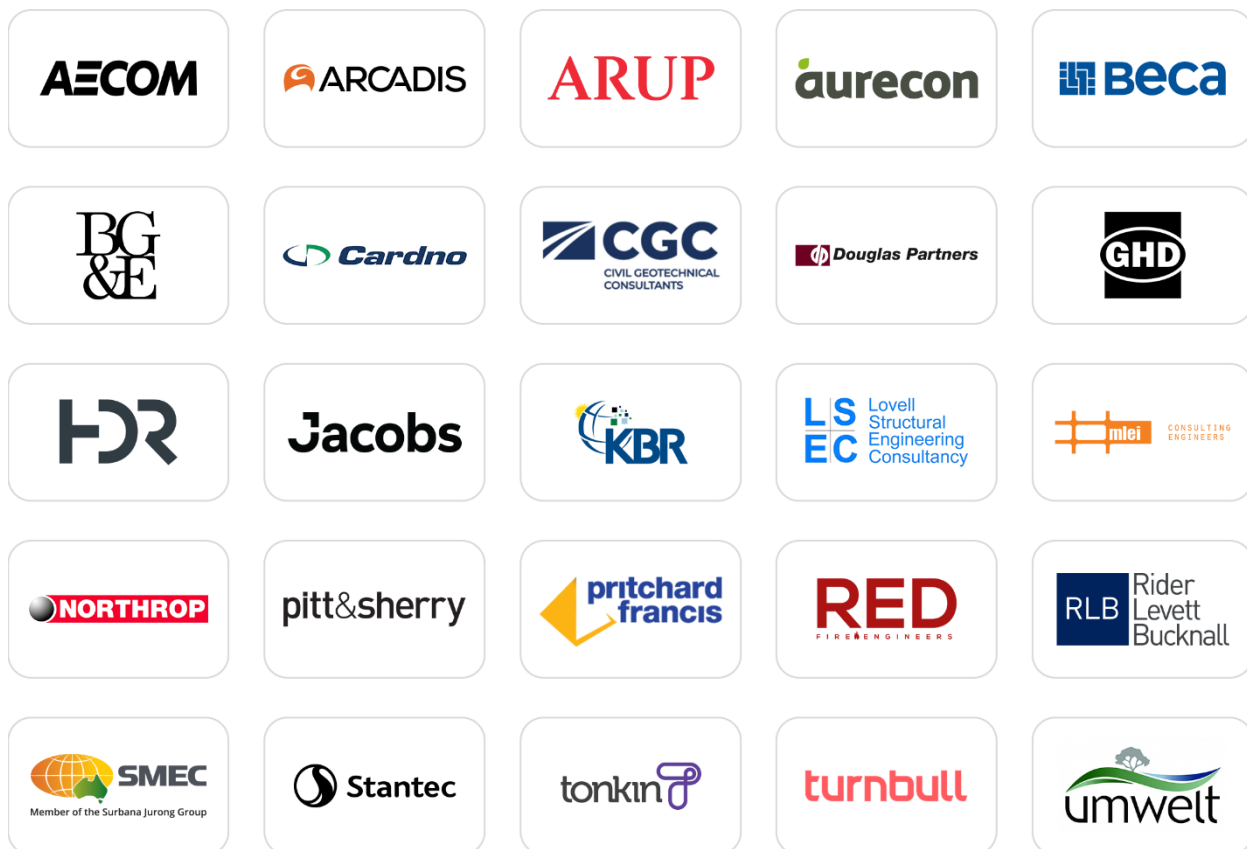
BUDGET SUMMARY 2022-23



ABOUT US

Consult Australia is the industry association representing consulting businesses in design, advisory and engineering, an industry comprised of over 58,600 businesses across Australia. This includes some of Australia's top 500 companies and many small businesses (97%). Our members provide solutions for individual consumers through to major companies in the private sector and across all tiers of government. Our industry directly employs over 285,000 people in architectural, engineering and technical services and many more in advisory and business support. It is also a job creator for the Australian economy, the services we provide unlock many more jobs across the construction industry and the broader community.

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Key economic and tax announcements

Economic forecast (content drawn from Budget Paper No.1)

The outlook for the Australian economy is positive noting that forecasts for economic activity have been revised up since the Mid-Year Economic and Fiscal Outlook (MYEFO) due to the strong labour market and consumer spending. Real GDP is forecast to grow by 3½% in 2022-23 and 2½% in 2023-24, with broad based growth in consumption, business investment and exports. Real GDP is forecast to remain above the 2021-22 MYEFO profile over the forecast period, growing by 2½ per cent in 2024-25 and 2025-26.

The unemployment rate is forecast to continue to fall over the coming quarters, reflecting the strong domestic economy, down to 3¾% by September 2022 and is forecast to remain there until 2024-25. Wage growth as measured by the Wage Price Index and is forecast to increase to 2.3% in the year to December and is expected to rise to 2¾% in the year to June 2022. It is then forecast to rise to 3¼% in 2023 and 2024, which will be its highest annual rise in almost a decade. There is, however, significant uncertainty about the pace at which wages growth will accelerate, given the unemployment rate is at a historically low level.

Dwelling investment is forecast to grow by 5% in 2021-22 and a further 3½% in 2022-23. Low interest rates, rising housing prices and government incentives, such as the HomeBuilder program, have contributed to a record pipeline of work yet to be done in the sector. Building material and labour shortages, along with COVID-19 outbreaks and related restrictions on activity, have increased construction costs and completion times for new dwellings. These supply-side pressures have constrained dwelling investment in recent quarters, particularly for detached houses, despite a record number of detached houses under construction.

