

Partnership for Regional Growth 2015-16

Statement by

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FOREWORD

The Australian Government is working with communities to build a stronger Australia. The 2015-16 Budget delivers the foundations to support strong families, strong communities, strong businesses and a strong economy.

Australia's strength comes from the contributions of people, businesses and local economies from right across the nation. That is why we are committed to partnering with Australia's regions to pursue and seize economic development opportunities; ours is a partnership for regional growth.

Strong businesses provide the foundations of a strong economy. The Australian Government wants to partner with business. Australia's small businesses are the engine room of our economy. The Australian Government's new Growing Jobs and Small Business Package will deliver the conditions that help small businesses grow and create jobs. The Package also helps job seekers, particularly young people and older Australians, access the skills and opportunities they need to get these jobs.

To help our regions contribute at their full potential, the Australian Government is facilitating greater connectivity between the regions, our cities, and the world. The Australian Government is continuing to build our future with a commitment to an investment of \$50.0 billion through to 2019-20 for infrastructure upgrades and the construction of safe and reliable roads. A significant share of this investment is funding a range of projects that specifically target road safety and productivity in regional areas. These projects include the Pacific Highway in New South Wales, the Bruce Highway in Queensland and the Great Northern Highway in Western Australia.

The Australian Government's new \$100 million initiative to improve northern cattle supply chains will improve the productivity of the cattle supply industry in northern Australia. It will provide incentives for private sector investment and underpin the future viability of an industry that has long been a key pillar of the northern economy. The Australian Government will also establish a concessional loan facility of up to \$5 billion, with the objective of increasing private sector investment in infrastructure in northern Australia. Together these measures will improve the profitability of a range of related businesses in regional areas which will impact positively on the economies of many regional communities.

The Australian Government is also partnering with regional business to support access to the widest markets possible. For example, we have committed \$202.9 million from 2015-16 to 2018-19 to the expansion of the Tasmanian Freight Equalisation Scheme to provide assistance for the shipment of goods going to markets not currently covered by the Scheme. Additionally, the Australian Government's free trade agreements with three of our biggest trade partners — China, Japan and the Republic of Korea — will open up some of the largest markets in the world to businesses based in our regions.

A strong Australia is built on strong communities. Delivery of the Australian Government's \$1.0 billion National Stronger Regions Fund will commence in 2015-16, promoting economic development through investment in local infrastructure projects, particularly in areas of disadvantage. The Australian Government has just announced the successful Round 1 projects, which will build productive new infrastructure worth hundreds of millions of dollars in our regions. Regional communities will also benefit from an extension of the Australian Government's Community Development Grants Programme, providing an additional \$50.0 million over three years. This programme supports key infrastructure that promotes stable, secure and viable local and regional economies.

Additionally, the Australian Government's new Stronger Communities programme will provide \$45.0 million over two years for small capital projects that will deliver social benefits to communities right across Australia. From 1 July 2015 Stronger Communities will make available up to \$150,000 per year in each of Australia's 150 Federal Electorates for locally-identified high-priority projects that improve local participation and cohesion.

Strong families are central to securing Australia's future. The Australian Government's \$4.4 billion Families Package will provide an additional \$3.5 billion over five years to provide child care that is simpler, more affordable, accessible and flexible. The Families Package will also commit \$843 million to provide all children with access to a preschool programme in the year before school – for up to 15 hours a week, or for 600 hours a year – until December 2017. Support for rural and remote families is an important feature of the Families Package, including recognising the extra challenges families face in accessing child care and early learning in those locations.

By working together, the Australian Government is fostering a partnership with Australia's regions. When our regions thrive, Australia thrives.

Warren Truss

Deputy Prime Minister

Minister for Infrastructure and Regional Development

Jamie Briggs

Assistant Minister for Infrastructure and Regional Development

KEY AUSTRALIAN GOVERNMENT INITIATIVES IN REGIONAL AUSTRALIA BY PORTFOLIO

AGRICULTURE

The Agriculture portfolio provides service and benefit to regional Australia. The majority of agriculture, fisheries, forestry and food industries are located in regional Australia, and their employees and related businesses underpin many local economies. The Department of Agriculture has a strong presence in regional Australia, with more than 15 per cent of the Department of Agriculture's employees based in regional areas.

The Agriculture portfolio's largely regionally based industries are worth approximately \$58.0 billion to the Australian economy, employ around 313,000 people domestically and feed tens of millions of people globally. In 2015-16 the portfolio will continue important work to improve the productivity, competitiveness and sustainability of these critical industries and help goods and people to move in and out of the country while managing the risks to the environment and animal, plant and human health.

The Department of Agriculture works to support profitable farm businesses, improve access to export markets for regional produce and improve net farm-gate returns. The department also provides support for the stewardship role played by farmers and regional communities over our natural resource base. This includes targeted assistance for pest and disease management, as well as the prevention of the entry and establishment of exotic pests and diseases that threaten rural industries and those people whose livelihoods depend upon them.

Through the Department of Agriculture and its portfolio agencies, the Australian Government will continue to support regional Australia by delivering services directly to those who need them. For example, in 2015-16 the department will implement a new framework to assist farmers and regional communities suffering the effects of severe drought. This will include:

- making \$250.0 million available to continue access to drought specific concessional loans;
- providing \$25.8 million for programmes to manage pest animals and weeds in drought affected areas; and
- expanding the Rural Financial Counselling Service by \$1.8 million to fund up to 10 additional rural financial counsellors to meet increased demand during periods of drought.

NEW INITIATIVES

Agricultural Competitiveness White Paper

The Australian Government is currently developing an Agricultural Competitiveness White Paper. The White Paper will be the Australian Government's plan to grow agriculture's competitiveness, farm gate profitability and contribute to Australia's prosperity, including the prosperity of our rural and regional communities.

The Agricultural Competitiveness White Paper will provide a strong policy platform for enhancing the contribution of agriculture to economic growth, employment creation and national prosperity through increased innovation, productivity, investment and trade.

The White Paper has been informed by comprehensive stakeholder consultations providing grassroots input from farmers and rural communities. This has included the release of an Issues Paper in February 2014 and Green Paper released in October 2014.

On 9 May 2015, a suite of in-drought measures was announced (outlined below), as a first tranche of measures from the White Paper. The White Paper is set for completion in 2015.

Concessional loans

The Australian Government is providing up to \$250.0 million in 2015–16 to make the existing Drought and Drought Recovery Concessional Loans schemes available for another year (\$150.0 million for Drought Concessional Loans and \$100.0 million for Drought Recovery Concessional Loans).

Under the Drought Concessional Loans Scheme, loans will continue to be available for debt restructuring, operating expenses and drought recovery and preparedness activities. Loans under the Drought Recovery Concessional Loans Scheme will continue to be available for planting and/or restocking activities, as seasonal conditions allow.

Extending these schemes recognises the worsening dry conditions across parts of Australia and will ensure assistance is available to help farm businesses in hardship deal with immediate pressures.

Pest animal and weed management in drought-affected areas

Pest animals are responsible for significant damage to agricultural production systems each year. During drought, the impact of pest animals is exacerbated by increased pressure on pastures/groundcover, reduced livestock feed and predation on livestock.

Weeds also place high costs on agriculture and the environment, impacting the ability of farmers to recover from drought in the short-term, as well as affecting the productivity of their land in the long-term. During droughts, weeds generally survive better than pasture species and then spread to areas of depleted groundcover, putting additional pressure on the remaining fodder required for livestock.

Funding of \$25.8 million (2015-16 to 2018-19) will be provided to programmes that manage pest animals and weeds in drought-affected areas. Funding will be provided to projects in drought-affected areas to alleviate grazing pressures from pest animals, address the impacts of predators such as foxes and wild dogs, and tackle weed management issues due to the decline of pasture/groundcover.

Funding will be focussed on those communities that can demonstrate a need for projects that will provide additional employment and economic stimulus to local farmers and businesses. The flow-on benefits to these communities are not limited to the short-term; they will also have longer-term benefits for the regions and the agricultural industries on which they depend.

Additional rural financial counsellors

The Australian Government has allocated \$16.1 million to the Rural Financial Counselling Service Programme in the 2015-16 financial year which includes \$1.8 million of additional funding for rural financial counsellors to meet increased demands during periods of drought.

The Australian Government, together with state governments, funds the Rural Financial Counselling Service Programme to provide free financial counselling to primary producers, fishers, and small rural businesses in financial difficulty. There are 14 not-for-profit organisations that deliver the service across regional and rural Australia.

Drought conditions often lead to an increased number of farmers and small rural businesses in financial distress and this funding allows those in need to access prompt assistance to improve their business and personal situation.

Infrastructure and employment projects in drought-affected areas

Extended and severe drought is having a significant impact on the existence of rural and regional communities, impacting their provision of services, availability of supplies and equipment, maintenance of town facilities, and the civic pride and quality of life of residents more broadly.

There has been an especially strong impact on employment opportunities for many rural and regional residents, with spending and job availability being reduced.

Loss of income from rates and other fees/charges is occurring as residents leave their communities. This, and the loss of other economic activity and income, is affecting the ability of councils and other service providers to fund projects beyond those that form part of their business-as-usual activities.

This measure will provide up to \$35.0 million for local infrastructure initiatives that provide employment for people whose work opportunities have been impacted by drought. Funding will be targeted at projects that offer the greatest potential to generate local employment, stimulate local community spending, use local resources, and provide a long-lasting benefit to communities and the agricultural industries on which they depend (refer also page 91).

Enhanced social and community support (community mental health and family support)

This initiative will focus primarily on farmers, farm families and rural communities. Existing service providers funded under the Families and Children Activity and the Community Mental Health Activity will be allocated funds to commence or to continue to deliver services in identified drought-affected communities, including those areas entering a period of recovery. An additional \$20.0 million is available under this initiative. Department of Human Services' drought coordinators will work to ensure coordinated delivery of this proposal and clear communication of available assistance to farmers and their communities.

Water Infrastructure

The Australian Government is delivering on its election commitment to start the detailed planning necessary to build new dams – to secure the nation's water supplies, deliver strong economic benefits for Australia, while also protecting our environment.

The Water Infrastructure Ministerial Working Group was established in March 2014 to identify how to accelerate investment in strategic water infrastructure projects. The Minister for Agriculture chairs of this group.

The Minister for Agriculture hosted a Roundtable in October 2014 which coincided with the release of an Options Paper. The Options Paper identified a list of potential projects across Australia to assist in economic development, flood mitigation and responding to community and industry needs. The Australian Government is considering water infrastructure in the context of the Developing Northern Australia and Agricultural Competitiveness White Papers.

CURRENT INITIATIVES

National Drought Program Reform

In line with the Intergovernmental Agreement on National Drought Program Reform, the Australian Government is moving away from crisis-framed drought assistance programmes to programmes that help farmers better manage risk and prepare for future challenges, including drought.

Regional Australia will continue to benefit from the reform through a more productive and resilient agriculture sector. The Australian Government has committed \$193.3 million over four years from 2014-15 for the National Drought Reform Programme which comprises:

- a Farm Household Allowance;
- continued access to Farm Management Deposits and taxation measures that support risk management;
- a national approach to farm business training;

- a coordinated, collaborative approach to the provision of social support services; and
- tools and technologies to inform farmer decision-making.

Farm Household Allowance

The Farm Household Allowance is an uncapped, demand-driven programme that provides eligible farmers and their partners who are experiencing financial hardship with assistance and support to improve their long-term financial position. The allowance commenced from 1 July 2014, replacing the Interim Farm Household Allowance.

The Australian Government recognises that farmers may experience significant financial hardship at any time for a range of reasons. Through the Farm Household Allowance, eligible farm families Australia-wide are able to apply for household income support, paid at the same rate as Newstart Allowance (or Youth Allowance, if under 22 years of age).

The Farm Household Allowance is administered by the Department of Human Services.

Farm Management Deposits Scheme

Two enhancements have been made to the Farm Management Deposits Scheme to give greater flexibility to primary producers in managing their finances:

- The non-primary production income threshold was increased from \$65,000 to \$100,000 to enable more primary producers who diversify their income to continue to access to the scheme.
- Primary producers who hold multiple Farm Management Deposits are now allowed to consolidate them once they have been held for the minimum 12 month period. The removal of this red tape allows primary producers to make better use of the scheme, and reduces the administrative burden for financial institutions.

These amendments were introduced into Parliament on 27 March 2014, and took effect from 1 July 2014.

Rural Research and Development for Profit Programme

The Rural Research and Development for Profit programme implements the Australian Government's election commitment to invest an additional \$100.0 million in rural research and development over four years from 2014-15. The funding is for research to increase the profitability of agriculture, fisheries and forestry industries and address particular high-priority challenges to achieve the best outcomes for producers. Consistent with the election commitment, funded research will focus on delivering cutting edge technologies, with an emphasis on making research accessible to end-users. The first funding round for the programme has been delivered and it is expected that there will be at least one further round.

Investment in Rural Research, Development and Innovation

Investment in research, development and innovation is vital for ongoing growth and improvement in the productivity, profitability, competitiveness and sustainability of Australia's agriculture, fisheries, forestry and food industries. The main way that the Australian Government invests in rural research and development (R&D) is through the 15 rural R&D corporations. The Australian Government provides approximately \$250.0 million per year to the rural R&D corporations. These investments are complemented by funding to Cooperative Research Centres, universities, the Commonwealth Scientific and Industrial Research Organisation and other departmental programmes.

The 15 rural R&D corporations commission research for the benefit of the industries that they service, and the Australian community in general. The research focuses on strategic priorities, which may include improving productivity, developing new products or crop varieties, advancing profitable farming systems, managing resources sustainably, or building skills and capacity within the industry. The work of the rural R&D corporations contributes significantly to the strengthening of the economic diversity of regional Australia. Each R&D corporation has developed five-year strategic plans and, during 2015-16, each corporation will continue to advance these strategic goals.

Tasmanian Fruit and Vegetable Industry Taskforce

In May 2014 the Australian Government appointed an expert taskforce to prepare an agreed, industry-led plan that will detail what industry and government can do to promote competitiveness, investment and jobs growth in the Tasmanian fruit and vegetable industries. The taskforce's report was released on 1 October 2014.

On 13 March 2015 the Joint Commonwealth and Tasmanian Economic Council agreed to an industry-government co-investment model to fund the implementation of the Taskforce's recommendation to establish a market facilitation project.

A growing, internationally competitive fruit and vegetable industry will deliver significant benefits to regional Tasmania in the form of employment and income generation.

Support for Small Exporters

The 2014-15 Budget implemented the Australian Government's election commitment to provide a rebate for export registration costs to assist small exporters. A total of \$15.0 million has been allocated over four years to focus on assisting small exporters to improve market access. The initiative also includes funding for 2015-16 to 2017-18 for projects to improve market access, with a focus on small exporters. For small exporters located in regional Australia, this initiative will assist in supporting their businesses while they work to better establish export opportunities.

A new Post-Entry Quarantine Facility

The 2012-13 Budget included a \$379.9 million investment over seven years in the construction and operation of a new Australian Government-owned and operated post-entry quarantine facility for high risk animal and plant imports.

The funding will deliver a facility that consolidates existing animal and plant services to a single location.

Land for the new facility was acquired at Mickleham in Victoria in 2012 and construction commenced in May 2014.

The new site will begin operation from late 2015, when the existing facility at Eastern Creek in New South Wales is scheduled to close. Operations at other facilities will be transferred progressively to the new station with the process scheduled to be completed by 2018.

Stronger Biosecurity and Quarantine

The Stronger Biosecurity and Quarantine initiative delivers on the Australian Government's election commitment to provide \$20.0 million over four years to strengthen Australia's biosecurity and quarantine arrangements.

The initiative provides immediately available resources to respond rapidly to pest and disease incursions in order to reduce the adverse impacts on affected regions, industries and communities.

The funding is intended for measures to supplement existing Australian Government arrangements to contain and assess new pest and disease incursions for eradication. This could include field deployment as well as support arrangements such as access to technical information and advice on best practice response measures and arrangements. It also augments existing preparedness activities, improving the development of standard operating procedures, training of personnel, and vaccine stores to aid early detection and rapid response.

The funding also assists to maintain market access for Australian industries in the event of a pest or disease incursion by working to ensure necessary processes are in place for affected commodities to each export destination. It supports the Australian Government's capacity to respond to food safety or pest and disease incidents where overseas representation may be required to maintain or regain market access for Australia's agricultural industries.

Pest and Disease Eradication

The Australian Government, in partnership with the States, Territories and industry, contributes to the effective control of pest and disease outbreaks if and when they occur. The Australian Government contributes to the costs for eradication of nationally significant agricultural and environmental plant and animal pests and diseases. Under the Plant Disease and Eradication Programme, \$9.3 million is available for eradication in 2015-16.

Reforming Australia's Biosecurity System

The task of protecting Australia from exotic pests and diseases is becoming more challenging with the globalisation of trade and increased passenger and cargo movements. The Australian Government recognises that an efficient and effective biosecurity system is critical to regional Australia and its economy. It underpins \$41.0 billion per annum worth of agricultural exports, primarily from regional Australia.

The reform agenda focuses on building a sustainable system that manages risk across the continuum to better support consistent service delivery onshore, at the border and offshore; providing effective biosecurity risk management underpinned by sound evidence and policy; improving the efficiency and responsiveness of operations; and strengthening stakeholder relationships.

Improved Access to Agricultural and Veterinary Chemicals

The Australian Government is investing \$8.0 million over four years to deliver its election commitment to improve access to agricultural and veterinary (Agvet) chemical products for minor use.

Access to safe and effective Agvet chemicals is important to Australian agricultural and livestock industries, the community and the environment. Some users, particularly specialty or emerging industries, have difficulty gaining access to the chemicals they need. Specialty industries include horticultural crops, herbs and spices, some pulses/grains, honey bees, aquaculture, live horse exports and goats. Larger industries also face an access to Agvet chemicals problem managing uncommon or emerging pests and diseases. These chemical access issues are often referred to collectively as the 'minor use' problem.

The Australian Government's investment will increase access to more uses of Agvet chemicals for controlling pest, diseases and weeds. This will result in Australia's increased productivity and competitive ability in the global market. The key stages are to:

- establish a system for prioritising minor use needs;
- develop tools to provide access to these uses;
- provide access to the most critically needed chemicals; and

- establish a long-term sustainable improvement to access by implementing a framework that improves coordination of chemical companies, rural research and development corporations and grower groups in prioritising needs and pooling resources.

Better Regulation of Agricultural and Veterinary Chemicals

The Australian Government is implementing 2013 legislated reforms to agricultural chemicals and veterinary medicines regulation to improve the predictability and transparency of the Australian Pesticides and Veterinary Medicines Authority's (APVMA's) decision-making and provide greater certainty to the community that Agvet chemicals used in Australia are safe. These measures will:

- reform the APVMA's application and review assessment processes so they will be more transparent, consistent, streamlined, easier to understand and more flexible and cost effective to administer;
- remove disincentives and introduce further incentives for companies to invest in modern and safer chemicals; and
- provide the regulator with contemporary compliance powers to improve its ability to protect humans, animals and the environment.

Council of Australian Governments Agricultural and Veterinary Chemicals Reforms

In response to a request from the Council of Australian Governments (COAG), the Australian Government, States and Territories have developed a single national framework to improve the regulation of Agvet chemicals. The national framework will improve consistency and reduce compliance costs for businesses operating across State boundaries.

The Agvet Chemical Regulation Committee oversees the implementation of the COAG reforms. In 2013-14 working groups were established under the Committee to focus on delivering key elements including looking at the minimum training and licensing requirements and access to agricultural chemicals.

National Landcare Programme

Built on the principles of simple, long term and local, the National Landcare Programme is investing \$1.0 billion over 4 years to deliver projects that address sustainable agriculture and environmental issues and is administered collaboratively by the Departments of the Environment and Agriculture.

The programme is supported by regional communities, who have responded positively to the consolidation of natural resource management investments under the National Landcare Programme. The programme includes a long term approach to investment, requirements for regional Natural Resource Management organisations to provide funding directly to community and farmer groups, simplified reporting and stronger approaches to community and industry participation in decision making.