Rebuilding activity following the floods is expected to add to real GDP growth over the next few years, consistent with the experiences following previous natural disasters. However, the scale and timing of this is uncertain, and the rebuilding efforts will place additional pressure on the already strained supply of building materials and labour in the construction sector.

The outlook remains for Australian inflation to peak well below that in most other advanced economies, with inflation expected to rise to 4¼% through the year to the June quarter of 2022. This reflects higher global oil prices and ongoing supply chain pressures as well as price pressures in the housing construction sector.

The outlook for business investment is strong. In 2021-22 and 2022-23, investment will be supported by further recovery in the domestic economy, temporary business tax incentives and strong business balance sheets. New business investment is forecast to grow by 5½ per cent in 2021-22, 9 per cent in 2022-23 and one per cent in 2023-24.

Non-mining business investment is expected to drive growth in overall business investment over the next 2 years. Non-mining business investment is forecast to rise by 7 per cent in 2021-22 and 9 per cent in 2022-23, to reach its highest quarterly share of the economy since 2011 in the June quarter of 2023. Growth is then expected to slow to around one per cent in 2023-24 with investment activity remaining at elevated levels.

Mining investment is forecast to rise by ½% in 2021-22, 9½% in 2022-23 and by 1½ per cent in 2023-24. Iron ore investment is continuing, largely reflecting investments to maintain production capacity. Liquefied Natural Gas (LNG) investment is expected to lift over coming quarters as construction work on recently announced projects commences. More broadly, ABS investment expectations for the mining sector indicate robust growth in mining investment in 2021-22 and 2022-23 and the highest level of investment since 2015-16.

The pace of the recovery for both international education is uncertain. Student arrivals have picked up significantly however education exports are still expected to fall in 2021-22 as the number of students completing their studies exceeds new student commencements. This will drive a 5½% fall in services exports in 2021-22. By 2022-23 a continued recovery in the number of foreign tourist and international student arrivals is expected to see a strong turnaround with services exports expected to increase by 12%. This recovery is expected to strengthen in 2023-24, with services exports expected to grow by 29%.

Practice – budgetary measures providing business support

Small business support

The Government will deliver a range of initiatives to support small businesses:

- \$10.4 million over 2 years from 2022-23 to enhance and redesign the Payment Times Reporting Portal and Register to improve efficiency and reporting
- \$8.0 million in 2022-23 to the Australian Small Business and Family Enterprise Ombudsman to work with service providers to enhance small business financial capability
- \$4.6 million over 2 years from 2021-22 to support the New Access for Small Business Owners program delivered by Beyond Blue to continue to provide free, accessible, and tailored mental health support to small business owners
- \$2.1 million over 2 years from 2021-22 to extend the Small Business Debt Helpline program operated by Financial Counselling Australia to continue to provide financial counselling to small businesses facing financial issues.
- \$5.6 million over 4 years from 2022-23 for the Fair Work Commission to establish a dedicated unit to support small businesses, including with unfair dismissal and general protections disputes.

Technology investment boost for small business

In addition, the Government is introducing a technology investment boost to support digital adoption by small businesses. The boost will apply to eligible expenditure incurred from 7:30pm (AEDT) on 29 March 2022 (Budget night) until 30 June 2023.

Small businesses (with aggregated annual turnover of less than \$50 million) will be able to deduct an additional 20 per cent of the cost incurred on business expenses and depreciating assets that support their digital adoption, such as portable payment devices, cyber security systems or subscriptions to cloud-based services. An annual cap will apply in each qualifying income year so that expenditure up to \$100,000 will be eligible for the boost.

Digital Economy Strategy

The Government will provide \$130.1 million over 4 years from 2022-23 to continue implementation of the Digital Economy Strategy and drive digital transformation. Funding includes:

- \$38.4 million over 3 years from 2022-23, and \$12.6 million per year ongoing from 2025-26 to implement the Government's response to the Inquiry into the Future Directions for the Consumer Data Right
- \$30.2 million to extend the whole of government cyber hubs pilot, including the establishment of a fourth Cyber Hub Pilot in the Australian Taxation Office
- \$18.6 million over 4 years from 2022-23 (and \$3.2 million per year ongoing) to shape global critical and emerging technology standards
- \$13.6 million over 4 years from 2022-23 to continue the Office of Future Transport Technology and support the digitalisation of the transport sector
- \$6.2 million over 2 years from 2022-23 to position Australia as a world leader in regulating the Digital Economy and new technologies and the development of a Digital Age Policy
- \$4.8 million to continue the Digital Technology Taskforce for a further 2 years
- \$3.9 million over 2 years from 2022-23 to support women to pursue career opportunities in Australia's growing tech workforce
- \$1.8 million in 2022-23 to the Digital Transformation Agency to further support the development of the Digital Identity system, including the governance, regulatory frameworks and funding arrangements associated with the Digital Identity legislation.

- Funding to the Department of Industry, Science, Energy and Resources to further invest in the Australian quantum computing industry to support growth and fast-track technology development.

Patent Box

The Government will expand the patent box, announced in the 2021-22 Budget and currently before Parliament, to support the Government's technology-focused approach to reducing emissions in line with the Government's target to achieve net zero emissions by 2050. The expanded patent box will provide concessional tax treatment for corporate taxpayers who commercialise their patented technologies which have the potential to lower emissions. Eligible corporate income will be subject to an effective income tax rate of 17 per cent, for patents granted 29 March 2022 and for income years starting on or after 1 July 2023. Eligible income will be taxed at the concessional tax rate to the extent that the research and development of the innovation took place in Australia.

Employee shares in businesses

The Government will expand access to employee share schemes and further reduce red tape so that employees at all levels can directly share in the business growth they help to generate. Where employers make larger offers in connection with employee share schemes in unlisted companies, participants can invest up to:

- \$30,000 per participant per year, accruable for unexercised options for up to 5 years, plus 70 per cent of dividends and cash bonuses; or
- any amount, if it would allow them to immediately take advantage of a planned sale or listing of the company to sell their purchased interests at a profit.

The Government will also remove regulatory requirements for offers to independent contractors, where they do not have to pay for interests.

COVID-19 support

The government announced a range of COVID-19 support to assist businesses and their people:

- In addition to the \$7.3 billion provided in MYEFO for COVID-19 Business Support Payments, a further \$53.9 million in 2021-22 to extend COVID-19 Business Support Payments and access to the Pandemic Leave Disaster Payment.
- \$2.7 million in 2022-23 to extend the Fair Work Ombudsman's support to businesses and employees on COVID-19 workplace issues until 30 September 2022
- Noting that some workers have mandatory testing requirements, the costs of taking a COVID-19 test to attend a place of work will be tax deductible for individuals from 1 July 2021. In making these costs tax deductible, the Government will also ensure fringe benefits tax (FBT) will not be incurred by businesses where COVID-19 tests are provided to employees for this purpose.

People – measures on skills, education and migration

Women's leadership

The Government will provide \$106.9 million over 5 years from 2021-22 to further promote women in leadership, including:

- \$38.6 million over 4 years from 2022-23 (and \$9.3 million per year ongoing) to provide additional support for women who commence in trade occupations that are higher paying trade occupation on the Australian Apprenticeships Priority List, in order to boost the number of women participating in these roles
- \$18.5 million over 4 years from 2022-23 to implement the recommendations of the review of the Workplace Gender Equality Act 2012, support state and territory governments to provide gender equity reporting and establish the Excellence in Workplace Gender Equity Awards
- \$9.4 million over 5 years from 2021-22 to bring women into board positions and fund the Future Women's Jobs Academy
- \$9.0 million over 3 years from 2023-24 to provide continued support to the Future Female Entrepreneurs program, also known as the Academy for Enterprising Girls
- \$1.4 million over 3 years from 2022-23 to UNICEF Australia and Parents at Work to expand the Family Friendly Workplaces initiative to a further 500 workplaces across Australia.
- The Government will also provide support to develop and deliver small, intensive business oriented online financial capability workshops to around 100 applicants through the Boosting Female Founders Initiative program.

Domestic safety

The Government has committed \$1.3 billion over 6 years from 2021-22 to support domestic safety as it relates to prevention, early intervention, response, and recovery, including:

- \$222.6 million for prevention initiatives including expansion of Our Watch, Stop it at the Start campaign, an Australian Human Rights Commission survey on high school attitudes towards consent, and funding for the Commonwealth's Consent campaign
- \$328.2 million for early intervention initiatives including trauma-informed victim-survivor national counselling services with support for Aboriginal and Torres Strait Islander Family Services, workforce development initiatives, Lifeline funding, early intervention campaign targeting males, coordinating the National Framework for protecting Australia's Children and the National Plan to End Violence Against Women and Their Children, and online safety support including funding to support the eSafety Commissioner
- \$480.1 million for response initiatives including funding extensions for Escaping Violence Payment, supporting the Safe Place program, Support for Trafficked People Program, Northern Territory Working Women's Centre and Working Women Queensland, as well as Keeping Women Safe in their Homes and Safe Phones program
- \$290.9 million for recovery initiatives including development of a new pilot model on Primary Health Networks with specialised trauma informed services, support to develop the Lighthouse Project, and support for the Family Violence and Cross Examination of Parties Scheme.

Skilled migration

The Government will provide \$19.5 million over 2 years from 2022-23 to continue the Global Business, Talent and Investment Taskforce, as the renamed Global Australia Taskforce, to attract talented individuals and international investment to Australia.

The Government has relaxed certain work restrictions for a range of visas including extended visas for certain engineering graduates negatively affected by COVID-19 travel restrictions, providing support to businesses and aiding Australia's economic recovery.

The Government is also incentivising international students and WHM visa holders to bring forward their arrival in Australia by refunding the Visa Application Charge for Student visa holders who arrive in Australia between 19 January 2022 and 19 March 2022, and for WHM visa holders who arrive in Australia between 19 January 2022 and 19 April 2022, inclusive. The Government will also increase country caps for Work and Holiday visas by 30 per cent in 2022-23, increasing overall places available by around 11,000.

The Government is also redistributing 10,000 places in the 2021-22 Migration Program from the Partner visa category within the Family stream to the Skill stream, thereby increasing the Skill stream ceiling from 79,600 to 89,600. This redistribution recognises the sharp fall in the number of on-hand Partner visa applications and will further support the economic recovery by increasing the places available for skilled visa holders.

STEM skills

The Government will provide \$45.4 million over 5 years from 2021-22 to support science, technology, engineering and maths (STEM):

- \$33.4 million over 2 years from 2021-22 (including \$14.4 million in capital funding) to the National Measurement Institute to deliver essential measurement standards and services that underpin business continuity and international trade.
- \$5.3 million over 2 years from 2021-22 to improve the National Science and Technology Council's provision of science and technology advice to the Government and to continue support of the Prime Minister's Prizes for Science event
- \$4.7 million over 4 years from 2022-23 to continue support for the *Women in STEM Ambassador* initiative and the *Future You national digital awareness-raising* initiative
- \$20 million over 4 years from 2021-22 to extend the *Superstars of STEM* program to continue raising the profile of Australian women in STEM and inspire the next generation.