Sustainable fishing and water quality in estuaries and coastal marine environments will be supported through recognising OceanWatch as a Natural Resource Management organisation.

Australian Government Reef Programme

The Australian Government has announced \$161.0 million in funding to its Reef Programme over five years from 2013-14 to 2017-18. The Programme is jointly managed by the Department of the Environment and the Department of Agriculture. The Australian Government Reef Programme will assist land managers across the reef catchment to adopt improved agricultural and urban management practices that will reduce the discharge of nutrients, sediments and pesticides in the Reef lagoon and thereby improve the Great Barrier Reef's resilience.

Trade and Market Access

Agricultural export industries underpin prosperity in regional Australia through both employment and income generation. The Australian Government is continuing to develop and maintain opportunities for agricultural products to ensure they remain competitive and find new markets overseas. The Department of Agriculture contributes to improving market access through:

- negotiating science-based, commercially viable conditions for Australian exports;
- making representations and submissions in response to importing country measures or international standards that are not science-based or unnecessarily restrict trade of Australian products; and
- influencing international agricultural policies, management strategies, protocols and standards so that Australian exports are not disadvantaged in world markets.

ATTORNEY-GENERAL'S

The Attorney-General's portfolio supports development, sustainability and resilience in regional Australia through a diverse range of measures across the portfolio, including in civil and criminal justice, disaster relief and recovery and arts initiatives.

Many family support and legal assistance services funded by the Australian Government have a regional presence. All Regional Family Dispute Resolution and Post Separation Cooperative Parenting services under the Families and Communities Programme are located in regional Australia.

Approximately 30 per cent of Community Legal Centres are based in regional Australia. There are eight Aboriginal and Torres Strait Islander Legal Services, and approximately 90 per cent of these offices are located in regional Australia.

The Attorney-General's portfolio also provides funding to respondents to native title claims, assists industry representative bodies to facilitate respondents' participation in native title claims, and has allocated funding to ensure the resolution of native title claims.

The Attorney-General's portfolio is responsible for a number of crime prevention grant funding programmes available to State, Territory and local government bodies and not-for-profit organisations. Out of 100 active crime prevention projects nationwide, 62 are currently being delivered in regional Australia.

The portfolio provides natural disaster relief and recovery support to communities throughout Australia. This year, the Australian Government's Disaster Recovery Payment and Disaster Recovery Allowance initiatives have assisted communities recover from:

- storms and flooding in east coast New South Wales;
- cyclone Marcia in Queensland;
- cyclone Lam in the Northern Territory;
- cyclone Olwyn in Western Australia; and
- the Sampson Flat bushfire in South Australia.

The Attorney-General's portfolio increases employment and professional development opportunities for regional and remote artists, encourages participation and access to Australia's arts and culture and assists sustainable economic and social development within regional and remote communities through a range of initiatives.

The portfolio also delivers tailored programmes and encourages partnerships that enable the protection, development, production, celebration and exhibition of artistic and cultural expression and participation and access to arts experiences. By way of example, the Australian Government is providing five new Regional Artist Development Fellowships that are designed to support the professional development

of artists in regional communities. These fellowships will provide artists and arts workers with new and valuable experiences that not only support their career but also deliver long-term benefits to the cultural life of their regional communities.

CURRENT INITIATIVES

Families and Communities Programme – Family Law Services

In 2015-16 the Australian Government will provide \$162.8 million for the Family Relationships Services Programme. Of this, \$156.3 million will be provided for a range of post separation services under the family law stream of the Families and Children activity of the Families and Communities Programme. The funded services are:

- Family Relationship Centres;
- the Family Relationships Advice Line;
- Family Dispute Resolution;
- Regional Family Dispute Resolution;
- Children's Contact Services;
- Parenting Orders;
- Post Separation Cooperative Parenting;
- Supporting Children after Separation; and
- Counselling.

The family law services stream aims to provide alternatives to formal legal processes for families who are separated, separating or in dispute to improve their relationships in the best interests of children.

The services are located throughout Australia, including regional areas. All Regional Family Dispute Resolution and Post Separation Cooperative Parenting services are located in regional Australia.

Legal Aid Services

There are approximately 80 legal aid commission offices across Australia, with about 58 per cent located in regional areas. Up to 37 per cent of legal aid grants for Commonwealth matters are received by persons who reside in non-metropolitan areas.

A new National Partnership Agreement on Legal Assistance Services is being negotiated between the Australian Government and the States and Territories to commence from 1 July 2015. The new agreement will set out arrangements for the delivery of Commonwealth-funded legal assistance services by legal aid commissions and community legal centres, while maintaining a focus on targeting timely legal assistance services for disadvantaged Australians, including those living in regional locations.

Community Legal Services

The Australian Government funds community legal centres to deliver legal advice, information, case work and community legal education, with a focus on timely intervention. Approximately 30 per cent of the 131 funded services are located in regional Australia. In addition to these, there are other centres located in metropolitan areas that receive Australian Government funding to provide targeted specialist assistance in both metropolitan and regional areas through outreach work and 1800 or 1300 telephone advice lines.

From 1 July 2015, the Australian Government will provide \$12.0 million over two years to continue the supplementary funding allocated to various community legal centres.

The Australian Government has also committed \$5 million in 2015-16 to funding the National Association of Community Legal Centres for the operation of 'knowmore', a free legal advisory service to support the Royal Commission into Institutional Responses to Child Sexual Abuse. Knowmore delivers targeted community education sessions in regional Australia to ensure people are able to access legal information and advice when engaging, or seeking to engage, with the Royal Commission.

Indigenous Legal Assistance Services

In 2015-16 the Australian Government will provide \$72.0 million for the Indigenous Legal Assistance Programme to provide culturally sensitive, accessible legal assistance and related services to Indigenous Australians so that they can fully exercise their legal rights as Australian citizens.

There are eight Aboriginal and Torres Strait Islander Legal Services providers nationally which deliver services from 80 permanent locations, as well as court circuits, bush courts and outreach locations. Approximately 90 per cent of these offices are located in regional and remote Australia.

Improved Native Title Outcomes

The Attorney-General's portfolio provides funding to respondents to native title claims, under section 213A of the *Native Title Act 1993*, and assists industry representative bodies with Native Title Officer costs to facilitate respondents' participation in native title claims. The Government will provide \$5.8 million over four years to extend the Native Title Respondents Scheme. The majority of native title respondents are located in regional and remote Australia. This funding will facilitate the resolution of their native title interests, providing certainty about their future dealings with their land. Assistance to native title claimants is administered by the Department of the Prime Minister and Cabinet.

Natural Disaster Relief and Recovery Arrangements

Every year cyclones, floods, storms and other devastating natural disasters cause significant loss and damage in communities across Australia that require recovery

efforts from individuals, communities, and State, Territory and local governments. Over the past five years Australia has endured natural disasters with increasing frequency and magnitude. In 2015-16, the Australian Government will continue to support communities to recover from natural disasters through the joint Australian, State and Territory Government Natural Disaster Relief and Recovery Arrangements (NDRRA).

The NDRRA is a comprehensive national policy and financial framework for disaster recovery. Under the NDRRA, the Australian Government provides funding assistance to State and Territory Governments to alleviate the financial burden of providing emergency and recovery assistance to disaster-affected individuals, communities, small businesses and primary producers, including for the restoration or replacement of essential public assets, and community recovery packages to restore social networks, communities' functioning and community facilities.

The NDRRA has been made available to small businesses, primary producers and the not-for-profit sector for a range of natural disaster events in Australia over the 2014-15 season.

Disaster Recovery Payment

The Disaster Recovery Payment (DRP) is a one-off, non-means tested payment provided under the *Social Security Act 1991* to eligible Australian residents who have been adversely affected by a major disaster either in Australia or overseas. It is activated if the Minister for Justice determines the impact of a disaster on individuals and families requires Australian Government assistance in addition to that provided under standard recovery assistance through the NDRRA. In making this decision, the Minister for Justice will consider the number of individuals affected, the extent to which the nature or extent of the disaster is unusual, overall impact on a community, and the full range of Australian, State or Territory Government assistance measures available to the community. The DRP provides financial assistance of \$1,000 for eligible adults and \$400 for eligible children.

Since the beginning of 2015, the DRP has been made available to communities in New South Wales in response to the east coast storms and flooding, Queensland in response to tropical cyclone Marcia, Northern Territory in response to tropical cyclone Lam and South Australia in response to the Sampson Flat bushfire.

Disaster Recovery Allowance

The Disaster Recovery Allowance (DRA) provides short-term income support to individuals who experience a loss of income as a direct result of a disaster.

When available, the DRA assists employees, small business persons and farmers who experience a loss of income as a direct result of a major disaster. It is paid at a rate equivalent to the Newstart or Youth Allowance for a maximum of 13 weeks income. If after 13 weeks the person is still suffering hardship from a loss of income, they will be

able to test their eligibility for a longer-term income support payment such as the Newstart Allowance.

Since the beginning of 2015, DRA has been made available to communities in:

- New South Wales in response to the east coast storms and flooding;
- Queensland in response to tropical cyclone Marcia;
- Western Australia in response to tropical cyclone Olwyn; and
- South Australia in response to the Sampson Flat bushfire.

National Emergency Management Projects

The Australian Government's National Emergency Management Projects grant programme funds emergency management projects of national significance. The programme supports measures to strengthen communities, individuals, business and institutions to minimise the adverse effects of disasters in Australia. Projects are designed to improve the ability to prevent, prepare for, respond to and recover from disasters across social, economic, environmental and governance elements. While projects must achieve national outcomes, their application can benefit regional areas, as well as metropolitan, rural and remote areas.

Natural Disaster Resilience Programme

The Natural Disaster Resilience Programme supports the States and Territories to deliver initiatives which contribute to safer, sustainable communities and support them withstand the effects of natural disasters. This Programme provides States and Territories with the flexibility in meeting their disaster management priorities, as well as meeting the broader national aims of building community resilience.

Crime prevention funding programmes

The Attorney-General's Department manages a number of crime prevention grant funding programmes including the Schools Security Programme, Safer Suburbs Programme Taxi Security Scheme and funding under the *Proceeds of Crime Act 2002* (POCA), which includes the Safer Streets Programme. Approximately \$13.4 million is being provided to organisations currently delivering projects in regional Australia.

The newest initiative, the Schools Security Programme, is designed to assist government and non-government schools facing a risk of attack, harassment or violence stemming from racial or religious intolerance to install lighting, fencing and Closed-Circuit Television cameras (CCTV) and, for the first time, to employ security guards. The Safer Suburbs Program Taxi Security Scheme is a local government initiative to improve the safety and security of taxi drivers at taxi ranks by supporting the installation of safety measures such as CCTV systems, street lighting and other initiatives to deter crime and anti-social behaviour around taxi ranks. Programs under POCA address crime and anti-social behaviour by providing funding for community crime prevention, including projects that provide increased security through the installation of lighting and CCTV cameras, enhancements using crime prevention

through environmental design principles, and projects that deliver diversion, prevention and early intervention programmes in at-risk communities across Australia.

National Collecting Institutions Touring and Outreach Programme

The National Collecting Institutions Touring and Outreach Programme provides \$1.0 million per annum to assist the National Collecting Institutions in the development and touring of their collections within Australia. The aim of the programme is to:

- enhance access for all Australians to the national collections, with a particular emphasis on providing access for audiences in regional Australia;
- promote Australia by supporting works from Australian national collections to tour overseas; and
- attract smaller international collections to tour to multiple venues, particularly in regional Australia.

Since the inception of the programme in 2009-10 the Australian Government has funded \$6.0 million towards the development and/or touring of 59 exhibitions to over 150 venues.

Indigenous Languages and Arts and Indigenous Visual Arts Industry Support programmes

The Indigenous Languages and Arts and Indigenous Visual Arts Industry Support programmes enrich the social, cultural and economic life of Indigenous communities and provide opportunities for Aboriginal and Torres Strait Islander peoples to generate income, gain employment and develop professional skills, while maintaining a continued connection to country and culture. In 2015-16, the Australian Government will provide approximately \$43.0 million through these programmes, the vast majority of which will support activities in regional and remote locations.

The Indigenous Languages and Arts programme supports Aboriginal and Torres Strait Islander people keep cultural identity strong by providing funding to:

- revive and maintain Australia's Indigenous languages;
- support employment and career pathways for Aboriginal and Torres Strait Islander language workers; and
- assist communities to deliver diverse arts projects that showcase, protect and encourage participation in traditional and contemporary Indigenous artistic expression.

Indigenous Visual Art Industry Support provides operational and arts worker funding to a national network of around 80 Indigenous-owned art centres as well as five industry service organisations. Some of Australia's most dynamic visual art is produced in art centres that provide the infrastructure and relationships that allow

Aboriginal and Torres Strait Islander artists to create new art, generate income, develop professional skills and connect to the commercial art market.

Regional Arts Fund

The Regional Arts Fund provides support for sustainable cultural development in regional and remote Australia. The programme provides funding for a mix of quick response grants and community grants for arts projects, professional development for artists and arts workers and community capacity building projects. The programme also funds high priority national strategic projects. In 2015-16 the Australian Government has allocated \$3.3 million to the Regional Arts Fund. The programme is delivered on behalf of the Australian Government by Regional Arts Australia and peak regional arts organisations in each State and by arts ministries in the Territories.

The Bundanon Trust

The Bundanon Trust is a wholly owned Australian Government company limited by guarantee and established in 1993 to own and manage the properties and art collection donated by Arthur and Yvonne Boyd 'as a means of a gift to the nation'. The Bundanon Trust delivers a diverse range of functions such as artists in residence and environmental programmes which have long term cultural, economic and social benefits for the local community in the Shoalhaven region. In 2015-16 the Australian Government will allocate \$1.6 million to the Bundanon Trust.

Anzac Centenary Arts and Culture Fund

The Anzac Centenary Arts and Culture Fund will provide \$4.0 million over four years from 2014-15 to support the development, production, presentation, exhibition or performance of arts and culture projects that enhance our understanding of the Anzac legacy. The Fund provides opportunities for Australians in capital cities and regional locations to create and share activities that commemorate Australia's century of service and acknowledge experiences of conflict at home and abroad.

National Touring Programmes

In 2015-16 the Australian Government will continue to support the national touring programmes, which assist and promote the work of artists and arts organisations as well as providing access to the arts and increasing audiences throughout Australia, with a particular focus on regional and remote communities.

The Visions of Australia Regional Exhibition Touring Fund supports costs to develop and tour exhibitions of cultural material that has historic, scientific, design, social or artistic significance. Through this, the programme provides more Australians in regional and remote areas better access to Australian cultural material.

The Contemporary Music Touring Programme supports national touring activity undertaken by Australian musicians performing original contemporary music. The

programme provides travel support for artists and their manager for tours in Australia that include performances in regional and remote areas.

The Playing Australia Regional Performing Arts Touring Fund supports costs associated with a national tour of performing arts to reach regional and remote communities across Australia.

The Festivals Australia Regional Festivals Project Fund supports costs to produce and present arts activities or projects at festivals in regional and remote Australia.

Community Heritage Grants

The Community Heritage Grants programme receives Australian Government funding of \$593,000 per annum to deliver grants of up to \$15,000 to community groups, including historical societies, regional museums, public libraries and Indigenous and migrant organisations, to support the preservation of publicly accessible heritage collections which are locally owned but nationally significant.

First-time recipients also receive expert preservation and archival training at workshops provided by the supporting agencies. These are the National Library of Australia, the National Archives of Australia, the National Film and Sound Archive and the National Museum of Australia.

Since 1994, 1,117 projects across Australia have received \$5.3 million in funding, over half of which has gone to regional organisations.

Maritime Museums of Australia Project Support Scheme

Many cultural institutions and community organisations around Australia care for maritime items of historical and national significance. The Maritime Museums of Australia Project Support Scheme is a grants programme which collects, conserves and exhibits Australia's rich maritime heritage by helping these groups undertake this important role.

The Scheme is jointly funded by the Australian Government and the Australian National Maritime Museum and provides grants up to \$10,000 to cultural institutions and community organisations for collection management initiatives, including:

- storage and research;
- conservation activities, including documenting and caring for collections; and
- presentation projects, including education programmes and workshops.

More than 60 per cent of the grants funded under the Scheme in the 2013-14 financial year were provided to projects and institutions located in regional Australia.

COMMUNICATIONS

The Communications portfolio is committed to improving communications services to regional, rural and remote Australia and making government services simpler, and more accessible, through the increased availability of digital services. Regional communities across Australia are benefitting from a number of initiatives. These initiatives include:

- providing very fast broadband as soon as possible to all Australians through the rollout of the new broadband network;
- improving mobile phone coverage in black spot areas through the Mobile Black Spot Programme;
- providing support for digital television services;
- providing assistance to improve the engagement, use and delivery of services online by local governments and small-to-medium enterprises and not-for-profit organisations; and
- maintaining longstanding consumer safeguards relating to access to telecommunications services.

People living in regional areas of Australia have benefited from Australia's new broadband infrastructure with nbn providing fixed wireless coverage to more areas and enhancing the capacity of its interim satellite service. The fixed wireless rollout is set to continue and the long-term satellite service will be launched in 2016. These technologies will ensure rural and regional Australia will be able to access quality high-speed broadband services.

Additionally, the first base stations funded through the Mobile Black Spot Programme will begin rolling out in the second half of 2015 with the full rollout continuing over a three-year period.

Individuals and businesses in regional Australia will benefit from improved accessibility of government services and information, which is expected to be achieved through the Digital Transformation Agenda. This will provide savings both in time and money. The benefits of the agenda will flow to regional Australia as the availability of fast and reliable internet services grows.

NEW INITIATIVES

Digital Transformation Agenda

The Digital Transformation Office (DTO) will transform the way public services are designed and delivered, making them simpler and easier to use. All new and redesigned services will be digital by default. This means that everyone will be able to access public services digitally from start to finish on their mobile device or personal computer.

The DTO will set digital design standards for all public services, improve the way government information is presented, better link digital, face-to-face and telephone delivery channels, and develop and expand common information technology platforms such as myGov.

The DTO gives effect to the Australian Government's E-Government and the Digital Economy convenient services anytime anywhere election commitment, and will enable residents in regional Australia to more seamlessly access public services from a location and at a time of their own choosing.

Importantly, residents with inadequate digital literacy skills will be able to access advice and support to realise the opportunities and benefits of digital services.

The DTO will be established as an executive agency from 1 July 2015.

CURRENT INITIATIVES

Australia's new broadband network

The Australian Government is committed to completing the new broadband network and ensuring all Australians, regardless of where they live, have access to fast broadband as soon as possible, at affordable prices, and at least cost to taxpayers. The Australian Government is investing \$29.5 billion in the new broadband network.

The forward construction plan demonstrates the Australian Government's commitment to rural and regional Australia. Of the households and businesses receiving the fixed-line rollout in the next 18 months, more than one million are outside of major urban centres. Right now there are more than 200,000 premises able to connect to nbn fixed wireless services across rural and regional Australia, and construction will be underway or completed to connect over 220,000 more premises within 18 months.

Importantly, fast broadband will assist residents in regional Australia to access e-gov and e-health services, distance education and entertainment on demand, while businesses will have the ability to increase productivity and access new markets.

Mobile Black Spot Programme

The Mobile Black Spot Programme will provide \$100.0 million from 2015-16 to 2017-18 to improve coverage along major transport routes, in small communities and in locations prone to experiencing natural disasters. Between December 2013 and August 2014, the Australian Government received reports of over 6,000 mobile black spot locations. These locations were shared with mobile network operators and infrastructure providers to assist them in preparing funding proposals for the programme. The Australian Government is now considering all of the proposals and it is expected that the successful applicants and locations will be announced in 2015, with the first base stations beginning to roll out in the second half of 2015.

Regional Equalisation Programme

The \$250.0 million Regional Equalisation Programme commenced in 2000-01 and provides financial assistance for the conversion of commercial analogue television services to digital in regional and remote areas. All relevant services were converted to digital by the end of 2013, and assistance to most affected broadcasters has concluded. However, assistance towards commercial broadcaster operational costs associated with conversion to digital television will continue until 2017 at 49 sites in regional and remote Western Australia.