Digital Services

A range of commitments related to digital services and job seekers:

- \$1.5 million in 2022-23 to extend the trial of career coaching for job seekers of all ages participating in Digital Services under *Workforce Australia*. The trial will provide career coaching to digitally serviced job seekers, to help them secure employment
- Expanding eligibility for the *Local Recovery Fund* to include job seekers self-managing through Digital Services under Workforce Australia from 1 July 2022.

Streamlined skills approach

To streamline the approach to skills:

- \$3.7 billion over 5 years from 2022-23 (and \$284.6 million per year ongoing from 2027-28) to work with states and territories, to agree a new National Skills Agreement under the Heads of Agreement for Skills Reform to invest in the skills system to support economic growth and resilience.
- \$28.5 million over 5 years from 2021-22 to establish assurance functions to support the Vocational Education and Training system for the Australian Skills Quality Authority.

Apprenticeships

There are a range of commitments on apprenticeships:

- \$954.0 million over 5 years from 2021-22 to introduce a new *Australian Apprenticeships Incentive System* from 1 July 2022, providing support to employers and apprentices in priority occupations
- \$365.3 million to extend the Boosting Apprenticeship Commencements and Completing Apprenticeship Commencements wage subsidies by 3 months to 30 June 2022, to further support employers taking on and retaining new apprenticeships
- \$2.8 million in 2022-23 to increase apprenticeship In-Training Support by an additional 2,500 places for young Australians aged 15-20 years.

ANZSCO

The government has committed \$23.7 million over 4 years from 2022-23 for the Australian Bureau of Statistics (ABS) to update the Australian and New Zealand Standard Classification of Occupations annually, with new and emerging occupations to be incorporated into the ABS' labour market data.

Procurement

Increasing small business participation in Commonwealth procurement

With the aim of making it easier for small and medium businesses to win Commonwealth contracts, direct procurement will be allowed from these businesses for contracts up to \$200,000. Greater use of whole-of-government panels will seek to reduce the costs of tendering.

Small and medium businesses are supplying a record share of goods and services to the Government worth \$18.7 billion, after the latest procurement statistics registered a record \$5.1 billion increase in the value of Commonwealth contracts going to these businesses.

The Government has asked the APS to implement reforms to the Commonwealth Procurement Rules as soon as possible and no later than 1 July 2022. The reforms aim to give small and medium businesses a fairer opportunity to win Government contracts. The new rules will require officials to consider disaggregating larger projects into smaller work packages to encourage greater participation by more businesses, regardless of their size.

Importantly, agencies will also be required to limit the extent of pre-contract insurance and liability requirements, to reflect sufficient risk sharing while not imposing unreasonable or disproportionate risk transfer that unduly restricts the number of suppliers who can bid.

The government's pay on-time commitment will be extended to all suppliers, regardless of contract value.

The Department of Defence have been authorised to undertake limited tenders with small and medium businesses for procurements up to \$500,000 from 1 July 2022.

Pipeline – investments in infrastructure, energy, resources etc

We note the investments highlighted below include a mixture of new announcements, previously announced funding, and changes to funding timelines to support economic stimulus efforts. Below we have highlighted the investments in:

- Defence
- Flood support
- Energy security
- Critical minerals
- Energy and Emissions Reduction
- Infrastructure – including national, state/territory and international

Defence

The Government will invest up to \$4.3 billion to deliver Western Australia's first large-vessel dry berth, which will support the construction and sustainment of naval vessels in Australia and support a stronger commercial shipbuilding and sustainment industry in Western Australia. Funding for expenses associated with this investment, to be delivered via a Commonwealth-led funding and delivery model, is provisioned within the Defence Integrated Investment Program. Funding for preliminary capability development activities has already been provided for by the Government.

The Government has committed to building a new submarine base on the east coast of Australia to support Australia's future nuclear-powered submarines and has identified Brisbane, Newcastle and Port Kembla as the preferred sites. The Department of Defence will engage with state and local governments to determine the optimal site, informed by the work of the Nuclear-Powered Submarine Taskforce.

The Government is also taking steps to secure additional land in Adelaide on which to build the Nuclear-Powered Submarine Construction Yard, in particular land adjacent to the existing Osborne North Shipyard. The cost of this measure will be met from within the existing resources of the Department of Defence.

Defence Industry Grants

The Government will provide \$151.6 million over 5 years from 2021-22 to the Department of Defence to continue existing defence industry support programs. Funding includes:

- \$84.7 million for the Sovereign Industrial Capability Priority Grants Program
- \$20.3 million for the Skilling Australia's Defence Industry Grant Program.

These programs aim to enable Australian small and medium-sized businesses to supply critical industrial capabilities to Defence and provide training and skilling opportunities for defence industry. The cost of this measure will be met from within the existing resources of the Department of Defence.

Flood support

\$150.0 million in 2021-22 from the Emergency Response Fund to be shared between NSW and Queensland to fund recovery and post-disaster resilience measures in areas that experienced significant damage to, or destruction of, their infrastructure.

In addition, the Australian Government will jointly fund an estimated \$2.0 billion in support measures for flood affected primary producers, small businesses, not-for-profit organisations and councils, as well as clean up, mental health and temporary accommodation measures through Category D of the Disaster Funding Arrangements (DRFA). Funding will be provided on a 50:50 shared basis with the NSW and Queensland Governments. This is in addition to other as yet unquantifiable support that will be provided through DRFA for personal assistance measures and rebuilding of essential public infrastructure damaged by the floods.

Energy security

The Government will provide \$446.1 million over 5 years from 2021-22 to increase energy security, maintain affordable and reliable power for households and businesses and reduce the cost of deploying low emissions technologies, consistent with Australia's Long Term Emissions Reduction Plan. Funding includes:

- \$247.1 million over 5 years from 2021-22 (and \$0.3 million per year ongoing) to support increased private sector investment in low emissions technologies including hydrogen, the continued development of a hydrogen Guarantee of Origin scheme, and the development of a Biodiversity Stewardship Trading Platform to support farmers to undertake biodiversity activities ahead of the introduction of a voluntary biodiversity stewardship markets
- \$148.6 million over 5 years from 2022-23 to support more investment in affordable and reliable power, including the development of community microgrid projects in regional and rural Australia
- \$50.3 million over 2 years from 2022-23 to accelerate the development of priority gas infrastructure projects consistent with the Future Gas Infrastructure Investment Framework and support investment in carbon capture and storage pipeline infrastructure.
- To support market confidence, the Clean Energy Regulator will streamline the process for existing Emissions Reduction Fund (ERF) fixed delivery contract holders seeking to take advantage of higher voluntary private market prices, with no change to the quantum of funding available under the Emissions Reduction Fund or Climate Solutions Fund.

Critical minerals

The Government will provide financing to support critical minerals projects through the Critical Minerals Facility, including:

- EcoGraf Limited to expand the Australian Battery Anode Material Facility in Western Australia
- Renascor Resources for the development of the Siviour Graphite concentrate and Spherical Graphite projects in South Australia. The Government has also commenced negotiations on financing an additional project through the Critical Minerals Facility, the details of which are commercially sensitive. The financial implications for this measure are not for publication (nfp) due to commercial sensitivities.

This measure builds on the 2021-22 MYEFO measure titled Critical Minerals – support for supply chains. Further information can be found in the joint media release of 2 February 2022 issued by the Minister for Trade, Tourism and Investment and the Minister for Resources and Water.

The Government will provide \$250.5 million over 5 years from 2022-23 to help early-stage Australian critical minerals projects reach market readiness. Funding includes:

- \$200.0 million over 5 years from 2022-23 for the Critical Minerals Accelerator Initiative which will provide grants to assist Australian critical minerals' producers advance projects through the planning, design, pilot and demonstration phases
- \$50.5 million over 3 years from 2022-23 to establish a virtual Critical Minerals Research and Development Centre which will build Australian intellectual property in critical minerals processing and help create a competitive Australian critical minerals industry.

Energy and Emissions Reduction

The Government will provide a further \$446.1 million over 5 years from 2021-22 to increase energy security, maintain affordable and reliable power for households and businesses and reduce the cost of deploying low emissions technologies, consistent with Australia's Long Term Emissions Reduction Plan. Funding includes:

- \$247.1 million over 5 years from 2021-22 (and \$0.3 million per year ongoing) to support increased private sector investment in low emissions technologies including hydrogen, the continued development of a hydrogen Guarantee of Origin scheme, and the development of a Biodiversity Stewardship Trading

Platform to support farmers to undertake biodiversity activities ahead of the introduction of a voluntary biodiversity stewardship market

- \$148.6 million over 5 years from 2022-23 to support more investment in affordable and reliable power, including the development of community microgrid projects in regional and rural Australia
- \$50.3 million over 2 years from 2022-23 to accelerate the development of priority gas infrastructure projects consistent with the Future Gas Infrastructure Investment Framework and support investment in carbon capture and storage pipeline infrastructure.

To support market confidence, the Clean Energy Regulator will streamline the process for existing Emissions Reduction Fund (ERF) fixed delivery contract holders seeking to take advantage of higher voluntary private market prices, with no change to the quantum of funding available under the Emissions Reduction Fund or Climate Solutions Fund. The financial implications for this measure are not for publication (nfp) due to commercial sensitivities.

The Government will also release Australian crude oil stocks held in the United States Strategic Petroleum Reserve in response to an International Energy Agency declared collective action and seek to replenish storage of refined product (petrol, diesel and jet fuel) and purchase replacement oil stocks at a later date. Partial funding for this measure has already been provided for by the Government. This measure builds on the 2021-22 MYEFO measure titled Energy and Emissions Reduction and Voluntary Biodiversity Stewardship Market and the 2021-22 Budget measure titled Emissions Reduction and New Investments under the Technology Investment Roadmap.

National infrastructure

The below list of projects and initiatives (national as well as state/territory infrastructure) are for investments over \$120 billion listed in the budget papers. This includes investments to strengthen the regions, with over \$21 billion committed to ensure regions have the critical transport, water and communications infrastructure they need to grow.