Digital Switchover – Viewer Access Satellite Television

The Viewer Access Satellite Television (VAST) Programme provides funding to broadcasters to deliver digital free-to-air television services for ‘direct to home’ satellite users. The VAST service provides all 17 free-to-air digital channels from the ABC, SBS and commercial broadcasters, and in remote central and eastern Australia, a dedicated regional news channel, which features the news bulletins of regional commercial television broadcasters.

Digital Enterprise Programme

The Australian Government is providing grant funding of \$16.8 million from 2011-12 to 2015-16 to enable small-to-medium enterprises and not-for-profit organisations in eligible communities to improve the way they do business and deliver services online.

A total of 69 communities are now served by the Digital Enterprise Programme, with funding allocated to local community organisations, such as local councils, Regional Development Australia committees, Business Enterprise Centres, educational institutions and information technology training firms.

Incorporated within the Digital Enterprise Programme is access to online training through the Virtual Advisor Programme that primarily assists Indigenous Australians, small-to-medium Indigenous owned and operated enterprises, and not-for-profit organisations located in regional, rural and remote areas of Australia.

Maintaining longstanding consumer safeguards relating to access to telecommunications services

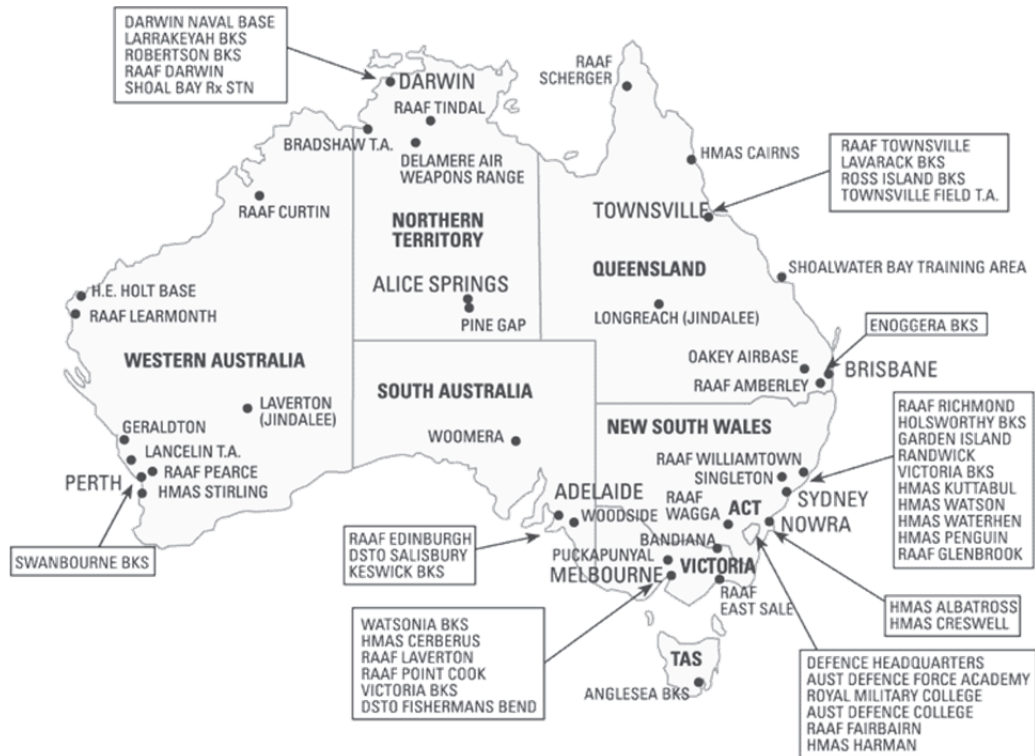
The Australian Government continues to facilitate access to telecommunications services across Australia through a range of contractual arrangements. These arrangements ensure that standard telephone services and payphones are reasonably accessible to all people in Australia on an equitable basis. They also ensure access to single national emergency call service and the availability of untimed local calls for customers in extended zones, which are outside of Telstra’s standard local call charging zones.

DEFENCE

The Department of Defence and the Australian Defence Force (ADF) make a significant contribution to the development of regional Australia through the establishment of defence facilities and by fostering linkages with the communities in which Defence members are based. Defence activities provide considerable indirect support to the regional communities surrounding its facilities. As at 28 February 2015, total overall numbers of Defence personnel in regional centres across Australia was 28,338, which equates to 28 per cent of the total 101,332 Defence personnel.

The Defence footprint is evident through employment, industry, community involvement and services, childcare facilities, housing, cooperation on heritage issues, Indigenous affairs and economic activity. Figure 1 depicts the Defence footprint across Australia.

Figure 1: Location of major defence facilities across Australia



CURRENT INITIATIVES

Defence Assistance to the Civil Community

Defence Assistance to the Civil Community (DACC) is the mechanism by which Defence personnel provide both non-emergency and emergency support to the civilian community.

Emergency DACC provides support to the civilian community where immediate action is necessary to save human life or alleviate suffering, prevent widespread loss or damage to property, prevent extensive loss of animal life, prevent environmental damage, and when State or Territory emergency response resources are inadequate.

Where the scale of the emergency or disaster exceeds or exhausts the response capacity and capabilities of the State or Territory, or where resources cannot be mobilised in time, Australian Government assistance may be sought through Emergency Management Australia, including from the ADF. Most recently, the ADF has provided emergency DACC to communities in Australia affected by bushfire and cyclones.

Defence industry development

Australia's defence industry plays a key role maintaining and supporting the equipment of the ADF. The defence industry provides production and support services across a wide range of regional locations including an extensive maintenance capability. Examples of Defence maintenance and support locations in regional Australia include:

- Oakey and Townsville (Queensland), Darwin (Northern Territory) and Nowra (New South Wales) for helicopters;
- Bandiana and Bendigo (Victoria) and Darwin (Northern Territory) for military fighting vehicles;
- Lithgow (New South Wales) for weapons manufacture and maintenance;
- Mulwala (New South Wales) and Benalla (Victoria) for ammunition and explosive ordnance manufacture; and
- Darwin (Northern Territory) and Cairns (Queensland) for naval vessels.

Defence continues to provide industry programmes aimed at improving skills in the domestic defence industry, the domestic and international competitiveness of Australia's defence industry, and promotion of Australian goods and services to overseas supply chains. Small to medium enterprises, many of which are based in Australia's regional areas, can access programmes such as Skilling Australia's Defence Industry, the Defence Industry Innovation Centre and the Global Supply Chain Programme, to enhance their capacity to support the ADF and increase their access to global markets.

Defence Logistics Transformation Programme

The Defence Logistics Transformation Programme is a complex initiative that is implementing deep reform across the national defence logistics network to continue the savings of the Defence Strategic Reform Programme. It is achieving an improved logistics service delivery model through new contracts for warehousing and distribution and land materiel maintenance services.

The logistics service delivery model is supported by modern, purpose-built facilities employing efficient best-practice processes, technology and systems. In November 2013, the Australian Government committed \$752.7 million to logistics infrastructure involving new and upgraded logistics facilities. Five of the eight sites have been completed and are in Moorebank (New South Wales), Bandiana (Victoria), Amberley (Queensland), Edinburgh (South Australia) and Palmerston (Northern Territory). Construction works are scheduled to be completed in Guilford and Garden Island (Western Australia) in May 2015 and Townsville (Queensland) by mid-2016.

National ADF Family Health Programme

The National ADF Family Health Programme commenced on 1 January 2014, providing benefits to all recognised ADF dependants throughout Australia. The number of eligible ADF dependants is approximately 71,000 based on the 2011 Defence Census. Currently there are approximately 36,500 dependants registered in the Programme.

The Budget allocation for this programme for 2015-16 is \$64.6 million.

New legislative framework for Woomera Prohibited Area and excision of Section 400

Changes to the *Defence Act 1903* took effect in August 2014 introducing a co-existence framework for the Woomera Prohibited Area (WPA). The changes mean new requirements for people and companies who access the WPA, including the introduction of a permit system. The framework provides all non-Defence users with a greater level of certainty over Defence activity in the WPA and, for the resources sector in particular, greater confidence and certainty to invest in operations in the WPA.

On 5 November 2014, Defence excised an area of the Maralinga Tjarutja lands, known as Section 400, from the WPA. The area was the site of atomic testing and associated trials conducted by the British in the 1950s and 1960s in South Australia. The excision allows the Maralinga Tjarutja people to use this part of their land without being restricted by Defence activities, which is expected to improve tourism opportunities and related economic development for Maralinga Tjarutja who have commenced a tourism operation associated with the former atomic test areas.

Defence Community Organisation Programme

The Department of Defence is committed to building the capacity of local communities, urban and regional, to provide support services to enable Defence member families to be resilient and self-reliant.

Defence, through the Defence Community Organisation, delivers community capacity building outcomes through:

- building strategic partnerships with service delivery organisations at local, state and national levels;
- a range of online and community based networking events, workshops, programmes and services;
- working in collaboration with local agencies to develop initiatives to address gaps and limitations in community resources that Defence member families may require; and
- providing personalised advice and ongoing communication to Defence member families on available community resources and actively linking families to the resources they require.

Defence Community Organisation maintains area offices in all capital cities and the following regional locations:

- Townsville; Toowoomba and Cairns (Queensland);
- Newcastle; Wagga Wagga; Nowra; Singleton and Albury (New South Wales);
- East Sale; Cerberus and Puckapunyal (Victoria);
- Katherine and Darwin (Northern Territory);
- Rockingham (Western Australia); and
- Hobart (Tasmania).

Regional ADF Transition Centres are also located across Australia to assist all separating ADF members to access information relevant to their needs as well as with transition administration.

Transition Centres provide support and include practical information seminars, personalised assistance to prepare for transition, referrals, help with administration and support for post-service training and employment. ADF members and their families can be linked into support services such as the ADF Rehabilitation Programme, the Department of Veterans' Affairs, ComSuper, Centrelink and community resources.

Defence Force Recruiting support to regional Australia

In addition to each of the capital cities, Defence Force Recruiting maintains recruiting centres across Australia including the following regional centres:

- Newcastle, Wollongong and Albury (New South Wales); and
- Cairns, Coolangatta, Maroochydore, Rockhampton and Townsville (Queensland).

Indigenous engagement

The Department of Defence has extensive engagement with Indigenous communities in remote, urban and regional Australia. In addition to direct entry into Defence employment, the Department of Defence offers pathways programmes for Indigenous Australians seeking a career in Defence as an ADF or Australian Public Service (APS) member:

- The Defence Indigenous Development Programme is aimed at preparing young Indigenous Australians for entry into the Australian Defence Force. Based in Cairns (Queensland) and Batchelor (Northern Territory), the recruitment for these courses is primarily of Indigenous Australians from remote and regional Australia.
- Indigenous pre-recruitment courses and development courses are conducted across Australia including at Wagga Wagga (New South Wales), Hastings (Victoria) and Adelaide (South Australia).
- The Department of Defence has staff based across many locations including Coffs Harbour and Wollongong (New South Wales), Townsville and Cairns (Queensland) and Perth (Western Australia) who work with Indigenous communities throughout the country.

These programmes contribute to positive outcomes for Indigenous Australians, predominantly through adult employment. They are aimed at increasing enlistment and participation rates into the ADF and the Defence APS by assisting Indigenous applicants and candidates transition into full and part-time employment. There is also a recognised benefit to both participants and their home communities that have experienced Defence's Indigenous employment pathways programmes. Participants who return to their community have the skills and knowledge to actively become a leader and role model to others in their community.

Defence Housing Australia

Defence Housing Australia's (DHA) main function is to provide housing and related services to members of the ADF and their families. DHA adds new properties to its portfolio across Australia, including in regional areas, through the renewal of expiring leases, constructions, acquisitions and leasing from private investors or in bulk from property developers. DHA's diverse operations provide significant opportunities for small and medium business in regional Australia by engaging with local trade contractors on residential maintenance services.

United States Force Posture Initiatives

The Force Posture Initiatives agreed between the Australian and United States Governments will see ongoing rotations of United States Marine Corps during the six month dry season in northern Australia, as well as enhanced cooperation between the Royal Australian Air Force and United States Air Force. The Australian Government will invest in a range of infrastructure and supporting arrangements for implementation and ongoing support of the initiatives. The Force

Posture Initiatives are expected to provide opportunities to industry, particularly in the Northern Territory.

Defence infrastructure / capital facilities projects

Enhanced Land Force Facilities Stage 2

The Australian Government is investing \$1.4 billion in facilities to support Enhanced Land Force Stage 2.

Stage 2 of the project will provide modern purpose-built facilities and supporting infrastructure for the Army's 8th/9th Battalion and supporting elements of the 7th Brigade. The project will involve the construction of new and refurbished accommodation and training facilities, as well as common use facilities and site infrastructure upgrades, at Defence sites across four States and the Australian Capital Territory.

Construction of facilities and supporting infrastructure at Majura and Duntroon (Australian Capital Territory), Lavarack Barracks, Amberley, Greenbank Training area and Kakoda Barracks (Queensland), and Sydney (New South Wales) are complete. Construction is nearing completion in Singleton (New South Wales), Puckapunyal (Victoria) and Gallipoli Barracks and Widebay Training area (Queensland).

Construction at several other training areas and ranges is underway. The majority of these works will be completed by mid-2016. All remaining works, including facilities and supporting infrastructure at Cultana Training Area (South Australia), are scheduled for progressive completion by late 2018.

AIR 7000 Maritime Patrol Aircraft Phase 2B

The Australian Government is investing \$707.9 million to provide new and upgraded facilities and infrastructure to support the introduction of the P-8A aircraft at RAAF Base Edinburgh, RAAF Base Townsville, RAAF Base Pearce and RAAF Base Darwin. Construction is planned to commence in late 2015 and be completed by mid-2020.

AIR 6000 New Air Combat Capability

The Australian Government is investing \$1.4 billion to provide new and upgraded facilities and infrastructure to support the introduction of the Joint Strike Fighter at RAAF Bases at Williamtown and Newcastle (New South Wales) and Tindal and Katherine (Northern Territory). They will support facilities and infrastructure provided at the Defence Establishment at Myambat (New South Wales) and seven forward operating bases throughout Australia. Construction commenced in early 2015 with completion scheduled for late 2022.

Facilities for Chinook Helicopters

The Australian Government is investing \$49.8 million in facilities at RAAF Base Townsville. This project will provide new and upgraded facilities to support the

introduction and sustainment of the new CH-47F Model Chinook Medium Lift Helicopters and associated integration systems.

Construction is completed on temporary facilities and Stage 1 of the C Squadron facilities and has commenced on the Aircraft Simulation facilities and western annex office accommodation. Construction commenced in November 2014 and is scheduled for completion for mid-2017.

Facilities for Joint Counter Improvised Explosive Device Capability

The Australian Government is investing \$27.6 million to provide facilities to enhance protection of ADF personnel against the effects of Improvised Explosive Devices. This includes training, testing and storage facilities at 14 sites across Australia and a test track at Nurrungar (South Australia) that is being developed under the project. Construction commenced in late 2013 with completion scheduled in mid-2016.

Facilities for the MH-60R Seahawk Maritime Combat Helicopters

The Australian Government is investing \$189.0 million to provide new and upgraded facilities for operational maritime helicopter squadrons at HMAS Stirling and HMAS Albatross and Twofold Bay.

The project aims to provide new and upgraded facilities at HMAS Stirling and HMAS Albatross to support the new maritime helicopter operations. The works include the provision of facilities for explosive ordnance storage, aircraft hangars, aircraft workshops, synthetic training, and working accommodation. Construction commenced in late 2013 and is scheduled for completion in mid-2017.

HMAS Albatross redevelopment

The Australian Government is investing \$192.0 million to replace ageing and obsolete facilities and engineering services and infrastructure at HMAS Albatross.

This project will provide a combination of new and refurbished facilities to support operational and training outcomes as well as enabling functions. Construction commenced in late 2014 with completion of all works by mid-2017.

Base services contracts

During 2014, the Department of Defence implemented 10 new base services contracts, which replaced 21 smaller contracts that support the management of the Defence estate and the daily activities of Defence bases across Australia. The annual combined value of the contracts (excluding estate works) is estimated at over \$800 million per annum.

Where services are delivered to Defence bases located in regional and remote areas, the base services contractors generally draw their workforce from the local employment areas as well as accessing local business suppliers. The services include estate maintenance, hospitality and catering, range and training area support, living accommodation, transport, cleaning and access control services.

The base services contractors are required to demonstrate a commitment to Indigenous employment, including through the use of Indigenous business suppliers. Base services contractors must have a current Indigenous Training, Employment and Supplier Plan.

EDUCATION AND TRAINING

The Education and Training portfolio delivers national policies and programmes that help Australians access quality early learning, school education, higher education, vocational education and training, international education and research.

Through a range of measures and programmes, the Education and Training portfolio is committed to building national productivity and ensuring individuals have the skills and knowledge for sustainable employment. For example, the Industry Skills Fund – Youth Stream is being piloted in regional areas, and areas with high youth unemployment, giving a much needed boost to these communities. The Australian Government is also continuing to pursue higher education reforms that would provide more pathways and support for students from rural and regional backgrounds.

The portfolio's programmes are about helping all Australians – regardless of where they live – access quality early childhood education, school education, higher education and vocational education and training, now and in the future. For example, funding to support the unique needs of schools in regional, rural and remote areas is making a real impact today, while the Education and Training portfolio's work to strengthen the national curriculum and improve the training of teachers will make a difference into the future.

The Education and Training portfolio continues to look to the future and understands that the overall prosperity and productivity of the nation cannot be achieved without building education and training opportunities in our regions, or without offering regional businesses and industry the skilled workers that they require.

By boosting these opportunities in regional Australia, the Education and Training portfolio is equipping the students of today to contribute to the highly skilled workforces of tomorrow.

NEW INITIATIVES

Families Package

The Australian Government is delivering a \$4.4 billion Families Package to give parents more choice and opportunity to work.

As part of the Families Package, the Australian Government will invest \$843 million to provide all children with access to a preschool programme in the year before school, for up to 15 hours a week or for 600 hours a year. This funding will extend the National Partnership arrangements for preschool funding for a further two years to December 2017.

Australian Institute of Aboriginal and Torres Strait Islander Studies (AIATSIS)

The Australian Government will provide an additional \$5.0 million in 2015-16 to strengthen the capacity of the Australian Institute of Aboriginal and Torres Strait Islander Studies (AIATSIS) to manage and preserve its internationally significant and renowned collection of Indigenous cultural materials. AIATSIS holds more than a million items within its collection and comprises the only known record of Indigenous languages. AIATSIS' languages collection is included in the UNESCO Australian Memory of the World Register.

Remote Indigenous Students Attending Non-Government Boarding Schools - continuation

The Australian Government will provide \$5.4 million to extend the Indigenous Boarding Initiative throughout the 2015 and 2016 school years. This funding will support non-government schools with more than 50 Indigenous boarding students from remote or very remote areas, or where 50 per cent or more of their boarding students are Indigenous and from remote or very remote areas. The additional funding will help non-government boarding schools deliver improved services to students and provide effective support to boost school attendance and engagement.

CURRENT INITIATIVES

Additional funding for regional schools

Under the *Australian Education Act 2013*, \$342.7 million has been allocated in 2015 to support schools located in regional, rural and remote areas that have additional needs. Also, many small regional schools will benefit from demographic-driven loadings totalling approximately \$248.7 million.

Independent Public Schools — assisting government schools and building stronger school communities

The Australian Government's \$70.0 million Independent Public Schools initiative, part of the Students First approach, will give local school communities a greater say in how their schools are run. The Government is working with states and territories to encourage participating government schools to become Independent Public Schools by 2017. This initiative supports the training for school leaders, parents and community members, so schools are better able to respond to students' needs. Schools in regional Australia will particularly benefit from this, given that they often have unique needs that are best understood by the school community itself.

The National School Chaplaincy Programme — supporting the emotional wellbeing of students

The National School Chaplaincy Programme provides pastoral care services by engaging school chaplains in Australian schools. Just over 3,000 schools have engaged a chaplain, with almost half (48 per cent) of these in regional, remote, or very remote locations.

Commonwealth Grant Scheme

In 2015, the Australian Government is providing more than \$6.6 billion through the Commonwealth Grants Scheme to subsidise students' higher education costs. This provides a subsidy for all domestic students enrolled in a bachelor degree at a public university. Students enrolled in other course types or at private higher education providers may also be eligible for this subsidy. Under the scheme, universities with regional campuses will also receive additional funding of \$68.2 million in regional loading to help them meet the costs associated with these campuses.

Higher Education Loan Programme

The Australian Government Higher Education Loan Programme provides loans to students, including many from regional and rural areas, to help them with the cost of their tuition. Students do not pay any of their tuition up front and are not required to start repaying the loan, currently until their income reaches around \$53,000 in 2015-16.

Batchelor Institute of Indigenous Tertiary Education

In 2015, the Australian Government is providing \$4.4 million to the Batchelor Institute of Indigenous Tertiary Education (BIITE) through the National Institutes Programme. BIITE provides unique tertiary education opportunities for students from diverse cultural and linguistic backgrounds, including in remote parts of Northern Australia.

Research Block Grants

In 2015, the Australian Government is providing \$1.77 billion to universities to support research and research training through a number of performance-based schemes. Research block grants are provided to all Australian universities and help to support regionally-based researchers and research students.

National Collaborative Research Infrastructure Strategy

The Australian Government will provide an additional \$150.0 million in 2016-17 on top of the \$150.0 million provided in 2015-16 to operate and maintain existing research infrastructure under the National Collaborative Research Infrastructure Strategy. The additional funding will allow time for the Government to consider the outcomes of the current research infrastructure review and future funding for national scale research infrastructure. The Strategy provides important infrastructure to the Australian research community and benefits rural and regional Australia through localised research infrastructure projects and facilities.

The Antarctic Gateway Partnership

In 2014, the Australian Research Council funded a new research initiative to enable scientific collaboration between the University of Tasmania, CSIRO and the Australian Antarctic Division. Investment of \$24.0 million over three years from 2014-15 on the Antarctic Gateway Partnership Initiative will cement Hobart and Australia as a global hub for Antarctic and Southern Ocean research with flow on financial benefits to Tasmania.

Tropical Health and Medicine

North Queensland continues to benefit from the Australian Research Council's funding of \$42.0 million over four years from 2014-15 for the Australian Institute of Tropical Health and Medicine at James Cook University. This unique research project is helping improve health outcomes and service delivery for regional, remote, and under-served communities in tropical Australia, in particular, through research and training in virology, disease and transmission control as well as the development of new treatments and vaccines for tropical diseases.

Australian Research Council

The Australian Research Council advises the Government on research matters, manages the National Competitive Grants Program and the Excellence in Research for Australia initiative. The National Competitive Grants Program supports research across a wide range of disciplines including regional and rural issues. Recipients of funding under the grants programme include universities in regional areas, and the Australian Research Council encourages partnerships between researchers and industry, government, community organisations and the international community.

Industry Skills Fund

The growth and competitiveness of small to medium business in Australia's regional areas is important for our economy. The \$664.0 million Industry Skills Fund supports Australian businesses, including those in regional areas, to up-skill and re-skill their workers. This helps businesses become more productive, competitive and sustainable in domestic and global markets. The five-year Fund is the Australian Government's flagship initiative for addressing workforce capability issues so that businesses can respond quickly to new and changing opportunities. The fund primarily targets small and medium enterprises that plan to train their workers to capitalise on growth opportunities.

Industry Skills Fund – Youth Stream

Business and community organisations can apply for support to boost the skills of young Australians under youth stream pilot programmes as part of the \$44.0 million Industry Skills Fund – Youth Stream. The Youth Stream of the Fund includes two pilot programmes which will support local businesses to employ and invest in young people; and community organisations to assist young people return to school,

vocational training or move into work. The Youth Stream pilot programmes are available until 29 February 2016 in target regions where youth unemployment is high. The programmes will be evaluated at the end of the pilot period to determine their impact and the viability of a national programme.

Australian Apprenticeships Incentives Programme

Eligible employers in rural and regional Australia wanting to take on apprentices are now benefiting from the Australian Apprenticeships Incentives Programme. In particular, there are measures to encourage the employment of apprentices in regional areas experiencing skills shortages or drought. Apprentices may also be eligible for the Living Away From Home Allowance.

Reading Writing Hotline

Funding will be provided to TAFE New South Wales (Sydney Institute) to support the continued delivery of the Reading Writing Hotline. This important referral service for adults to improve their reading, writing and numeracy skills is being delivered nationally, with targeted marketing to regional communities across Australia, where there is often a high need for services.

Foundation Skills Frameworks Professional Development Workshops

Under the National Foundation Skills Strategy for Adults, the Australian Government is providing funding to deliver foundation skills training through the national training system. A total of \$394,700 is being invested to build the capacity of the education and training workforce to effectively teach foundation skills. Sixty workshops will be conducted nationally over two years, with approximately 20 per cent of these taking place in regional areas. Interactive webinars will also be available.

Language, Literacy and Numeracy Practitioner Scholarships Programme

Almost \$340,000 is being spent over 2014-15 on the Language, Literacy and Numeracy (LLN) Practitioner Scholarships Programme to build the capacity of the adult LLN training workforce. This will support people to undertake approved study towards an adult LLN practitioner qualification. The programme provides approximately 50 scholarships annually of up to \$5,250 each. This includes a maximum of \$5,000 towards tuition fees, plus \$250 towards study related expenses such as text books.

Skills for Education and Employment Programme

The Skills for Education and Employment Programme has operated since 2002. In 2014-15, this national programme will provide up to 27,000 eligible job seekers with language, literacy and numeracy training skills necessary to gain employment or participate in further training. Clients of the programme receive up to 800 hours of free accredited training through registered training organisations. Training is delivered to meet both client and industry needs. A total of \$137.6 million has been allocated over the 2014-15 Budget period, with approximately \$28.0 million for regional areas and the programme is currently delivered in regional communities across Australia.

Adult Migrant English Programme

The Adult Migrant English Programme provides up to 510 hours of English language tuition to eligible migrants and humanitarian entrants, within the first five years of arrival in Australia. This helps them successfully settle, and participate socially and economically in Australian society. Additional tuition is also available under the Special Preparatory Programme and the Settlement Language Pathways to Employment and Training programme. The Adult Migrant English Programme is delivered nationally in metropolitan, rural and regional areas, including through classroom-based and distance e-learning.

EMPLOYMENT

Employment is central to the Australian way of life. It provides individuals and families with the means to prosper and fulfil their potential. The workplace is where we foster human capital, innovation and productivity.

The Employment portfolio supports these goals by ensuring the employment framework supports job creation and retention and by helping as many people as possible to take part in the workforce and make a positive contribution to society. The Employment portfolio also supports employees who lose their jobs due to employer insolvency.

Many of the Employment portfolio's programmes are of practical benefit to regional communities or specifically target regional Australia.

The Australian Government is committed to building a strong and prosperous Australia that promotes workforce participation, productivity and jobs growth.

The introduction of jobactive will build on changes already introduced by the Australian Government, including the Job Commitment Bonus for eligible young people who stay in work and off income support for at least 12 months, and Relocation Assistance to Take Up A Job.

NEW INITIATIVES

jobactive

On 1 July 2015, the Australian Government is introducing its new \$6.8 billion employment services model, jobactive, to better meet the needs of job seekers and employers, promote stronger workforce participation and build a prosperous economy.

Increasing job opportunities for job seekers is important in regional areas that suffer entrenched levels of high unemployment. The jobactive model is expected to have a positive impact on regional Australia by improving performance, offering flexibility, funding and support for regional employers and job seekers.

jobactive comprises five jobactive services:

- jobactive organisations will assist job seekers to find and keep a job and ensure job seeker referrals meet the business needs of employers. These organisations will provide flexible services that support the needs of job seekers in their region and are tailored to local labour market conditions. In recognition of the additional costs associated with delivering services in regional locations, a loading of 25 per cent will be applied to payments to jobactive organisations in identified Employment Regions.

- Work for the Dole Coordinators will source suitable Work for the Dole activities in the not-for-profit and government sectors. These activities will help prepare job seekers for the work environment as well as being of local benefit. Higher fees will be paid to Coordinators for Work for the Dole places in identified regional locations.
- The New Enterprise Incentive Scheme will help eligible job seekers to start and run their own small business with support including accredited small business training, business advice and mentoring for up to 52 weeks and an allowance for up to 39 weeks.
- Harvest Labour Services and the National Harvest Labour Information Service will support the harvest requirements of growers in the horticulture industry.

Growing Jobs and Small Business Package

The Growing Jobs and Small Business Package will help employers take on unemployed job seekers, build employability, particularly for young people to transition to work, and strengthen job seeker obligations. The package includes the following employment initiatives.

- On 1 October 2015 the Australian Government is introducing a new National Work Experience Programme to give employers the opportunity to develop the skills of potential employees and test their suitability with lower risk and lower financial burden of hiring. Eligible job seekers will be able to undertake voluntary work experience in businesses for up to 25 hours per week for four weeks. Participants will continue to receive their income support payment and a supplement to assist with the costs of participating.
- The Australian Government will combine the existing Restart, Youth, Long-Term Unemployed, Indigenous and Tasmanian Jobs Programme wage subsidies into a \$1.2 billion national pool. The subsidies will be simplified and easier for employers to access so that more job seekers can get a foothold in the labour market. Changes to the Restart wage subsidy will make it easier for employers to employ older workers.
- The Australian Government is introducing a new Transition to Work programme for job seekers aged 15 to 21 years in 2015-16. Disengaged young people will receive flexible and holistic support from community-based organisations to develop the work-related skills and behaviours sought by employers to prepare for work or undertake training or education that leads to a job.
- The Australian Government will provide \$105.7 million over four years from 2015-16 to support young people at risk of long-term welfare dependency and parents by addressing the conditions and barriers preventing their participation in employment.
- From 1 January 2016, requirements for early school leavers who are not participating in full-time education or a combination of education and part-time work, will be strengthened.
- From 1 July 2016, job seekers up to 25 years of age who are assessed as eligible for jobactive Stream A (the most job-ready) will be required to complete pre-benefit

activities to demonstrate that they are doing all they can to find employment before they become eligible for income support.

- From 1 July 2016, job seeker compliance arrangements will be further strengthened by introducing stronger and more immediate consequences, including penalties for all job seekers who do not meet their mutual obligation requirements.

Geelong Employment Facilitator

The Australian Government will provide an additional \$1.3 million over two years from 1 July 2015 to extend the services of the Geelong Employment Facilitator to 30 June 2017. The Facilitator assists people affected by recent and scheduled industry closures in the Greater Geelong region, including by organising job fairs and facilitating employment opportunities.

CURRENT INITIATIVES

Work for the Dole

Work for the Dole is an important part of the Australian Government's plan to help job seekers gain the skills, experience and confidence they need to move from welfare to work. Taxpayers expect that people who can work should work. This programme ensures that those receiving taxpayer benefits are also contributing to society.

The reinvigorated Work for the Dole programme was phased in on 1 July 2014 in 18 selected areas across Australia. In these areas young Australian job seekers aged 18 to under-30 participate in work-like activities that give back to the community in return for receiving income support.

The reinvigorated Work for the Dole programme will be rolled out nationally from 1 July 2015 as a key component of the new jobactive employment services.

Tasmanian Jobs Programme

The Tasmanian Jobs Programme is part of the Australian Government's commitment to boost employment in Tasmania. The aim of the programme is to encourage businesses to provide jobs to unemployed Tasmanians.

From 13 May 2015 as part of the Growing Jobs and Small Business Package, a higher subsidy payment of up to \$6500 (from \$3250) will be available under the Tasmanian Jobs Programme and includes a payment of \$3250 for part-time places.

Relocation Assistance to Take Up a Job

The Relocation Assistance to Take Up a Job programme helps to connect job seekers to regional jobs by providing practical and financial assistance to eligible long-term unemployed job seekers who relocate to take up ongoing work. The programme started on 1 July 2014 and provides relocation payments of up to \$6,000 for job seekers who move to a regional area or up to \$3,000 for job seekers who move to a

metropolitan area either from a regional or metropolitan area with higher unemployment. Families with dependent children will receive up to an extra \$3,000.

The programme is available to job seekers who are participating in jobactive from July 2015 or Disability Employment Services; have been receiving Newstart, Youth Allowance (Other) or Parenting Payment for at least the preceding 12 months; and have Mutual Obligation requirements.

Job Commitment Bonus for Young Australians

The Job Commitment Bonus encourages long-term unemployed young Australians to find and keep a job and remain off welfare.

The programme provides a payment of \$2,500 to young people aged 18 to 30 who have been receiving certain income support payments for 12 months or more, if they get a job and remain completely off welfare for a continuous period of 12 months. They will receive a further \$4,000 if they remain in a job and completely off welfare for a continuous period of 24 months. The Job Commitment Bonus for Young Australians commenced on 1 July 2014.

Restart

The Restart programme aims to encourage employers across Australia – including in regional communities – to employ mature age job seekers aged 50 or over who may face significant barriers in entering the workforce. Businesses will be eligible to receive up to \$10,000 (GST inclusive) if they hire a mature age job seeker who has been unemployed and on income support for six months or more.

From 1 November 2015 as part of the Growing Jobs and Small Business Package, Restart payments will be more accessible by allowing employers to receive the subsidy amount of \$10,000 progressively over 12 months.

New Enterprise Incentive Scheme

The New Enterprise Incentive Scheme (NEIS) helps up to 6,300 participants per year to start and manage their own small business. NEIS provides nationally accredited small business management training, mentoring and business advice for up to 52 weeks. NEIS Allowance is also provided to NEIS participants for up to 39 weeks. Where eligible, NEIS participants can also receive Rental Assistance for up to 26 weeks.

Harvest Labour Services and National Harvest Information Service

Harvest Labour Services help growers to supplement local labour with out-of-area workers where there is an acknowledged shortfall in a local labour market during harvest periods.

From July 2015, five organisations will deliver Harvest Labour Services through 15 sites across 11 harvest areas, in the Northern Territory and all States except Tasmania.

The National Harvest Labour Information Service coordinates and disseminates information about harvest-related work opportunities across Australia, including those areas not serviced by Harvest Labour Services.

Seasonal Worker Programme

The Seasonal Worker Programme enables Australian employers in the horticulture sector and other industries on a trial basis to employ seasonal workers from participating countries in order to meet seasonal demands. The Programme began on 1 July 2012.

Employers may use the Programme to hire seasonal workers from Fiji, Kiribati, Nauru, Papua New Guinea, Samoa, Solomon Islands, Timor-Leste, Tonga, Tuvalu and Vanuatu, from periods of 14 weeks to 6 months according to seasonal demand (refer also page 81).

Protection for Unpaid Employee Entitlements

The Australian Government provides a safety net to protect unpaid employment entitlements for employees who lose their job through the liquidation or bankruptcy of their employer. Employees in this situation may claim financial assistance under the Fair Entitlements Guarantee for unpaid wages, annual leave, long service leave, payment in lieu of notice and redundancy pay. Some eligibility conditions and payment thresholds apply.

ENVIRONMENT

The Environment portfolio supports the achievement of a healthy environment, strong economy and thriving community now and for the future. The portfolio's programmes and initiatives work to protect and improve the environment through the four pillars of Clean Air, Clean Land, Clean Water and Heritage Protection.

The Environment portfolio's work delivers a range of environmental and economic benefits to regional Australia. New and existing initiatives support strong and diverse regional economies through protecting and improving the natural asset base upon which they rely. The portfolio has a strong presence in regional Australia through the work of the Department of the Environment, the Murray-Darling Basin Authority, the Great Barrier Reef Marine Park Authority and the Director of National Parks.

The Australian Government's National Landcare Programme is focussed on empowering communities, farmers and Landcare groups to improve their local environment by redesigning land management investment to make it simple, local and long-term.

The Australian Government has established the Green Army, Australia's largest-ever environmental workforce to deliver on-the-ground environment and heritage conservation projects across Australia. These projects help communities tackle local environmental and conservation challenges while building the skills of young Australians across regional Australia. The Australian Government is providing \$704.4 million for the programme through to 2018-19.

The Murray-Darling Basin Plan, through the Sustainable Rural Water Use and Infrastructure Programme, and other water reform initiatives, is working towards providing responsible long-term management of water for communities, the environment and farmers. It is supporting regional economies and the environment through large-scale investment that improves economic returns to irrigators and the community, while providing water for the environment. The Australian Government is investing \$2.0 million each day in water infrastructure projects across the Murray-Darling Basin to boost efficiency and productivity in rural and regional Australia.

Building on the architecture of the Carbon Farming Initiative, the \$2.55 billion Emissions Reduction Fund is supporting practical actions to achieve real reductions in emissions in Australia.

The Australian Government is doing more than ever before to protect the Great Barrier Reef. The Australian Government's \$100.0 million injection to the Reef Trust, in addition to its initial contribution of \$40.0 million announced in 2014, will greatly enhance the long-term protection of this precious ecosystem which supports rural and regional communities and industries throughout Queensland. The Australian and

Queensland Governments are together investing more than \$2.0 billion in the Great Barrier Reef over the next decade.

The Australian Government will provide \$9.4 million in 2015-16 to maintain Australia's presence in Antarctica, bringing the total funding in the Australian Antarctic programme in 2015-16 to \$118.4 million. The funding will support Antarctic science and environmental management and continue to boost the Tasmanian economy, as Australia's operational work for Antarctica out of Hobart contributes to employment and local investment. The Australian Government has also taken significant steps towards procuring a new world-class icebreaker to support the Australian Antarctic programme. The icebreaker will be home-ported in Hobart.

NEW INITIATIVES

Reef Trust funding injection

The Australian Government is contributing an additional \$100.0 million to the Reef Trust over four years from 2015-16. This will support the implementation of the Reef 2050 Plan and is in addition to the Government's initial contribution of \$40.0 million announced in the 2014-15 Budget. The Reef Trust will combine Australian Government investment with private funds and is one of the key mechanisms supporting delivery of the Reef 2050 Long-Term Sustainability Plan. The Plan focuses on known critical areas for investment – improving water quality and coastal habitat along the Great Barrier Reef, controlling the current outbreak of crown-of-thorns starfish, and protecting threatened and migratory species, particularly dugong and turtles.

The Australian and Queensland Governments are together investing more than \$2.0 billion over the next decade to support the protection and management of the Great Barrier Reef.

As well as being one of the world's greatest natural assets, the Great Barrier Reef supports a wide range of activities including tourism, fishing, recreation, traditional uses, and research, which generate some 69,000 jobs and are worth \$5.6 billion a year. The Australian Government's investment in the Reef Trust will help protect and preserve the Great Barrier Reef and maintain environmental health and tourism activities in regional Queensland.

Maintaining Australia's Presence in Antarctica

The Australian Government is providing \$9.4 million in 2015-16 to support Australia's presence and scientific activities in Antarctica, bringing the total funding in the Australian Antarctic programme in 2015-16 to \$118.4 million. This funding has flow on benefits for the Tasmanian economy. The Australian Government has also taken significant steps towards procuring a new world-class icebreaker to support the Australian Antarctic programme. The icebreaker will be home-ported in Hobart.

The Antarctic sector, largely centred on the activities of the Australian Antarctic Division in Kingston, represents a significant element of Tasmania's knowledge-based economy (including through employing and retaining staff in highly skilled jobs in scientific and research fields, and local specialised service industries), contributing to employment and investing locally through operational purchases for Antarctic programme operations.

Funding for the Australian Antarctic programme will ensure the critical functions that support Australia's presence and scientific research activities in Antarctica are maintained, and that Australia retains its influence in the Antarctic region.

Tasmanian Irrigation Tranche II Projects

The Australian Government has committed \$60.0 million for a second tranche of Tasmanian Irrigation projects. This funding builds on the existing Australian Government funding of \$140.0 million for nine irrigation schemes under Supporting More Efficient Irrigation in Tasmania. Tranche II projects are expected to deliver approximately 40,000 megalitres of water to landholders and communities who connect to the new irrigation schemes in regional Tasmania. The Australian Government is providing two dollars for every dollar that has been committed by the Tasmanian Government for the public share of funding. Tasmania has estimated that partnership funding for Tranche II will generate up to 165 direct and indirect full-time jobs, both within the irrigation industry and the wider regional communities.