- To support existing programs and turbocharge the economies of four key regional hubs across Australia, \$7.1 billion over 11 years from 2022-23 will be invested. This will be targeted at strategic infrastructure projects that drive economic and jobs growth in existing and emerging industries. Program funding will focus on connecting infrastructure and developing supply chains to ensure long-term economic and national security. The four regions:
 - The Northern Territory to fund infrastructure projects that support the manufacturing industry, promote the onshore processing of critical minerals and to strengthen the region's position as an industrial and renewable energy hub
 - North and Central Queensland to invest in water infrastructure and supply chain projects that promote water security and open up agriculture and industry growth opportunities
 - Pilbara region in Western Australia to fund infrastructure projects that support the mining, mineral processing and manufacturing sectors and accelerate growth in the hydrogen and renewable energy industries
 - Hunter region in New South Wales to fund transport infrastructure projects that will improve supply chain efficiencies and help diversify the economy, building on the region's existing strengths and facilitating the development of new industries.
- \$97.0 million over 2 years from 2022-23 for community-driven infrastructure projects to improve the Murray-Darling Basin river health, promote agricultural productivity, and support adaptation to changing water demands.
- An additional \$25.2 million over 2 years from 2022-23 to maintain appropriate oversight and environmental management at Commonwealth leased airports to ensure compliance with airport building control and environmental regulations. Funding includes:

- \$16.3 million over 2 years from 2022-23 to support airport building control services, including during peak construction at Western Sydney Airport
- \$8.9 million over 2 years from 2022-23 to continue to support airport compliance with environmental standards.
- The Government will provide \$1.5 billion over 10 years from 2021-22 to fund priority infrastructure projects across Australia to support economic recovery and jobs:
 - \$678.0 million in additional funding for the Outback Way in the Northern Territory, Queensland and Western Australia
 - \$385.4 million in additional funding for the Northern Australia Roads Program
 - \$180.1 million to establish the Regional Australia Level Crossing Safety Program and support activities under the National Railway Level Crossing Safety Strategy to improve level crossing safety in regional Australia
 - \$150.0 million for the Inland Rail Interface Improvement Program
 - \$40.0 million in additional funding for the Bridges Renewal Program
 - \$6.5 million for the Australian Automobile Association to conduct on-road emissions testing of light vehicles
 - \$6.0 million for the Amy Gillett Foundation Program to improve road safety for cyclists.

Local and regional infrastructure

The Government will provide \$501.7 million over 3 years from 2022-23 to extend the Local Roads and Community Infrastructure Program to support local councils to maintain and deliver social infrastructure, improve road safety and bolster the resilience of the local road network. The funding will allow councils to further engage local businesses and workforces to deliver priority projects and support economic recovery. This investment increases the total funding provided for the Local Roads and Community Infrastructure Program to \$3.0 billion. The measure builds on the 2021-22 Budget measure titled Local Roads and Community Infrastructure – extension.

The Government will provide \$2.0 billion over 5 years from 2022-23 to establish the Regional Accelerator Program (RAP) to drive transformative economic growth and productivity in regional areas. The RAP will provide dedicated funding for regional businesses and communities to access programs targeted to local priorities in infrastructure, manufacturing and industry development, skills and training, research and development, and education. The program will take a whole-of-government approach to drive regional investment, targeted at regions experiencing high levels of population growth and economic performance or undergoing long-term structural adjustment.

\$47.7 million over 4 years from 2022-23 (and \$0.3 million per year) to Norfolk Island to support council and law services, upgrade the sewer system around the Kingston and Arthur's Vale Historic Area world heritage site, improve freight shipping infrastructure and facilities, upgrade the electricity grid, promote tourism and extend the Argentine Ant Eradication program.

State and Territory pipelines

Australian Capital Territory

The Government will provide \$51.0 million from 2022-23 to fund priority road projects in the Australian Capital Territory to support economic recovery and jobs, increasing the Government's total commitment to transport infrastructure in the Australian Capital Territory to over \$1.3 billion since 2013-14. Partial funding for this measure has already been provided for by the Government Funding. This measure builds on the 2021-22 MYEFO measure titled Infrastructure Investment and the 2021-22 Budget measure titled Infrastructure Investment – Australian Capital Territory:

- \$46.7 million for the Athllon Drive Duplication

- \$2.8 million for Kent Street and Novar Street Intersection Upgrades
- \$1.5 million for the Inner Canberra Corridor Planning Package.

New South Wales

The Government will provide \$3.3 billion from 2021-22 to fund priority road and rail projects in New South Wales to support economic recovery and jobs, increasing the Government's total commitment to transport infrastructure in New South Wales to \$48.5 billion since 2013-14. Funding includes:

- \$1.0 billion for the Sydney to Newcastle – Tuggerah to Wyong Faster Rail Upgrade
- \$352.0 million for the Milton Ulladulla Bypass
- \$336.0 million for the Pacific Highway, Wyong Town Centre
- \$300.0 million for Grade Separating Road Interfaces
- \$264.0 million for the Newell Highway Heavy Duty Pavement Upgrades – North Moree
- \$232.5 million for Mulgoa Road Stage 2 – Glenmore Parkway to Jeanette Street, Stage 5A Blaikie Road to Jamison Road and Stage 5B Jamison Road to Union Road
- \$100.0 million for the Southern Connector Road, Jindabyne
- \$95.6 million for Picton Bypass and Picton Road – Planning
- \$77.5 million for Sydney Metro – Western Sydney Airport – Stage 2 Business Case
- \$75.0 million for the Wakehurst Parkway
- \$65.0 million for the Hume Highway Intersection Upgrade, M5 Motorway – Moorebank Avenue
- \$51.2 million for the Central Coast Highway – Tumby Road Intersection Upgrade
- \$30.0 million for the Tenterfield to Newcastle Corridor Upgrade
- \$25.0 million for Richmond Road Stage 1 – Elara Boulevard to Heritage Road, Marsden Park
- \$20.0 million for the Toowoomba to Seymour Corridor Upgrade.

The Government will provide an additional \$83.2 million over 5 years from 2022-23 to support projects under the Albury Wodonga Regional Deal to unlock economic benefits and opportunities in the region.