The Tasmanian Government has identified the Scottsdale, North Esk, Southern Highlands and Swan Valley Irrigation projects as priorities under Tranche II. The projects will be managed by the Tasmanian Government and delivered by Tasmanian Irrigation Pty Ltd.

1500 Gegalitre cap on Water Buybacks and the Sustainable Rural Water and Infrastructure Programme

The 1500 gegalitre (Long Term Average Annual Yield) cap on water buybacks in the Murray-Darling Basin will improve community and business confidence in the irrigation districts of the Basin by setting a firm limit on how much water will be recovered through water purchases. This initiative is a ceiling – not a target – for water recovery through purchase and gives legislative effect to the Australian Government's commitment to prioritising investment in irrigation infrastructure over purchases to recover environmental water.

The majority of rural water infrastructure funds have been committed to projects in the Basin for improving the operation of off-farm delivery systems and helping irrigators improve on-farm water use efficiency. The water savings generated from these projects are shared between the Australian Government for environmental use and irrigators for consumptive use, supporting increased productivity and economic activity in regional communities.

CURRENT INITIATIVES

Green Army programme

The Green Army is making a real difference to regional environments and local communities through projects such as restoring and protecting habitat, weeding, planting, cleaning-up creeks and rivers and restoring cultural heritage places. The Australian Government is providing \$704.4 million for the programme through to 2018-19. Through the first two application rounds, 370 projects, engaging up to nine participants per project, have been committed in regional Australia. The Green Army will create Australia's largest-ever environmental workforce, building to 15,000 individuals by 2018-19, capable of delivering 1,500 on-ground environmental projects.

National Landcare Programme

The National Landcare Programme provides a simple, local and long-term approach to land management so communities across Australia can take practical action to improve their local environment and productive landscapes across regional Australia. The Programme is a key part of the Australian Government's \$2.0 billion investment over four years in managing Australia's natural resources.

The National Landcare Programme is comprised of two funding streams – national and regional – that are investing in projects that address environmental and sustainable agriculture issues. A significant proportion of the investment is provided to the 56 regional natural resource management organisations in regional and remote areas through the regional stream of the programme. These organisations are a central source of support for farmers, local community and environmental groups to take practical action to improve their environment and implement sustainable land management practices.

The national stream is comprised of a range of initiatives that are protecting and restoring the environment and making agriculture more sustainable and productive.

20 Million Trees

The 20 Million Trees programme is a component of the national stream of the National Landcare Programme. The programme works with the community to re-establish green corridors and urban forests. It supports local environmental outcomes by improving the extent, connectivity and condition of native vegetation, providing habitat for threatened species and contributing to Australia's carbon abatement. The Australian Government is providing \$50.0 million over four years from 2014-15 to the programme. A significant share of the trees are being planted in regional Australia, which are providing the opportunity for local economic benefits such as supporting crop pollination, improving water quality, improving nutrient cycles to maintain the productive capacity of land, and enhanced amenity value.

One-Stop Shop for Environmental Approvals

The Australian Government is working to establish a single environmental assessment and approval process in each State and Territory by accrediting environmental and planning systems under national environmental law. The creation of a One-Stop Shop for Environmental Approvals is expected to result in benefits for regional communities across Australia.

Duplication of Australian Government, State and local processes adds complexity and cost to environmental approvals across Australia. The One-Stop Shop will maintain the high environmental standards required under national environmental law, but will simplify and streamline assessment and approval processes. This will promote development, deliver jobs, secure investment and drive enhanced economic benefits to regional Australia while ensuring that the environment is adequately protected.

Director of National Parks

The Director of National Parks manages Australia's six Commonwealth national parks, the Australian National Botanic Gardens, and Australia's network of Commonwealth marine reserves. The Director of National Parks employs approximately 190 staff in regional Australia. The majority are located at Booderee, Kakadu and Uluru-Kata Tjuta national parks and in Hobart. There are also small offices in the remote locations of Norfolk Island, Christmas Island and the Cocos (Keeling) Islands.

In Kakadu, Uluru-Kata Tjuta and Booderee national parks, traditional Aboriginal owners have entered into a joint management arrangement through a long-term lease with the Director of National Parks to allow their land to be protected as a national park and enjoyed by all Australians. Indigenous trainees and apprentices are employed in the three jointly managed parks. Trainee programmes are designed to improve the skills of local people, particularly in conservation and land management. Trainees complete nationally accredited certificates and are provided with on-the-job experience such as assisting with ranger duties and natural resource management.

Community Heritage and Icons Grants

The Community Heritage and Icons Grants programme supports community groups across Australia in their efforts to promote community engagement and awareness of our National Heritage listed places. The Australian Government has allocated \$1.4 million over three years from 2014-15 for this programme. The grants benefit regional areas by strengthening local community involvement and engagement with our national heritage. This results in positive on-ground impacts for local communities and heritage in regional Australia and supports regional tourism as a result of national heritage sites being better looked after and better promoted to visitors.

National Environmental Science Programme

The \$142.5 million National Environmental Science Programme assists decision-makers to understand, manage and conserve Australia's environment by

funding world-class biodiversity and climate science. The programme supports on-the-ground scientific research across regional Australia delivered through six research hubs:

- the Marine Biodiversity Hub which will research Australian oceans and marine environments, including temperate coastal water quality and marine species;
- the Northern Australia Environmental Resources Hub which will support the sustainable development of our northern landscapes;
- the Threatened Species Recovery Hub which will support the recovery of threatened species and the management of threats and improving recovery of threatened species;
- the Tropical Water Quality Hub which will research coastal water quality and coastal management focused on the Great Barrier Reef and other tropical waters;
- the Clean Air and Urban Landscapes Hub which will support environmental quality in urban areas; and
- the Earth Systems and Climate Change Hub which will further our understanding of the drivers of Australia's climate.

Emissions Reduction Fund

The Emissions Reduction Fund is the centrepiece of the Australian Government's climate change policy. With funding of \$2.55 billion announced in the 2014-15 Budget, the Fund is supporting practical actions to achieve real reductions in emissions in Australia. Building on the architecture of the Carbon Farming Initiative, regional Australia will benefit from the incentives available under the Fund. The Fund will help reduce Australia's greenhouse gas emissions while delivering valuable co-benefits to Australian businesses, households and the environment. For example, revegetation will improve water quality and reduce erosion and salinity. Revegetation will also replenish the carbon content of soils, which will improve the health and productivity of Australian farms. Households and businesses will also save money by improving their energy efficiency.

In implementing the Emissions Reduction Fund, the Australian Government has repealed the carbon tax. On average, households are \$550 better off than they would have been with the tax and household electricity bills are \$200 lower than they would have been with a carbon tax. In October 2014, the Australian Bureau of Statistics confirmed the largest fall in electricity prices on record. The Australian Consumer and Competition Commission has confirmed that carbon tax savings are being passed onto families, businesses and farmers.

Solar Towns Programme

The Solar Towns programme is providing funding totalling \$2.1 million over three years to support community groups to install solar panels, heat pump hot water and solar water heating systems to reduce emissions and potentially reduce their electricity costs. Funding recipients under the Programme include community groups in four regional areas.

Bureau of Meteorology

Communities and businesses across regional Australia depend on high quality weather forecasts and early warning of impending severe weather events. The expertise and services of the Bureau of Meteorology assist Australians in dealing with the harsh realities of their natural environment. The Australian Government is providing funding for the replacement of the Bureau's supercomputer when it reaches its end-of-life in mid-2016. Replacement of the supercomputer will allow the Bureau to improve forecasting and warning capabilities to protect life and property and inform decision making to help increase productivity in Australia's regional communities.

Great Artesian Basin Sustainability Initiative

The Australian Government has committed \$15.9 million for the continuation of the Great Artesian Basin Sustainability Initiative through to 30 June 2017. The initiative provides funding for the repair of uncontrolled artesian bores and the replacement of open earthen bore drains with piped reticulation systems in New South Wales, Queensland, South Australia and the Northern Territory. The Initiative benefits regional Australia by further securing a vital water resource across a large part of arid and semi-arid Australia with long-term economic, social, environmental and cultural benefits for regional communities.

Water Recovery Strategy for the Murray-Darling Basin and the Sustainable Rural Water and Infrastructure Programme

The Water Recovery Strategy for the Basin sets out how the Australian Government will recover the water needed to achieve sustainable diversion limits in the Basin, as required by the Murray-Darling Basin Plan, to improve the health of rivers and wetlands of the Basin, while maximising the benefits for irrigators and the community.

The Sustainable Rural Water Use and Infrastructure Programme funds projects to 'bridge the gap' to the sustainable diversion limits under the Basin Plan and consists of three main components: irrigation infrastructure projects; water purchase; and supply measures.

The majority of rural water infrastructure funds have been committed to projects in the Basin for improving the operation of off-farm delivery systems and helping irrigators improve on-farm water use efficiency. The water savings generated from these projects are shared between the Australian Government for environmental use and irrigators for consumptive use, supporting increased productivity and economic activity in regional communities.

Commonwealth Environmental Water

The Commonwealth Environmental Water holdings are managed so that increased flows of water are provided to protect and restore environment assets throughout the Basin. At 31 March 2015, 4,245 gigalitres of Commonwealth Environmental Water had been delivered to rivers, wetlands and floodplains of the Basin, contributing to the

sustainability and amenity of these unique regional landscapes. The Commonwealth Environmental Water Holder has also recruited six local engagement officers working within the Basin, to assist members of the community to participate in environmental water planning and decision making.

Independent Expert Scientific Committee on Coal Seam Gas and Coal Mining

The Australian Government continues to support the statutory Independent Expert Scientific Committee on Coal Seam Gas and Large Coal Mining Development to provide independent scientific advice to governments on proposed coal and coal seam gas projects.

The Australian Government has provided around \$100.0 million towards research into and the protection of water resources from the potential impacts of coal seam gas and large coal mining developments. This includes the bioregional assessment programme, which provides detailed information on environmental values and potential cumulative impacts on water resources both above and below the ground, across 13 regions.

These initiatives strengthen the science underpinning decision making on coal seam gas and coal mining projects to protect the environment and help build community confidence in coal seam gas and coal mining developments.

FOREIGN AFFAIRS AND TRADE

The Foreign Affairs and Trade portfolio's objective is to advance Australia's strategic, economic and other national interests. Australia's regional areas are essential to our export income. Strong regional economies and communities that are internationally competitive and that can easily access trade and investment opportunities can, and will, contribute significantly to Australia's economic success. A vibrant regional Australia is at the core of our national interest.

The Foreign Affairs and Trade portfolio has a significant presence in each State and Territory through a network of 32 offices. Its reach is extended further into regional Australia through partner organisations delivering the TradeStart programme in 27 locations, and through over 1,600 Australia Post outlets delivering passport services.

The Australian Government is committed to boosting regional growth by using its international diplomatic assets to advance Australia's prosperity and connect regional Australia with international markets.

The Foreign Affairs and Trade portfolio assists Australian companies grow their international business through practical support and by strengthening our trade relations. New market opportunities from recently negotiated free trade agreements with China, Japan and the Republic of Korea—Australia's three biggest trade partners—will create jobs.

Two-thirds of Australia's total export earnings come from regional industries and the Australian Government recognises the role regional Australia can play in furthering our economic development. Where private financial markets are unable or unwilling to support regional business to take advantage of commercial export and overseas investment opportunities, the Foreign Affairs and Trade portfolio can provide working capital, insurance, and other financial solutions.

Tourism underpins many local economies as a significant source of income; 44 cents in every tourist dollar is spent in regional Australia. Working in partnership with State and Territory governments, industry and commercial partners, the Foreign Affairs and Trade portfolio will implement programmes to build demand and increase visitor numbers and spending.

The Australian Government will address future infrastructure challenges and drive greater regional productivity by attracting foreign direct investment. Australia has a clear comparative advantage in agribusiness, resources and energy, all largely based in regional Australia. Foreign investment in infrastructure development, particularly in northern Australia, will link these sectors and others with international markets. Improved infrastructure linkages will be enhanced through greater people-to-people links with a more secure and prosperous Indo-Pacific region supported by a high-quality, cost effective aid programme.

NEW INITIATIVES

Northern Australia

The Foreign Affairs and Trade portfolio will contribute to the Australian Government's strategic plan for growth in northern Australia through enhanced international engagement.

The Australian Government has committed \$5.0 million in official development assistance to building international links and capacity in tropical research. This includes seed funding of \$2.0 million over two years to support James Cook University's international collaboration to address trans-boundary health threats and \$3.0 million over three years for Indonesian students to undertake a Graduate Diploma in Tropical Health. Northern Australia will benefit from strengthened networks with academics and professionals in the Indo-Pacific region and increased international awareness of the north's education, science and research capabilities.

The Foreign Affairs and Trade portfolio will work with northern jurisdictions to attract investment in 'gateway' infrastructure projects that will link Australia's north with the Indo-Pacific regions, improving our ability to trade and access international markets. Greater engagement will also enhance regional productivity by providing the region's businesses with a more open and predictable business environment, which is being encouraged by the regulatory harmonisation and economic reform initiatives in Association of Southeast Asian Nations (ASEAN) and Asia-Pacific Economic Cooperation (APEC) connectivity agendas.

Australia's Aid Programme will capitalise on the region's strengths through a \$2.5 million initiative to foster business-to-business links and improve business enabling environments in Indonesia, Papua New Guinea and Timor-Leste. The initiative recognises that the business community in northern Australia has highly relevant capabilities and existing connections which can be drawn on to promote economic growth and poverty reduction in these countries and new employment opportunities in our regions.

In addition, a five-year pilot programme will be established to provide up to 250 citizens (around 50 per year) of Kiribati, Nauru and Tuvalu access to a multi-year work visa to work in lower-skilled occupations in northern Australia. This will support economic development by complementing existing and new domestic initiatives to meet the region's business needs for labour.

Increasing our diplomatic footprint and strengthening Australia's ability to trade and attract foreign investment

The Australian Government will increase our Diplomatic Footprint by opening and expanding offices in Makassar (Indonesia), Doha (Qatar), Ulaanbaatar (Mongolia) and Houston (United States of America). An Australian presence in each of these cities will

advance trade and investment opportunities for Australia, and spread the message in key markets that Australia is 'Open for Business'.

Australia has plentiful mineral and energy resources mostly in regional and remote areas. These are supported by well-developed transmission and distribution infrastructure and open international markets. Houston is at the centre of the United States' oil and gas industry and of critical relevance to regional Australia's energy interests. In Mongolia, Australia has an emerging trade and investment relationship and growing export market for mining equipment and services. Greater engagement in both locations will raise awareness of Australia's capabilities and competitive advantage in the minerals and energy sector and support Australian suppliers competing for global projects.

The rate and scale of technological and social change in the Indo-Pacific – which includes nine of our top ten trade partners – presents unprecedented opportunities for regional Australia. Makassar is one of Indonesia's most rapidly growing regional economies. It is the transport hub for eastern Indonesia, a region hosting major Australian commercial interests including mining, agribusiness, food processing, education and infrastructure projects. A consulate will support commercial links, including to northern Australia, and ensure that Australia and our regional industries are well placed to compete in meeting Indonesia's demand for goods and services.

An office in Doha will facilitate Australia's commercial links with Qatar, the richest country in the world on a per capita basis. Qatar's sovereign wealth fund is a valued source of foreign direct investment in regional Australia. Qatari investment in the resources sector, wheat, barley and other grain-producing farms, and sheep properties has already boosted regional economic development. The Australian Government's investment in diplomatic resources in Doha will drive a new phase in regional efficiency and productivity by opening up further market opportunities.

The Australian Government will invest a further \$30.0 million from 2015-16 to 2018-19 to strengthen the Foreign Affairs and Trade portfolio's existing investment promotion and attraction work. This will help Australia promote its credentials and develop our position as a preferred investment.

Australia Week events

The Australian Government will create opportunities for businesses from regional and metropolitan areas to build and expand their business ties overseas. To further this commitment the Foreign Affairs and Trade portfolio will deliver large business-focused missions in important markets to showcase Australian capabilities and investment opportunities and promote Australia as a world class tourism destination and education partner. This investment of \$9.2 million over four years from 2015-16 will build on the success of Australia Week in China in 2014 and the Australia Business Week in India in early 2015.

Free trade agreement promotion

Recently concluded free trade agreements will create new and larger markets for regional producers and service industries. Australian exporters and investors will have immediate and long-term advantages over competitors including: preferential access and large cuts to import tariffs in the beef and dairy sectors; more favourable import tariffs across the resources, energy and manufacturing sectors; and improved services access. The Australian Government will commit \$24.3 million over two years from 2015-16 to 2016-17 to promote these and other opportunities to the business sector through an intensive programme of roadshows (including throughout regional Australia), advertising and regional training.

CURRENT INITIATIVES

New Colombo Plan

In 2014 the Australian Government launched the pilot phase of the New Colombo Plan, which gave students from around Australia the opportunity to participate in undergraduate study and internship programmes in the Indo-Pacific region. Building on the success of regional universities such as Charles Darwin University and James Cook University in receiving funding under the Plan, the Foreign Affairs and Trade portfolio will continue to promote the benefits of the Plan in deepening relationships between Australia and the region, both at the individual level and through expanding university, business and other links.

Free trade agreements

In line with the Australian Government's agenda to promote prosperity, Australia has recently been engaged in the most intensive period of free trade agreement negotiations in the country's history and concluded free trade agreements with the Republic of Korea, Japan and China – Australia's three biggest trade partners. Importantly, the agreement with Korea protects our position in this vital and growing market, particularly for beef and wine exporters, and opens up a variety of new opportunities. The Japan-Australia Economic Partnership Agreement is the most liberalising agreement Japan has concluded, and gives our producers a first-mover advantage in key products and sectors. Meanwhile, the agreement with China sees across the board import tariff cuts on key exports, and also secures the best package of improvements to services access achieved by a major developed country. Together, these agreements will deliver a major boost to regional Australia in a wide variety of sectors.

The Australian Government is committed to strengthening our trading relationships and will work to progress agreements with India, Indonesia, the Gulf Cooperation Council and the European Union. Economic links in our region will be deepened through the Trans-Pacific Partnership and the Regional Comprehensive Economic Partnership negotiations. Australian agriculture and agribusiness will continue to be

supported by pushing for agricultural trade reform and seeking to open new opportunities for exports.

Export Market Development Grants scheme

The Australian Government will encourage regional businesses to increase their international marketing and promotion expenditure to achieve more sustainable international sales. The Export Market Development Grants scheme is a key Australian Government financial assistance programme for small to medium aspiring and growing export-ready businesses. It also provides businesses with an opportunity to enter and embed themselves in global value chains – something that encompasses 80 per cent of global trade.

Of the 2,332 grants paid in 2013-14 (relating to eligible export promotion expenditure incurred in 2012-13) 20 per cent were awarded to recipients from regional Australia. Grants provided \$16.2 million in financial support to 478 regional recipients who reported exports of \$591.1 million and employed 10,391 people.

TradeStart

TradeStart delivers Austrade's export advisory services through local public sector and industry organisations throughout Australia. The prime objective of the TradeStart network is to assist export ready small and medium enterprises to develop international markets for their products and services.

Of the 27 TradeStart locations, 21 are in regional areas, providing greater access to Austrade services for businesses in these regions. TradeStart advisers provide practical export advice to around 2,000 export-ready companies throughout Australia each year, and work closely with the Foreign Affairs and Trade portfolio's international network to facilitate assistance for these exporters in overseas markets.

International agricultural research

The Australian Government is committed to improving agricultural productivity and profitability in the Asia-Pacific region. This has flow-on benefits for regional Australia. The unfortunate discovery of Fusarium Wilt Tropical Race 4 in bananas in the Tully Valley and the current battle to contain it has highlighted the value of Australian research, which is proving to be of enormous benefit to the management of the current outbreak in North Queensland. It will continue to add value as projects in the Philippines deliver on planned milestones. Research will provide Queensland's banana producers with the tools to continue production for many years as the industry evolves to take on better varieties and new production systems.