Further funding announcements relevant to New South Wales include:

- \$12.5 million towards the Centre of Excellence in Vision and Hearing
- \$8.0 million towards the Scone CBD Revitalisation
- \$433.0 million for Dungowan Dam and Pipeline.

Northern Territory

The Government will provide \$237.0 million from 2022-23 to fund priority road projects in the Northern Territory to support economic recovery and jobs, increasing the Government's total commitment to transport infrastructure in the Northern Territory to \$3.7 billion since 2013-14. Partial funding for this measure has already been provided for by the Government:

- \$132.0 million for Central Australian Tourism Roads
- \$55.0 million for the Tiger Brennan Drive and Berrimah Road Intersection Upgrade
- \$50.0 million for Alice Springs to Halls Creek Corridor Upgrade

To improve biosecurity capabilities, infrastructure and risk management activities across Northern Australia \$61.6 million over 4 years from 2022-23 will be spent, including to addressing the potential threat of lumpy skin disease.

Water infrastructure commitments include:

- \$300.6 million for the Darwin Region Water Supply Infrastructure Program – Stage 1
- \$7.1 million for the Adelaide River Catchment Water Allocation Plan.

A further \$2.0 billion is allocated to the Northern Australia Infrastructure Facility (NAIF) to finance critical infrastructure projects that drive economic development and investment in Northern Australia. This brings total Commonwealth funding for the NAIF to \$7.0 billion. The Government will also expand the NAIF's geographic boundaries to enable it to provide financing to the Indian Ocean Territories of Christmas Island and the Cocos (Keeling) Islands. Funding for this measure has already been provided for by the Government. Further information can be found in the media release of 15 December 2021 issued by the Minister for Agriculture and Northern Australia, the Assistant Minister for Regional Development and Territories, and the Special Envoy for Northern Australia, and the media release of 25 January 2022 issued by the Minister for Agriculture and Northern Australia and the Special Envoy for Northern Australia.

Queensland

The Government will provide \$3.3 billion from 2021-22 to fund priority road and rail infrastructure projects in Queensland to support economic recovery and jobs, increasing the Government's total commitment to transport infrastructure in Queensland to over \$35.9 billion since 2013-14. Partial funding for this measure has already been provided for by the Government. This is in addition to funding provided to Queensland through the measure titled Infrastructure Investment. This measure builds on the 2021-22 MYEFO measure titled Infrastructure Investment and the 2021-22 Budget measure titled Infrastructure Investment – Queensland:

- \$1.6 billion for the Brisbane to the Sunshine Coast – Beerwah-Maroochydore Rail Extension
- \$1.1 billion for the Brisbane to the Gold Coast – Kuraby-Beenleigh Faster Rail Upgrade
- \$190.0 million for the Mount Isa to Rockhampton Corridor Upgrade
- \$114.4 million for the Tennant Creek to Townsville Corridor Upgrade
- \$68.5 million for the Cooktown to Weipa Corridor Upgrade
- \$36.2 million for the Wyaga Creek Flood Improvement Project
- \$31.6 million for the Cairns to Northern Territory Border Corridor Upgrade
- \$27.2 million for Bruce Highway Upgrade – Business Cases, including Anzac Avenue to Uhlmann Road, Buchanan Road to Caboolture Bribie Island Road, and Uhlmann Road to Buchanan Road
- \$22.5 million for the Brisbane Olympic and Paralympic Games 2032 – Business Case Development
- \$19.1 million for the Townsville to Roma Corridor Upgrade
- \$14.4 million for the Phillips Creek Bridge Replacement Project
- \$11.0 million for the Coomera Connector Future Stages Business Case.

Water infrastructure commitments include:

- \$11.6 million over 5 years from 2022-23 to continue to fund the North Queensland Water Infrastructure Authority and expand its remit to support the development and delivery of water infrastructure in North Queensland
- \$5.4 billion for Hells Gates Dam
- \$600.0 million for Paradise Dam Improvement
- \$126.5 million for Emu Swamp Dam and Pipeline.

Other commitments include \$5.0 million towards the Caboolture Police and Community Youth Centre and \$1.5 million towards the Katie Rose Cottage Hospice.

The Government will provide \$680.6 million over 11 years from 2022-23 to support projects under the South East Queensland (SEQ) City Deal that enhance transport and digital infrastructure to deliver a better connected region, create jobs and improve liveability in the SEQ region. Project approvals are dependent on agreements with the Queensland State Government and applicable councils. Australia Government funding includes transport, waste and recycling, housing, liveability, pedestrian infrastructure, digital connectivity and innovation projects. Funding for this measure has already been provided for by the Government.

South Australia

The Government will provide \$2.8 billion from 2021-22 to fund priority road projects in South Australia to support economic recovery and jobs, increasing the Government's total commitment to transport infrastructure in South Australia to \$13.7 billion since 2013-14. Partial funding for this measure has already been provided for by the Government. This measure builds on the 2021-22 MYEFO measure titled Infrastructure Investment and the 2021-22 Budget measure titled Infrastructure Investment – South Australia:

- \$2.3 billion for the North-South Corridor – Darlington to Anzac Highway
- \$200.0 million for Marion Road – Anzac Highway to Cross Road
- \$120.0 million for the Adelaide Hills Productivity and Road Safety Package
- \$60.0 million for South East Freeway Managed Motorways – Stage 2
- \$60.0 million for Targeted Investments to Improve National Supply Chain Resilience
- \$50.0 million for the Rural Roads Package including the Horrocks Highway Corridor and Safety Package
- \$20.0 million for the Marion Road and Sir Donald Bradman Drive Intersection Upgrade
- \$16.2 million for the Port Augusta to Perth Corridor Upgrade
- \$16.0 million for the Main South Road Productivity Package
- \$9.6 million for the South Eastern Freeway Safety Upgrade.