Tourism

Tourism is a national investment priority of the Australian Government. Australia-wide it comprises over 267,000 enterprises (13 per cent of all enterprises in the Australian economy), generates \$113.3 billion in annual spending, contributes

\$43.4 billion to GDP and employs 543,000 people. Tourism 2020 is a national strategy and partnership of government working with industry to achieve the tourism industry's potential.

Through the Foreign Affairs and Trade portfolio, the Australian Government will implement initiatives such as Tourism Employment Plans, Major Project Facilitation, the Tourism Demand-Driver Infrastructure Programme, and the Tasmanian Regional Tourism Fund. Supported by ongoing campaign promotions and tourism research, these programmes will create opportunities for regional and remote communities to grow jobs, diversify their economic base, and generate higher standards of living.

The Australian Government will work with States and Territories to multiply the benefits of its \$43.0 million investment in demand-driven infrastructure. This complements the Foreign Affairs and Trade portfolio's Major Project Facilitation Service which provides tailored assistance to progress approvals for major tourism projects. Current projects in Tropical North Queensland have the potential to generate \$2.0 billion of tourism development and over 12,000 jobs for the region.

As part of the Australian Government's \$106.0 million Tasmanian Jobs and Growth Package, the Foreign Affairs and Trade portfolio is working with Tasmania to fund the Tasmanian Regional Tourism Package. For a total Australian Government investment of \$4.5 million, the Package is supporting a Regional Tourism Infrastructure and Innovations Fund and development of a Tasmanian Whisky and Cider Trail website.

Further practical Australian Government initiatives such as Tourism Employment Plans are focused on delivering strategies to ease the labour and skills pressures facing industry and improving the capability and capacity of regional businesses to build a skilled workforce. Six pilot plans have been completed to date, addressing industry recruitment, retention and up-skilling needs across Broome, Red Centre, Mornington Peninsula-Phillip Island, Kangaroo Island and Tropical North Queensland. Two more pilots will be delivered this year, in Canberra and North-West and West Coast Tasmania.

'There's nothing like Australia' is the Australian Government's global consumer marketing campaign highlighting some of the very best attractions and experiences Australian tourism has to offer. The next phase of the campaign will focus on promoting our highly regarded beach and coastal tourism experiences. The Foreign Affairs and Trade portfolio will support a major documentary about the Great Barrier Reef by renowned English naturalist Sir David Attenborough to demonstrate why Australia's regions are so unique. The Foreign Affairs and Trade portfolio will also continue the Restaurant Australia campaign which resonates strongly in regional Australia. It features some of our most appealing regions: wine making in the Australian Capital Territory and South Australia's Barossa Valley; Rottnest Island in Western Australia; Queensland's Whitsunday Islands; Uluru in the Northern Territory and Freycinet in Tasmania.

HEALTH

The Australian Government recognises that people living outside the major Australian cities can face barriers in accessing the same range of health care services as those living in urban areas. Consequently, it directs significant assistance to improving the quality of, and access to, health services for people living outside metropolitan areas.

The Australian Government continues to see improvements in the health outcomes of people living in regional Australia. These improvements arise from the delivery of services tailored to meet the needs of local communities and improvements in the coverage of the health workforce. Additionally, Rural and Regional Health Australia provides easily accessible information about health programmes in regional Australia through its website (www.ruralhealthaustralia.gov.au) and its free call 1800 020 103 telephone line.

Assistance is provided through general health programmes and programmes targeted specifically at regional Australia, where the Australian Government provides funding to address factors that specifically impact on the health and wellbeing of people living in rural and remote communities. In addition, substantial Australian Government assistance is provided to States and Territories through various specific purpose payments, with a significant amount directed to people living in regional Australia.

The Australian Government continues to provide targeted initiatives and incentives to improve service delivery and the health workforce in regional, rural and remote Australia. These initiatives and incentives have resulted in, but are not limited to:

- tailored services that meet the needs of local communities;
- increased accessibility to services; and
- improvements to workforce coverage and distribution.

NEW INITIATIVES

Streamlining Health Workforce Scholarships

This initiative will provide greater flexibility and consistency in targeting scholarships to areas of need by streamlining a number of existing scholarship programmes into one – the Health Workforce Scholarship Programme. Additionally, a rural return of service obligation will be associated with most scholarship types to provide a greater return on the investment. Obligations under the scholarships ensure exposure to practices in rural settings, and to the lifestyle and types of work available to encourage these healthcare professionals to continue to work in rural areas. The Medical Rural Bonded Scholarships scheme will be ceased, with support for rural and remote areas to be maintained by transferring these places to the Bonded Medical Places scheme.

Better targeted rural financial incentives for doctors

The Australian Government will reprioritise existing financial incentives for doctors to work in rural areas by introducing a new geographical classification system to more effectively direct incentives to areas that experience greater difficulty in attracting and retaining a general practice workforce. In recognition that residents of rural and remote communities have poorer health outcomes than those living in metropolitan areas and large regional centres, funds from the More Doctors for Outer Metropolitan Areas Relocation Incentive Grant and the Higher Education Contribution Scheme (HECS) Reimbursement Scheme will be redirected to the redesigned General Practice Rural Incentives Programme to appropriately target communities that experience the greatest challenges in recruiting and retaining doctors.

Consolidate and streamline dental workforce programmes

This initiative builds on other rural workforce initiatives, such as Better Targeted Rural Financial Incentives for Doctors, to more effectively target support in remote and rural locations that are in greatest workforce need. This initiative applies the new classification system, the Modified Monash Model, to ensure incentives are aimed at rural and remote communities rather than outer-metropolitan areas and large regional centres.

New items for targeted intraoperative radiotherapy for early-stage invasive breast cancer

Targeted intraoperative radiotherapy is a form of single-dose, partial breast irradiation for the treatment of early-stage breast cancer. This initiative will enable single-dose radiotherapy to be delivered in the operating theatre during breast conserving surgery. Targeted intraoperative radiotherapy will especially benefit women in rural and remote locations because they will not need to travel after surgery to undertake six weeks of post-operative radiotherapy. This targeted, single-dose radiotherapy is considered low-risk and the treatment provides a similar health outcome to standard care.

New Medicare Benefits Schedule listing for remote monitoring of patients with implanted cardiac devices

This initiative will enable people with implanted cardiac devices to have routine monitoring provided remotely where appropriate, increasing access to specialist cardiology care for patients, particularly in regional, rural and remote communities which have higher rates of cardiovascular disease and poorer outcomes compared to metropolitan areas. Patients will still have access to standard in-office visits to ensure that medical care is available in the event of a cardiac event or if the device deviates from set parameters and requires adjustment. It is estimated that this proposal will save employed rural patients and their companions up to 12 days of travel per year, per patient, which is equivalent to \$6.5 million per year.

Medicare Benefits Schedule rebates for optometrists to assist patients during telehealth consultations with ophthalmologists

This initiative will allocate \$1.0 million of funding through the Medicare Benefits Schedule for patients in regional areas (Remoteness Areas 2-5), in residential aged care facilities and to Aboriginal Medical Services to access Medicare rebateable patient-end support services from optometrists when attending a specialist ophthalmology telehealth service. In order to diagnose and provide a management plan for a patient, the ophthalmologist may seek assistance from the optometrist, who will be located with the patient, to undertake specific examinations and tests during the video consultation.

Positioning the north as a global leader in tropical health

The Australian Government will establish the Northern Australia Tropical Disease Collaboration Programme, and the Australian Tropical Medicine Commercialisation grants, an Austrade initiative delivered by the Department of Industry and Science.

The Northern Australia Tropical Disease Collaboration Programme will support innovative, high quality research into tropical diseases, build strong collaborations and capacity in the health and medical research workforce and promote effective translation of research into health policy and practice. Research will focus on tropical diseases with high impact on human health including those such as:

- dengue, malaria and melioidosis;
- Australian Bat Lyssavirus;
- the henipaviruses (Hendra and Nipah);
- chikungunya and Murray Valley encephalitis;
- multi-drug resistant tuberculosis; and
- other novel and emerging pathogens.

The research will aid in the early detection and effective response to incursions when they occur.

Australian Tropical Medicine Commercialisation grants will take advantage of business opportunities from the growing tropical economy by establishing targeted funding to translate and commercialise research in new therapeutics and diagnostics in tropical medicine undertaken in Australia.

CURRENT INITIATIVES

Population health

Full implementation of National Bowel Cancer Screening Programme

The National Bowel Cancer Screening Programme invites eligible people from across Australia to undertake bowel screening tests in the privacy of their home. The programme currently provides screening to Australians aged 50, 55, 60, 65, 70 and 74 years, and from 2016 those aged 64 and 72 years.

Participation in screening has the potential to significantly reduce the number of deaths from bowel cancer.

In the 2014-15 Budget, the Australian Government announced a further \$95.9 million over four years to accelerate the implementation of biennial screening for all Australians aged 50 to 74 years by 2020.

Blood Borne Viruses and Sexually Transmissible Infections Prevention Programme

The Blood Borne Viruses and Sexually Transmissible Infections Prevention Programme aims to address rising rates of blood borne viruses and sexually transmissible infections (STI). One of the elements of the programme is the delivery of STI reduction programmes targeted towards Aboriginal and Torres Strait Islander priority populations in regional and remote settings. This element of the Programme aims to increase STI testing and treatment, and raise awareness about STI prevention. Areas of focus include models of care that reach high prevalence communities and young people.

McGrath Specialist Breast Care Nurses

McGrath Specialist Breast Care Nurses are specially trained registered nurses who provide information, care, and practical and emotional support to women diagnosed with breast cancer, their families and carers.

There are currently 57 Australian Government funded McGrath Specialist Breast Care Nurses in place around Australia, with 86 per cent located in regional and remote areas.

The McGrath Specialist Breast Care Nurses will support up to 15,000 women and their families over the four year funding agreement.

Non-Government Organisation Treatment Grants Programme

The Non-Government Organisation Treatment Grants Programme provides funding to non-government organisations to operate a range of drug and alcohol treatment services, including services in non-metropolitan areas.

Specialist Prostate Cancer Nurse Initiative

The Specialist Prostate Cancer Nurse Initiative supports the placement of up to 14 full time equivalent prostate cancer nurses over three years through to September 2017, assisting up to 4,000 men and their families.

These prostate cancer nurses are part of a pilot project. The Initiative aims to develop, test and evaluate a model for specially trained nurses to address the needs of people living in metropolitan and regional Australia who have been affected by prostate cancer by providing information, care and support to men with prostate cancer and their families.

The Australian Government is contributing funding of \$6.2 million from 2013-14 to the Prostate Cancer Foundation Australia for this initiative.

Substance Misuse Service Delivery Grants

Substance Misuse Service Delivery Grants are provided to support organisations to deliver drug and alcohol treatment services across Australia, including in non-metropolitan areas.

Access to medical and dental services

Child Dental Benefits Schedule

The Child Dental Benefits Schedule commenced on 1 January 2014. Eligible children aged 2-17 years are entitled to access up to \$1,000 in benefits for basic dental services, with benefits capped over two consecutive calendar years. Benefits are available to eligible children throughout Australia, including in regional Australia.

Improving Access to Primary Care Services in Rural and Remote Areas - COAG s19 (2) Exemptions Initiative

This initiative provides conditional funding through the Medicare Benefits Schedule to approved rural and remote public hospital sites. The initiative supports greater patient access to primary health care services locally, including to after hours' services in small public hospitals, and to health services which are better able to attract and retain health professionals.

Medicare Benefits Schedule

The Australian Government makes rebates available to Australians for private medical treatments through the Medicare Benefits Schedule. Additional support is provided to services in regional, rural and remote areas, including all of Tasmania.

Acute care

Block funding for small rural and regional hospitals

To ensure rural and regional communities continue to have access to vital public hospital services, the Australian Government provides States and Territories with a dedicated block funding contribution for small rural and regional hospitals. In 2015-16, the Australian Government will provide approximately \$0.8 billion in block funding to States and Territories to support services provided by small rural and regional hospitals.

Emergency Medicine Education and Training Programme

The Emergency Medicine Education and Training Programme, with 33 participating hub hospitals, provides training and educational support to non-specialist doctors and other staff working in emergency departments in regional and rural areas.

National Critical Care and Trauma Response Centre

The Australian Government funds the operation of the National Critical Care and Trauma Response Centre based in Darwin (Northern Territory). The Centre is equipped and ready to assist in responses to large scale emergencies and disasters in Australia and the region. Beneficiaries of the programme include regional Australians, particularly during times of emergency when an event has the potential to overwhelm or exhaust a State's or Territory's health resources. The Centre provides an enhanced domestic response capability, and generates goodwill with disaster affected regional communities. The location of the centre also supports a positive regional impact by attracting health expertise and infrastructure to the Northern Territory. Funding is allocated from 2015-16 to 2018-19 to support its continued operation.

National Partnership on health care grants for the Torres Strait

The Australian Government provides funding for the National Partnership on health care grants for the Torres Strait. Under this programme, the Australian Government contributes funding to Queensland health facilities for the treatment of Papua New Guinea nationals, as a contribution to the costs associated with the provision of these health services.

National Partnership on the Torres Strait health protection strategy — mosquito control

The Australian Government provides funding for the National Partnership on the Torres Strait health protection strategy — mosquito control to assist in mosquito detection and elimination. Funding supports employment of a Torres Strait communication officer to improve communication and coordination between Australia and Papua New Guinea to reduce the spread of communicable diseases in the Torres Strait. This project involves surveillance, control and possible elimination of *Aedes Ibopictus* mosquitoes in the Torres Strait, and improved data sharing with Papua New Guinea on communicable diseases and health issues arising from cross border movements in the Torres Strait Protected Zone.

National Partnership on the Torres Strait health protection strategy — Saibai Island health clinic

The Australian Government provides funding for the National Partnership on the Torres Strait health protection strategy — Saibai Island health clinic to provide additional staff for the treatment of communicable diseases at the health care clinic on Saibai Island, and for development and implementation of a culturally appropriate sexual health education campaign for people in the Torres Strait. This programme targets young people to make them aware of Blood Borne Viruses and Sexually Transmissible Infections and to encourage them to access clinical services and health checks. Work will continue to develop short and long term options to address the lack of health staff accommodation on Saibai Island. The success of this programme will improve the health outcomes of Saibai Island inhabitants under the objectives of the partnership arrangement between the Australian Government and Queensland.

Primary health care

Practice Incentives Programme

The Practice Incentives Programme has two regional specific components:

- the Procedural General Practitioner Payment is available to appropriately qualified general practitioners to encourage practices in rural and remote areas to maintain local access to surgical, anaesthetic and obstetric services; and
- a rural loading ranging from 15 to 50 per cent (depending on the remoteness of the practice location) is also applied to the incentive payments of practices in rural and remote areas. The rural loading is paid in recognition of the difficulties of providing care, often with little professional support, in rural and remote areas.

Doubling the Practice Incentives Programme Teaching Payment

From 1 January 2015, the Australian Government has doubled the Practice Incentives Programme teaching payment to \$200 for each three hour teaching session provided to undergraduate and graduate medical students.

This will better compensate practices for the time invested in teaching, and encourage practices to provide more teaching opportunities for students. As a greater number of students will experience general practice through these opportunities, more students are expected to pursue a future career in primary care.

Establishment of Primary Health Networks

Thirty-one Primary Health Networks will replace Medicare Locals from 1 July 2015. The Networks are being established to increase the efficiency and effectiveness of medical services for patients, particularly for those at risk of poor health outcomes, and to improve coordination of care to ensure patients receive the right care, in the right place, at the right time. In addition, the Australian Government has agreed to six key priorities for targeted work: mental health; Aboriginal and Torres Strait Islander health; population health; health workforce; eHealth; and aged care.

headspace

The Australian Government is providing \$14.9 million from 2014-15 to 2017-18 to bring the expanded headspace network to 100 sites across Australia.

The headspace initiative provides a national, coordinated focus on youth mental health and related drug and alcohol problems and aims to improve access for young people aged 12-25 years to appropriate services and ensure better coordination between services.

Of the 100 headspace centres announced to date, 44 sites will be located in rural and regional areas across Australia.

Indigenous Australians' Health Programme

Initiatives funded under the Indigenous Australians' Health Programme include primary health care services (including eye and ear health), maternal and child health activities, medical outreach to rural and remote areas, and targeted initiatives to improve prevention and primary health care management of chronic diseases.

In 2015-16, implementation of the Aboriginal and Torres Strait Islander Health Plan will continue to ensure that future regional investments are in priority areas that have been agreed in partnership with the Aboriginal and Torres Strait Islander sector.

Mental Health Nurse Incentive Programme

The Mental Health Nurse Incentive Programme provides incentive payments to community based general practices, private psychiatric practices and other eligible organisations which engage mental health nurses to assist in the provision of coordinated clinical care for people with severe and persistent mental disorders. Services in rural and remote areas receive a 25 per cent loading to reflect the higher cost of service delivery.

Mental health nurses have a key role in supporting people with severe mental illness during periods of significant disability and help to maintain long-term mental health, wellbeing and resilience.

Supporting the Royal Flying Doctor Service

Further funding of \$20.0 million is being provided over two years (2015-16 and 2016-17) to supplement the recurrent base funding to the Royal Flying Doctor Service. Funding will support the delivery of traditional services including primary aeromedical evacuations, primary health clinics, consultations and medical chests in rural, remote and very remote communities.

This initiative aligns with the Australian Government's commitment to support the delivery of primary health care services in rural and remote communities, and in areas beyond normal medical infrastructure.

Access to Allied Psychological Services Programme

The Access to Allied Psychological Services Programme provides access to short-term focused psychological services for people with a diagnosed mental illness. Referral is through a general practitioner. The Programme targets hard to reach groups including people in rural and remote regions who would otherwise miss out on mental health services.

In 2013-14 (the most recent full year data), 397,200 services were provided to 72,200 clients with 40 per cent of services provided to clients living outside major cities.

e-mental health

Two-thirds of people with a mental disorder do not access support or treatment. For people in rural and remote areas, service access is often further limited because of issues such as travel time and potential stigma.

Online therapies have a sound evidence base and have benefitted from significant Australian Government investment in development and application, particularly in the treatment of anxiety and depression.

The Australian Government provided \$5.0 million over three years, from 2013-14 to 2015-16, to develop a youth e-mental health platform led by the Young and Well Cooperative Research Centre.

Mental Health Services in Rural and Remote Areas Programme

The Mental Health Services in Rural and Remote Areas Programme funds organisations working in primary health care to deliver mental health services by appropriately trained mental health care workers in communities that would otherwise have little or no access to such services. The Programme is designed to address inequities in access to the Medicare Benefits Schedule.

The Programme targets areas where access to subsidised mental health services is low, and addresses workforce shortage issues by providing flexible employment models suited to local needs and conditions. This includes flexibility to accommodate geographically, culturally and linguistically diverse populations in rural and remote areas of Australia.

Quality Assurance for Aboriginal and Torres Strait Islander Medical Services Programme

The Quality Assurance for Aboriginal and Torres Strait Islander Medical Services Programme supports the better management of diabetes in Aboriginal and Torres Strait Islander communities by enabling participating health services to provide culturally appropriate and clinically effective point-of-care diabetes related pathology testing. The programme also includes training, technical support, quality assurance and a consultation programme for community leaders to support programme management on site.

As at 31 December 2014, a total of 195 sites participated in the programme, with the majority of these located in rural and remote areas.

Rural Health Outreach Fund

The Rural Health Outreach Fund improves access to health services for people living in rural, regional and remote Australia by supporting a range of outreach health activities. Four health priorities are specifically addressed: maternity and paediatric health, eye health, mental health and support for chronic disease management.

Services are provided directly to communities by specialists, general practitioners, nurses and allied health professionals.

Support for Day to Day Living in the Community: A Structured Activity Programme

People with severe and persistent mental illness often face significant obstacles to learning new skills and participating in social activities. A lack of meaningful activities and social roles for people with severe and persistent mental illness can contribute to poor recovery and frequent relapse.

This programme supports people with severe and persistent mental illness through the provision of educational, social and recreational activities. It is delivered by 38 non-government organisations at over 60 locations around Australia, including at 22 sites in regional or remote Australia.

Australian Government Hearing Services Programme

The Australian Government Hearing Services Programme provides eligible people with access to a range of high quality hearing services and devices. Eligible clients in regional communities can access these services through two mechanisms:

- the Voucher Programme uses a national network of approximately 270 contracted service providers, including Australian Hearing, with 153 service providers located at 1,400 regional sites across Australia; and
- Community Service Obligations – Australian Hearing is funded to deliver specialist services from permanent, visiting and remote sites across Australia, to children and young adults up to the age of 26, and to other high risk groups such as eligible Indigenous Australians. Australian Hearing works closely with local services to deliver its Indigenous outreach programme providing hearing services to some of Australia's most remote communities. In 2013-14, (the most recent full year data), 95 audiologists delivered services to these communities at over 217 sites across Australia.

Visiting Optometrists Scheme

The Visiting Optometrists Scheme improves access to optometry services for people living and working in rural and remote communities, and includes additional optometrist services for Aboriginal and Torres Strait Islander people.

The scheme addresses some of the financial disincentives incurred by optometrists providing outreach services, with funding provided for costs that include travel and accommodation, facility fees and administrative support at the outreach location, and lease and transport of equipment.

Health infrastructure, regulation, safety and quality

Improving Local Access to Health Care on Phillip Island

The Australian Government has carried over funds from 2014-15 to provide funding to upgrade health care infrastructure on Phillip Island with the aim of improving local access to health care. Funding of \$2.5 million is allocated to the Phillip Island Project in 2015-16.

A popular destination for an estimated 1.5 million tourists each year, Phillip Island's population swells fourfold to around 40,000 people over summer. The nearest hospital is more than 40 kilometres away.

The specifics of this investment will be agreed following consultation with the local community, health care providers and the Victorian Government.

Feasibility Study for the Bright Hospital Redevelopment, Victoria

In the 2014-15 Budget, the Australian Government agreed to provide a contribution towards a feasibility study for the Bright Hospital redevelopment. The redevelopment is required to provide a more flexible facility that can appropriately meet the needs of the community into the future, particularly in relation to high care aged care beds.

The feasibility study will identify options and the scope of works required for the redevelopment. Funding of \$100,000 was allocated to the Bright Hospital Project in 2014-15 and a further \$50,000 is allocated in 2015-16.

Supporting Leave for Living Organ Donors Programme

The Supporting Leave for Living Organ Donors Programme ran as a pilot from 1 July 2013 to 30 June 2015. The Programme will continue for a further two years from 1 July 2015 until 30 June 2017. The Programme makes a financial contribution up to a set amount to employers, to either replenish an employee's leave or reimburse an employer who has made a payment to their employee (who may have exhausted their leave) in place of income lost due to organ donation.

From 1 July 2015, the maximum payment to employers, including self-employed donors, will be at the rate of the National Minimum Wage for up to nine weeks (based on a 38 hour week). Payment can cover time taken by donors for work-up, surgery and recovery from those procedures.

The programme will continue to raise the profile of living organ donors, reduce financial stress associated with being a living organ donor and encourage employers to support employees who have chosen to donate an organ. Because transplant units are based in major metropolitan hospitals, this programme is of particular assistance to donors from regional or rural Australia, as they may need more time away from work for their surgery and other post-operative treatment than donors from the city.

Health workforce capacity

Rebuilding General Practice Education and Training to Deliver More GPs

The Australian Government is supporting training for 300 extra general practitioners a year by boosting commencing training places from 1,200 to 1,500 in 2015. The new training positions are based in rural areas as much as possible, and at least 50 per cent of the new trainees are required to train on the rural pathway. As registrars deliver services to the community while training, the increase in training places is providing more services to communities in rural and regional areas.

Commonwealth Medical Internships

The Australian Government committed \$40.0 million over four years, from 2013-14 to 2016-17, for the Commonwealth Medical Internships initiative, to support additional medical internships in private hospitals.

Under this initiative, priority is given to positions and rotations outside of metropolitan areas to bolster the medical workforce in rural and regional areas. As States and Territories guarantee internships for domestic medical graduates, the initiative is available only to full fee paying international graduates of Australian universities.

In 2014, 76 positions were filled under this programme. In return for a funded intern position, interns agree to work for a period of 48 weeks in regional and rural areas, within five years of commencing their internship. In 2015, of the 81 positions that were filled:

- twenty-six interns will complete their internship in full in either Townsville, Bundaberg or Mackay;
- nine interns are based in Sydney with rotations to Wagga Wagga and Kempsey;
- seven interns are based in Perth with one or more rural/regional rotations; and
- thirty-nine interns are based in Brisbane with one or more rotations in locations including Port Macquarie, Kempsey, Mt Isa, Kingaroy, Mackay, Bundaberg, Bowen, Proserpine, Townsville, Katherine, Alice Springs and Darwin.

General Practitioner Procedural Training Support Programme

The General Practitioner Procedural Training Support Programme aims to improve access to maternity services for women living in rural and remote communities by supporting general practitioners to attain procedural skills in obstetrics or in anaesthetics.

The Programme targets existing general practitioners in rural and remote areas. For the 2014 training year, 26 obstetrics scholarships and 15 anaesthetics scholarships were awarded to rural and remote doctors.

Funding to CRANaplus

Funding to CRANaplus supports the remote and isolated health workforce through programmes such as the Bush Support Services (including the Bush Support Line), which provides access to trained counsellors for remote health workers and their families. This initiative also encourages health service providers in remote areas of Australia to network and engage in professional development.

Northern Territory Medical Programme

The Northern Territory Medical Programme addresses medical workforce shortages and retention issues by providing a full four year graduate entry medical course in the Northern Territory. It supports medical education for up to 24 students (in each year of study) as part of the Flinders University medical degree programme, and receives funding support from the Australian and Northern Territory Governments.

The programme is aimed at recruiting Northern Territory residents and Aboriginal and Torres Strait Islander students. It trains medical graduates to become capable of working in remote areas and with Aboriginal and Torres Strait Islander people.

International Recruitment Strategy

The International Recruitment Strategy aims to increase the supply of appropriately qualified overseas trained health professionals to districts of workforce shortage throughout Australia. The Strategy has five components for recruitment and resettlement support to overseas trained doctors, nurses and allied health professionals:

- the International Recruitment Strategy;
- the Five Year Overseas Trained Doctor Scheme;
- the Additional Assistance Scheme;
- the Rural Locum Relief Programme; and
- the Rural Health Professionals Programme.

Remote Vocational Training Scheme

The Remote Vocational Training Scheme supports doctors practicing in some of Australia's most remote locations to undertake vocational general practice training. It delivers structured distance education and supervision to doctors completing general practice vocational training, while they continue to provide general practice medical services to remote and/or isolated communities. The training includes weekly tutorials through video and teleconferences, twice yearly education workshops, remote supervision and individualised training advice.

The Scheme supports 22 new training places each year. In 2015, a new cohort of 10 registrars training in Aboriginal Community Controlled Health Services commenced training under this scheme.

Rural and Remote General Practice Programme

The Rural and Remote General Practice Programme supports the recruitment and retention of general practitioners in rural and remote areas. Rural Workforce Agencies, located in each State and the Northern Territory receive funding under the programme to deliver a range of services to help communities to recruit general practitioners, find appropriate placements for those who want to relocate to rural Australia, assist with the costs of relocation, support their families to settle into a new community and help general practitioners to access the necessary infrastructure, support and training.

Rural Health Multidisciplinary Training Programme

Rural training encourages the next generation of health professionals to consider rural careers and enhances the capacity of health services to meet community needs. Involvement in education and training also reduces professional isolation for existing rural practitioners, enhancing workforce retention and sustainability.

The Rural Health Multidisciplinary Training Programme includes four sub-programmes that support undergraduate clinical training of medical, nursing and allied health students in rural and remote Australia. Students support existing rural health professionals, alleviating the shortage of adequate health care services in rural areas through the following programmes:

- Rural Clinical Training and Support Programme;
- University Departments of Rural Health Programme;
- Dental Training Expanding Rural Placements Programme; and
- John Flynn Placement Programme.

Rural Locum Education Assistance Programme

The Rural Locum Education Assistance Programme allows urban general practitioners to access a grant to undertake emergency medicine training in return for a commitment to undertake a four week locum placement in a rural location. In 2015-16, a total of 59 doctors will receive up to \$6,000 to reimburse the cost of their emergency medicine training.

Nursing and Allied Health Rural Locum Scheme

This initiative combines two programmes.

The Rural Locum Scheme for Nurses supports around 750 nursing locum placements each year to enable rural nurses to take leave, and enables organisations to back-fill their positions to support ongoing service delivery. It encourages nurses to remain working in rural areas and is also designed to encourage interested nurses to experience rural based practice through a locum placement.

The Rural Locum Scheme for Allied Health Professionals supports about 100 locum placements a year to enable rural allied health professionals to take leave, and enables organisations to back-fill their positions to support ongoing service delivery. It

encourages interested allied health professionals to experience rural based practice through a locum placement.

Rural Obstetric and Anaesthetic Locum Scheme

The Rural Obstetric and Anaesthetic Locum Scheme provides the regional, rural and remote obstetric and anaesthetic workforce with subsidised locum support.

Rural Other Medical Practitioners Programme

The Rural Other Medical Practitioners Programme recognises the value of services provided by non-vocationally registered (non-VR) medical practitioners in rural and remote areas, and provides higher Medicare benefits for their patients. The programme also provides an incentive to encourage non-VR medical practitioners (both Australian and overseas trained) to provide general practice services in eligible rural and remote locations.

Rural Procedural Grants Programme

The Rural Procedural Grants Programme enables procedural general practitioners in rural and remote areas to access grants to attend training and up-skilling in emergency and procedural medicine.

Scaling Incentive for Overseas Trained Doctors

The scaling incentive is a non-cash incentive offering Overseas Trained Doctors and foreign graduates, of an accredited medical school, opportunities to reduce the 10 year moratorium restriction period for access to the Medicare system. Time reductions are significantly greater for doctors who choose to work in more remote areas. The effect of scaling is to ensure that benefits will be significantly greater for doctors choosing to live and work in more remote areas of Australia. Moratorium restriction periods for access to the Medicare system by area are:

- Major cities – 10 years
- Inner Regional – 9 years
- Outer Regional – 7 years
- Remote – 6 years
- Very Remote – 5 years.

Scaling Rural Workforce Communications – Go Rural Programme

The aim of the Scaling Rural Workforce Communications - Go Rural Programme is to encourage Australian trained doctors and medical students to consider a career in rural practice through a range of multimedia, communication and information sessions, including the use of rural ambassadors. Events are coordinated by Rural Workforce Agencies in each State and the Northern Territory.

Specialist Training Programme

The Specialist Training Programme increases the capacity of the private and community health care sector to provide high quality training opportunities for trainee medical specialists. In 2015 and 2016, 900 training full time equivalent places are being funded. Over 50 per cent of training posts have an element of training in regional and rural areas.

HUMAN SERVICES

The Department of Human Services supports regional communities by providing easy access to a range of flexible and convenient Australian Government services.

The Department of Human Services touches the lives of around 99 per cent of Australians through the delivery of health and welfare payments and services. The Department is often the first point of contact for the Australian Government across regional and remote Australia, particularly during natural disasters such as floods and droughts.

People living in regional areas can access services through the Department of Human Services' service centres, agents and access points. The Department also provides outreach services through remote servicing teams and mobile service centres.

The Department of Human Services provides customers with access through nationally networked call centres that include specific services for regional customers. Customers are able to call certain Centrelink numbers free of charge from a landline or Telstra mobile.

To make it easier for customers to access services in rural and regional Australia, the Department of Human Services continues to expand its digital service offering which reduces the need for customers to travel to service centres. Convenient self-service options are available to customers to claim a payment or concession, update personal details and provide changes in their circumstances. The Department has also launched a range of mobile applications allowing customers to complete simple transactions using mobile devices. This helps customers to interact at a time and place that suits them. These arrangements can be of particular benefit to customers located in regional areas.

NEW INITIATIVES

Welfare Payments Infrastructure Transformation programme

For Australians living in regional areas, the ability to access Australian Government services online is a convenient way to do business and often saves the trouble of having to travel long distances to regional centres. The Welfare Payments Infrastructure Transformation (WPIT) programme is one of the world's largest social welfare information and communications technology (ICT) system transformations. This is a significant multi-year transformation project that will build a new ICT system that enables the Department of Human Services to:

- provide customers with faster, more connected and automated digital services;
- give staff a modern ICT platform that makes it easier for them to do their jobs; and
- position the Department to meet future policy needs of the Australian Government.

Government Remote Servicing

The Australian Government's investment of \$93.8 million over four years will support the continued delivery of government payments and services in remote locations in the Northern Territory, Western Australia, Northern Queensland, South Australia and Tasmania. The Department of Human Services will continue to provide direct access to services in remote locations through a mix of Agents, Access Points, Remote Service Centres and visits by Remote Servicing Teams.

Remote servicing ensures a person can access Australian Government payments and services, regardless of their location. It also provides the Australian Government with the capability to deliver programmes and drive reforms specifically targeted to remote areas or more broadly.

Remote servicing is also a major source of employment in remote communities, especially for Indigenous people. For example, 90 per cent of staff in the Department of Human Services' Northern Territory Remote Service Centres are Indigenous.

Digital Transformation Agenda

In line with the Australian Government's Digital Transformation Agenda, the Department of Human Services is focusing on making services easier to use. This includes designing services that can be accessed digitally to increase self-service options for customers, making it easier for people living in regional areas to interact with government agencies.

The Department has contributed to the establishment of the Digital Transformation Office (DTO) by providing expertise and capability, based on its experience in transformation across digital, face to face and call channels.

The Department is currently collaborating with the DTO to lead and support key elements of the Digital Transformation Agenda, which leverages existing digital service capability such as myGov, digital mail, digital identity and 'tell us once'.

CURRENT INITIATIVES

Mobile Service Centres

The Department of Human Services operates a number of Mobile Service Centres. These fully equipped mobile offices travel on pre-determined itineraries in regional areas to communities located more than 50 kilometres from a service centre. Mobile Service Centres are also an important part of the Department's emergency response service delivery capability. Mobile Service Centres travel to rural and regional communities to provide hard to reach and disadvantaged people with information and access to Australian Government services, where they need it. In 2015-16 the fleet plans to visit over 350 communities with the additional aim of partnering with other Australian Government agencies, where possible, to improve service delivery.

Regional citizenship testing

The Department of Human Services has been working with the Department of Immigration and Border Protection to make citizenship tests available in regional locations. Previously, the Department of Immigration and Border Protection staff visited regional centres to conduct tests, usually on a monthly or bimonthly basis. Some 125,000 citizenship tests are taken nationwide every year with around 15,000 of these taken in regional areas. Each week about 300 tests can take place across 33 service centres in regional areas across Australia, from Kalgoorlie in Western Australia to Mackay in Queensland.

Videoconferencing in regional locations

The Department of Human Services is trialling delivery of limited specialist services such as Job Capacity Assessments and access to Social Workers and Financial Information Service officers by videoconferencing in a number of regional locations. Job Capacity Assessments are offered at over 20 mainly regional locations. Social work services are provided to Halls Creek and Kununurra (Western Australia) and Inverell and Glen Innes (New South Wales). Financial Information Services are provided to Mildura (Victoria), and Bega, Cowra, Inverell and Glen Innes (New South Wales).

The Department is also offering access to Auslan interpreter services 'on-demand' at eight sites, mostly in regional Australia:

- Victoria Park (Western Australia);
- Darwin (Northern Territory);
- Coffs Harbour and Armidale (New South Wales);
- Toowoomba and Aitkenvale (Queensland);
- Launceston (Tasmania); and
- Modbury (South Australia).

The pilot may result in reductions in travel time for customers travelling to attend specialist appointments with departmental staff. The video conferencing pilot can also reduce wait times for customers accessing specific services and Auslan interpreter services at selected sites.

Agents and Access Points

Agents and Access Points provide essential and effective services to regional and rural customers where accessibility to large regional centres is difficult.

Access Points provide free self-help facilities where customers can conduct their business with the Department of Human Services. This includes services such as making phone calls, using fax, photocopying and internet facilities, and certifying proof of identity documents.

Agents are located in communities that need more than Access Point services. As well as providing the same facilities and services as an Access Point, an Agent provides

face-to-face information services and an internet-enabled computer and printer for customers to conduct their business. Agents also accept claim forms for lodgement and provide customers with assistance, guidance and referrals.

In 2014-15, Agent training focused on online services, including using myGov and the online components of the Farm Household Allowance package. This has improved computer literacy skills for customers and enhanced social inclusion (via seminars or webinars) for regional or rural communities.

The Department's network of Agents and Access Points provides the opportunity for communities to build service hubs which support other visiting government services, creating relationships within communities.

Co-location

The Department of Human Services continues to co-locate services across Australia and implement its national network of one-stop-shops. The one-stop-shop approach brings together services from different departmental programmes, including Medicare and Centrelink services, into a single location to enhance access and convenience for all customers including those living in regional Australia.

The one-stop-shop approach also provides a platform for the co-location of services provided by other Australian Government and State and Territory agencies, such as the Australian Taxation Office, Department of Veterans' Affairs, National Disability Insurance Agency, Department of Immigration and Border Protection and State and Territory housing agencies in various locations across Australia.

Remote smart centre services

Remote Smart Centres were established in April 2014 to streamline processes to deliver effective and efficient services to the Department of Human Services' remote customers. As a result, there are more staff on hand for general enquiries and complex enquiries are handled by Indigenous telephony queue staff with training and experience in complexities of Indigenous specific payments and programmes. Calls to the Indigenous telephony queue have been separated into remote and non-remote which supports improved customer participation, reduced debts and improved access to Australian Government payments, programmes and services for remote customers.

National Indigenous Coalition

The Department of Human Services has established an internal peak Indigenous forum – the National Indigenous Coalition. The Forum continues to shape future services and promotes local solutions to local issues. The unique challenges of providing access and support to Indigenous Australians in regional Australia are considered in the development of future service delivery approaches. The Department is utilising co-design methods to test new, more innovative ways to capture

Indigenous Australian customer group insights and input in ways that will benefit service delivery to regional Australia.

Express Plus apps

The Department of Human Services Express Plus mobile apps continue to be popular with people wanting to engage with Australian Government services. The Express Plus suite of apps is compatible with Apple and Android devices and allows customers to complete many common transactions quickly and easily from any location, without having to call or visit an office.

Since August 2012, the Department has launched eight apps:

- Express Plus Child Support;
- Express Plus Medicare;
- Express Plus Centrelink;
- Express Plus Students;
- Express Plus Job Seekers;
- Express Plus Families;
- Express Plus Seniors; and
- the Express Plus Lite multilingual app (which is delivered in three major community languages – Arabic, Chinese and Vietnamese).

Express Plus mobile apps have been downloaded more than four million times.

Reliance Framework – myGov

The myGov digital service is a simple, secure way for all Australians to access services, including in regional Australia. There are now over 6 million active myGov accounts providing Australians with a secure online account with one username and password to access a range of Australian Government services online. With a myGov account, people can link a range of Australian Government services to do their online business such as looking for lost superannuation, submitting their income tax return, and claiming payments. Digital mail is sent to myGov users accounts from Centrelink, Medicare, Child Support, and the Australian Taxation Office. Users of myGov can also update their postal and residential address in their myGov account and have it automatically notified to participating member services.

Online

The Department of Human Services website humanservices.gov.au is a convenient way for regional Australians to access information and conduct their government business online. The Department's website has approximately eight million visitors every month.

The Payment Finder tool makes it easy for people to discover payments and services relevant to them. Payment Finder on humanservices.gov.au is used more than 260,000 times each month.

Electronic claiming of Medicare benefits

Electronic claiming options show the Australian Government's commitment to offer choices based on community needs. These options make it convenient for customers to lodge claims for Medicare benefits without travelling to a service centre.

The Australian Government is actively working with medical practitioners, software vendors, financial institutions, health insurers and members of the public to increase the availability and use of electronic claiming of Medicare benefits.