Water infrastructure spending includes:

- \$5.0 million for the Northern Water Supply Business Case
- \$0.5 million for the McLaren Vale Irrigation Water Security Business Case.

Tasmania

The Government will provide \$639.9 million from 2022-23 to fund priority road and rail projects in Tasmania to support economic recovery and jobs, increasing the Government's total commitment to transport infrastructure in Tasmania to over \$4.5 billion since 2013-14. Partial funding for this measure has already been provided for by the Government. This measure builds on the 2021-22 MYEFO measure titled Infrastructure Investment and the 2021-22 Budget measure titled Infrastructure Investment – Tasmania:

- \$336.0 million for the Tasmanian Roads Package – Northern Roads Package – Stage 2
- \$100.0 million for Great Eastern Drive Tourism Support – Additional Packages
- \$96.0 million for the Tasmanian Freight Rail Revitalisation Program – Tranche 4
- \$56.0 million for the Tasmanian Roads Package – Tasman Highway Sideling Upgrade – Stage 2
- \$24.0 million for the Bell Bay Line – reconnection to the Bell Bay Wharf
- \$14.4 million for the Melba Line Bulk Minerals Rail Hub
- \$13.5 million for the Hobart – Northern Transit Corridor Solution.

In terms of water infrastructure, \$13.7 million for the Don Irrigation Scheme.

Victoria

The Government will provide \$3.4 billion from 2021-22 to fund priority road and rail projects in Victoria to support economic recovery and jobs, increasing the Government's total commitment to transport infrastructure in Victoria to \$35.5 billion since 2013-14. Partial funding for this measure has already been provided for by the Government. This measure builds on the 2021-22 MYEFO measure titled Infrastructure Investment and the 2021-22 Budget measure titled Infrastructure Investment – Victoria:

- \$1.2 billion for delivery of the Beveridge Interstate Freight Terminal
- \$920.0 million for the Outer Metropolitan Ring Rail South
- \$740.0 million for the delivery of the Western Interstate Freight Terminal
- \$280.0 million for the Beveridge Interstate Freight Terminal road connections, including Camerons Lane
- \$109.5 million for the Mickleham Road Upgrade
- \$45.0 million for Ballarat to Ouyen Corridor Upgrade
- \$23.1 million for the Canterbury Road Upgrade.

Other announcements include:

- \$5.0 million towards the Gilwell Park Scouts Adventure and Learning Centre Redevelopment in Victoria
- \$4.5 million towards the Bendigo Airport Terminal Redevelopment in Victoria
- \$0.6 million towards the Shepparton FoodShare in Victoria.

Western Australia

The Government will provide \$1.7 billion over from 2021-22 to fund priority road and rail projects in Western Australia to support economic recovery and jobs, increasing the Government's total commitment to transport infrastructure in Western Australia to \$20.2 billion since 2013-14. Partial funding for this measure has already been provided for by the Government. This is in addition to funding provided to Western Australia through the measure titled Infrastructure Investment. This measure builds on the 2021-22 MYEFO measure titled Infrastructure Investment and the 2021-22 Budget measure titled Infrastructure Investment – Western Australia:

- \$441.2 million for the METRONET, including the Thornlie-Cockburn Link, High Capacity Signalling, Morrison Road Level Crossing Removal and the Yanchep Rail Extension projects
- \$320.0 million for Stages 2 and 3 of the Bunbury Outer Ring Road
- \$200.0 million for Stage 3 of the Tonkin Highway Extension
- \$178.0 million for Stages 1 and 2 of the Pinjarra Heavy Haulage Deviation
- \$145.0 million for the Thomas Road Dual Carriageway, South Western Highway to Tonkin Highway and the Interchange at Tonkin Highway
- \$140.0 million for Regional Road Safety Upgrades
- \$50.0 million for the Tonkin Highway – North Ellenbrook Interchange
- \$48.0 million for Moorine Rock to Mount Holland Road Upgrades
- \$40.0 million for Newman to Katherine Corridor Upgrade – Great Northern Highway Upgrade – Newman to Port Headland Overtaking Lanes
- \$25.0 million for the Fremantle Traffic Bridge – Swan River Crossing
- \$25.0 million for the Perth CBD Transport Plan – Causeway Bridge
- \$22.4 million for the Mid-West Secondary Freight Network.

The Government will provide an additional \$49.0 million over 3 years from 2022-23 under the Perth City Deal to support the Edith Cowan University's Cultural and Creative Industries CBD campus project. This funding brings the total Commonwealth investment for this project to \$294.0 million. There is also \$0.8 million for the Collie to Coast Business Case.

International infrastructure

In line with the Pacific Step-up, the Government will increase the Australian Infrastructure Financing Facility for the Pacific to \$3.5 billion, supporting additional infrastructure investment in the Pacific. The Government will provide financing packages through the Facility to the Government of Papua New Guinea to:

- improve Papua New Guinea's road network, including the Wau and Sepik Highways
- expand the electricity distribution grid in Lae and East New Britain as part of the PNG Power Sector Development Project.

This measure builds on the 2021-22 MYEFO measure titled Australian Infrastructure Financing Facility for the Pacific Projects.

The Government will also provide additional support for the Global Infrastructure Hub, which is headquartered in Sydney, NSW. The financial implications for the Global Infrastructure Hub are not for publication (nfp) due to international negotiations.

Contact us

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