Services accessed by health professionals

Health Professional Online Services provides access to online services for health professionals across Australia through a single entry point.

This service also gives health professionals access to information on the eligibility for Medicare services necessary for the processing and payment of claims.

Early Release of Superannuation Benefits on Specified Compassionate Grounds Programme

The Early Release of Superannuation Benefits on Specified Compassionate Grounds Programme helps members of the Australian public to obtain an early release of superannuation benefits. The Programme supports early releases for mortgage assistance, medical treatment, modifications to a home or car to accommodate a disability, as well as funeral and palliative care arrangements. Families and individuals who are required to travel long distances from regional areas for medical treatment may also be able to obtain an early release of benefits under this programme. The Early Release of Superannuation Benefits Programme works closely with social workers to support customers in regional areas who are experiencing difficult circumstances.

IMMIGRATION AND BORDER PROTECTION

The Immigration and Border Protection portfolio is committed to supporting rural and regional communities in Australia. A number of the portfolio's programmes specifically target regional Australia, encouraging migrants and humanitarian entrants to settle in regional areas.

NEW INITIATIVES

Emerging International Airports

The Australian Government will provide \$26.2 million (including \$6.9 million in capital funding) over four years from 2015-16 to establish permanent border clearance services at Townsville and Sunshine Coast airports to support regular international air services. Increased visitor numbers will boost the tourism industry in northern Australia, encouraging businesses to invest and helping to unlock the region's full potential.

Safe Haven Enterprise Visa

The Safe Haven Enterprise Visa (SHEV) has been introduced as a temporary protection visa. The SHEV will encourage those granted temporary protection to work and/or study in a designated regional area. The purpose of the SHEV is to provide temporary protection while encouraging enterprise through earning and learning while strengthening regional Australia. The SHEV will be granted to people who have been assessed as engaging Australia's protection obligations and who have fulfilled health, character, security and identity checks.

SHEV holders will need to demonstrate intent to work and/or study in regional Australia. If they work and/or study in a designated area of regional Australia for at least three and a half years of their visa, and access income support for not more than 18 months of their visa, they will be able to apply for other substantive visas, including permanent visas (excluding Permanent Protection visas), provided that they meet the application criteria for those visas.

States and Territories are responsible for identifying areas designated as regional for the purpose of the SHEV, after which valid applications for the SHEV can be made.

Humanitarian Programme – allocation of places for 2015-16

The Australian Government will continue to explore opportunities to increase regional settlement given existing pressures on major metropolitan centres. Currently, around 20 per cent of humanitarian entrants are settled in regional locations, that is, locations outside capital cities.

It is proposed that the size of the Humanitarian Programme for 2015-16, 2016-17, 2017-18 and 2018-19 be set at 13,750, 13,750, 16,250 and 18,750 places respectively, in

line with the instrument made under section 39A of the *Migration Act 1958*. The instrument, which sets out future programme numbers, provides certainty to regional providers on the potential number of people who may settle in regional areas over the next four years.

Regional resettlement of refugees only occurs with the support and involvement of local and State government, service providers and agencies, and the local community. The Humanitarian Settlement Services Programme is delivered by service providers on behalf of the Department of Social Services which works closely with local and State governments to support successful settlement outcomes.

2015-16 Migration Programme

The Immigration and Border Protection portfolio contributes directly to regional productivity and employment in regional Australia through the Regional Sponsored Migration Scheme and the State/Territory and Regional Nominated visa category.

The RSMS is a demand-driven programme that helps businesses in regional, remote or low population growth areas (outside the major metropolitan centres of Brisbane, the Gold Coast, Sydney, Newcastle, Wollongong and Melbourne) to recruit the skilled workers they need to manage and grow their operations. The State/Territory and Regional Nominated visa category will also continue to benefit regional areas experiencing labour market shortages.

CURRENT INITIATIVES

Seasonal Worker Programme

The Seasonal Worker Programme commenced on 1 July 2012 and is a demand-driven programme that allows employers to recruit citizens of Kiribati, Nauru, Papua New Guinea, Samoa, Solomon Islands, Timor Leste, Tonga, Tuvalu and Vanuatu to work in the horticulture sector and – on a three year trial basis – the accommodation, aquaculture, cane and cotton sectors in selected regions. On 2 April 2015 the Governments of Australia and Fiji signed a Memorandum of Understanding to enable eligible nationals of Fiji to participate in the programme.

In addition to meeting seasonal labour shortages, the Seasonal Worker Programme also contributes to participating countries' economic development objectives. This Programme is delivered in conjunction with the Department of Employment (refer also page 43).

The second Working Holiday visa initiative

Since 2005, the second Working Holiday (subclass 417) visa initiative has been helping to address acute labour shortages in certain industries across regional Australia. Under the initiative, a participant can acquire eligibility for a second Working Holiday visa by undertaking three months of 'specified work' in regional Australia while on their first

working holiday visa. The initiative thus creates an incentive to perform work in particular industries and regions, but does not obligate participants to do so. Participation in the initiative is voluntary.

‘Specified work’ currently includes employment activities in the agriculture, mining and construction industries. Previously only available in the horticulture industry, in 2006 it was expanded to include agriculture more generally and, in 2008, to the mining and construction industries. Regional Australia is defined by a list of postcodes developed in 2004-05 in consultation with State and Territory Governments.

The agriculture industry remains the primary beneficiary of the initiative, with around 90 per cent of work under the initiative being agricultural in nature. Around 8-9 per cent performed work in the construction industry and around 1-2 per cent in the mining industry.

INDUSTRY AND SCIENCE

The Industry and Science portfolio's objective is to enable growth and productivity for globally competitive industries.

The Industry and Science portfolio interacts with up to 200,000 businesses each year, in metropolitan, regional and remote locations. The portfolio works with industry stakeholders, research institutions, and other levels of government to foster collaboration and growth networks, and provide knowledgeable referrals to other streams of support that contribute to local business activity and economic development.

The Industry and Science portfolio seeks to promote the growth of internationally competitive industries by facilitating nationwide action on deregulation, skills, collaboration, commercialisation and international engagement through the following activities:

- supporting businesses to collaborate with scientists and researchers in universities and other institutions to maximise commercial returns from public investment in science, research and development;
- facilitating competitive marketplaces and business investment by assisting adjustment to inevitable industrial transformation;
- providing regulatory frameworks to sustainably expand our resource base and provide adequate, reliable and affordable energy to underpin our international competitiveness and economic growth;
- reducing business costs, including energy costs through effective regulation; and
- streamlining the way businesses of all sizes and in all locations of Australia, access Australian Government information, forms and services via www.business.gov.au.

The Australian Government's Industry Innovation and Competitiveness Agenda is designed to secure future jobs and prosperity by providing a new sectoral approach to industry policy, which builds on Australia's strengths to drive excellence and builds capability in sectors with the most economic potential. The five identified key growth sectors are in fields where Australia enjoys a competitive advantage and can exploit global market opportunities with a significant impact on the Australian economy.

The Department of Industry and Science has a lead role in the implementation of the Industry Innovation and Competitiveness Agenda. Key initiatives of the Agenda, which seek to benefit businesses including in regional Australia, are underway. These initiatives include the Entrepreneurs' Infrastructure Programme, the Industry Growth Centres Initiative, the Growth Fund, the Manufacturing Transition Programme, and the Single Business Service. The Department also delivers the Industry Skills Fund with the Department of Education and Training.

The Department of Industry and Science has also worked on the delivery of the Australian Government's Energy White Paper, which was released on 8 April 2015.

The Energy White Paper targets ways to make the energy sector more competitive, and sets the foundations for the reliable supply of competitively priced energy to businesses and consumers into the future.

The Industry and Science portfolio has a broad regional presence with services delivered through a number of networks and agencies, including: AusIndustry; the National Measurement Institute; Commonwealth Scientific and Industrial Research Organisation (CSIRO); the Australian Institute of Marine Sciences (AIMS); and the Australian Nuclear Science and Technology Organisation (ANSTO). Approximately 34 per cent of the Department of Industry and Science's staff are based outside Canberra. The Industry and Science portfolio's regional presence includes:

- the AusIndustry Regional Managers Network, which operates 15 regional centres, with an additional 10 remote business advisers and facilitators across all states and territories;
- the CSIRO, which has 21 sites across regional Australia;
- Questacon, which runs a suite of national programmes, including travelling exhibitions, to make science and technology programmes accessible to communities throughout Australia, with a focus on regional areas;
- Geoscience Australia, which supports activities in regional Australia across minerals, energy, resources and supports natural hazards and disasters;
- the National Measurement Institute trade measurement network, which includes 17 regionally-based offices; and
- support for 13 Cooperative Research Centres (CRC) involved in research related to rural and regional Australia. Since 1991, there have been 85 rural-focused CRCs supported by \$1.8 billion in Australian Government funding.

CURRENT INITIATIVES

Single Business Service

Consistent with the Australian Government's Digital Transformation Agenda, the Single Business Service is putting the needs of Australian businesses first by simplifying and streamlining access to information and advice. Funding of \$78.2 million has been provided to implement the initiative as part of the Entrepreneurs' Infrastructure Programme. The Single Business Service initiative recognises that in the past, businesses have struggled to access government services and navigate the wealth of government information available to find what they need or who to talk to. Delivered through an improved digital presence at www.business.gov.au, the 13 28 46 contact centre and AusIndustry's national facilitation network, the service enables businesses of all sizes and in all locations of Australia, including those in regional Australia, to efficiently find information, services and links to government programmes.

Entrepreneurs' Infrastructure Programme

The \$449.1 million Entrepreneurs' Infrastructure Programme (EIP Programme) will lift business competitiveness and productivity. The EIP Programme provides practical advice and support for businesses, including advice from people with private sector experience; co funded grants to commercialise novel products, processes and services; funding to take advantage of growth opportunities; and connection and collaboration opportunities. This is building the capabilities of small and medium businesses in key growth sectors. Services and grants are delivered through three elements: Business Management; Research Connections; and Accelerating Commercialisation. Services are flexible, tailored and focussed on value-added advice and support. Services can be accessed by all Australian businesses, including those in regional Australia, subject to meeting the EIP Programme's eligibility requirements.

Industry Growth Centres

The \$188.5 million Industry Growth Centres Initiative will lift competitiveness and productivity to help Australia transition into smart, high value and export focused industries. The Initiative will enable national action on key issues such as deregulation, skills, collaboration and commercialisation. The Initiative will concentrate investment on the following key growth sectors:

- Advanced Manufacturing;
- Food and Agribusiness;
- Medical Technologies and Pharmaceuticals;
- Mining Equipment, Technology and Services; and
- Oil, Gas and Energy Resources.

Regional businesses, including small and medium-sized enterprises, universities and research organisations can be a part of an Industry Growth Centre and its activities.

Growth Fund

The Australian Government has established a \$155.0 million Growth Fund, to which it is contributing \$100.6 million to reduce short term volatility and inefficiencies associated with structural change and helping build jobs of the future in regions affected by the closure of car manufacturing plants. This will help workers from Holden and Toyota to transition to new jobs, encourage automotive supply chain firms to diversify, and to accelerate new business activity in sectors outside of car manufacturing in Victoria and South Australia. The Fund includes the Regional Infrastructure Programme to support investment in common-use non-manufacturing opportunities in affected regions in Victoria and South Australia.

Manufacturing Transition Programme

The Manufacturing Transition Programme is a \$50.0 million national programme which assists manufacturers in Australia to transition their businesses to increase competitiveness and sustainability. The aim is to build scale and capability in higher

value and more knowledge intensive activities within new or growing manufacturing sectors that will yield higher returns for the Australian economy. The Manufacturing Transition Programme is an Australian Government election commitment. It operates over three years to 2016-17.

Geelong Region Innovation and Investment Fund

The Geelong Region Innovation and Investment Fund (GRIIF) was announced by the Australian Government and the Victorian Government on 23 May 2013, as part of a package of measures to support the regions affected by Ford Australia's decision to cease manufacturing operations in Australia from October 2016.

The GRIIF is a competitive, merit based grants programme that supports investment by business that leads directly to sustainable new jobs and economic diversification in the Geelong region. It was originally announced as a \$24.5 million programme comprising \$15.0 million from the Australian Government, \$4.5 million from the Victorian Government and \$5.0 million from Ford Australia. In 2014, Alcoa made available an additional \$5.0 million as part of its \$10.0 million package of assistance for employees, businesses and community affected by its closure of the Port Henry aluminium smelter and rolling mill in Geelong. The GRIIF operates over four years to 30 June 2017.

Two funding rounds have been completed, with 10 companies receiving funding totalling \$18.4 million for projects that are expected to create 722 jobs and generate \$105 million in investment in the Geelong region. A third round of GRIIF opened on 23 March 2015.

Melbourne's North Innovation and Investment Fund

The Melbourne's North Innovation and Investment Fund (MNIIF) is a \$24.5 million competitive, merit-based grants programme. Under the MNIIF, eligible projects will focus on encouraging new investment to create new or additional business capacity that results in sustainable jobs. Funding will be provided to the Melbourne North region, as well as the Geelong Region, in recognition of the economic and social impact of Ford Australia's announcement on those communities.

The \$24.5 million programme, operates over three years to 30 June 2016, and comprises \$15.0 million from the Australian Government, \$4.5 million from the Victorian Government and \$5.0 million from Ford Australia. One funding round has been completed, with 16 companies receiving funding totalling \$18.8 million for projects that are expected to create 446 jobs and generate \$98 million in investment in the Melbourne North region. A second round of MNIIF opened on 23 March 2015.

Tasmanian Major Projects Approval Agency

As part of the Australian Government's Economic Growth Plan for Tasmania, the Tasmanian Major Projects Approval Agency is being delivered by the Department of

Industry and Science. The Agency helps project proponents navigate approval processes for projects that invest a minimum total of \$50.0 million in new capital within Tasmania by 2020.

The Tasmanian Major Projects Approval Agency opened on 1 July 2014 for three years, based in Launceston. It acts as a single-entry-point for proponents and improves business confidence and contributes towards attracting investment to Tasmania. In order to minimise potential for unnecessary delays, the Agency works with Commonwealth, State and local government agencies to ensure necessary assessments are completed in accordance with agreed timeframes. The Chair of the Tasmanian Major Projects Approval Agency is also a member of the Joint Commonwealth and Tasmanian Economic Council.

Research and Development Tax Incentive

The Research and Development (R&D) Tax Incentive is a key element of the Australian Government's support for innovative Australian businesses. The R&D Tax Incentive provides support to eligible businesses, including those in regional areas, undertaking R&D activities.

The two key components of the R&D Tax Incentive are: a refundable tax offset for small and medium-sized enterprises with an aggregated turnover of under \$20 million; and a non-refundable tax offset for eligible larger firms. The rate of the R&D tax offset is reduced to the company tax rate (currently 30 per cent) for that portion of an entity's notional R&D deductions that exceeds \$100 million for an income year.

Australian Small Business Advisory Services

The Australian Small Business Advisory Service (ASBAS) programme improves the capacity of established, not-for-profit small business advisory service providers to deliver low cost small business advisory and information services.

Since 2008, the programme has provided over 491,000 business advisory services to over 240,000 small business operators and intenders. Under the current ASBAS Business Solutions 2014 Round, 34 providers have been funded until 31 March 2018. Twenty of these providers deliver services to regional or remote Australia.

Australian Government Innovation and Investment Fund

The Australian Government Innovation and Investment Fund will provide \$13.0 million over the three years from 2014-15 to 2016-17 to assist 41 business investment projects leading to new jobs and growth in Tasmania. The Fund will be matched by \$27.0 million from the participating businesses and is expected to create 403 new jobs. The Fund is a merit-based, competitive grants programme that is delivered by AusIndustry. It forms part of the Australian Government's \$106.0 million commitment to jobs and growth in Tasmania announced during the 2013 Federal election.

Exploration Development Incentive

The Exploration Development Incentive encourages shareholder investment in small exploration companies undertaking greenfields mineral exploration in Australia. It provides an economic incentive to invest in the future prosperity of the Australian mining sector. This benefits the Australian economy by enabling the mining sector to continue making new mineral discoveries. Exploration activity will be almost exclusively carried out in regional areas. The Exploration Development Incentive enables eligible exploration companies with eligible expenditure to distribute exploration credits to shareholders. The shareholders will then be entitled to a refundable tax offset. The incentive applies from 1 July 2014 and is capped at a total of \$100.0 million over a three year period.

Science for Australia's Future

Science for Australia's Future is a \$28.1 million initiative that will promote science and reward scientific excellence through programmes like National Science Week, the Prime Minister's Prizes for Science and Questacon educational campaigns. The initiative will also deliver programmes that will increase access to Questacon's resources across rural and regional Australia. Through arrangements with state/territory governments and local organisations, appropriate programmes will be developed and delivered to meet state/territory policy priorities and local needs. Specific initiatives include the following programmes and initiatives:

Regional Science Hub Programme

Over the next four years Inspiring Australia will develop a network of regional hubs across Australia to establish local self-sustaining collaborations of organisations that will work together to deliver science, technology, engineering and mathematics (STEM) programmes for their region. This will provide the platform on which Australia's science engagement programmes can provide as many Australians as possible with access to quality science engagement activities. In New South Wales alone, 19 regional Inspiring Australia hubs have been established, linking with over 200 regional organisations.

National Science Week

National Science Week has a truly national reach, with activities in almost every corner of Australia, giving opportunities for people of all ages and backgrounds to engage in science. These activities reach regional and remote Australia, including through online access for anyone who is not able to reach an event near them. The grant selection committee for National Science Week is continually looking for innovative ideas that help engage new audiences in a wide range of locations, in different facets of science, technology, maths and engineering.

Pathway Programs

In order to ensure our communities are able to engage in science, technology, engineering and mathematics (STEM) programmes throughout the year, Inspiring

Australia is encouraging each regional hub to develop combined community calendars of STEM activities. Rather than each organisation driving their own promotion, the organisation's regional hubs will partner together to increase synergies and raise the profile of STEM activities through their combined larger-scale efforts.

Leadership

Inspiring Australia is supporting the development of recommendations for better science engagement for Indigenous Australians, the people of the north and for those in the desert. Inspiring Australia will continue to partner with the expert working groups who developed these recommendations in order to bring about systemic change. For instance, a Desert Science Knowledge Network was established on 15 April 2015. Ongoing work will also continue to investigate the best way to introduce an Indigenous Science Engagement agenda for Australia and support for science engagement in the north will be encouraged through the Government's northern Australia agenda.

Science Tourism

A new pilot programme will explore how to promote the existing science engagement that happens in our many tourist destinations across Australia, and explore other science tourism opportunities. This programme will seek to improve science engagement that happens in such locations, and then promote these destinations to the many Australians travelling our country. Learning and discovery can be key motivators for families who are travelling with both young and older children. Most of these science tourism destinations will be in regional Australia.

INFRASTRUCTURE AND REGIONAL DEVELOPMENT

The Australian Government recognises the importance of Australia's regions to our national prosperity and the unique contribution those who live in Australia's regions make to our national character.

The Infrastructure and Regional Development portfolio contributes to the wellbeing of Australians by assisting the Australian Government to plan and invest in infrastructure and foster an efficient, competitive, safe and secure transport system. The portfolio also contributes to strengthening communities through effective local government and external territories administration and regional development.

The Australian Government has made an unprecedented \$50 billion commitment to infrastructure investment throughout Australia. The National Stronger Regions Fund alone is investing a further \$1.0 billion to promote economic development through small-scale infrastructure projects at a local level. The first round of the Fund has now been announced with \$212.3 million in project funding.

To help our regions contribute at their full potential, the Australian Government is facilitating greater connectivity between the regions, our cities, and the world. For example, the Australian Government is improving northern cattle supply chains by providing \$100 million to improve the productivity and resilience of cattle supply chains in northern Australia. Additionally, the expansion of the Tasmanian Freight Equalisation Scheme supports the Tasmanian economy by strengthening its links to national and international markets.

NEW INITIATIVES

White Paper on Developing Northern Australia

The Australian Government is finalising its White Paper on Developing Northern Australia. The White Paper will set out actions to capitalise on the region's strengths, manage impediments to growth, and create the right conditions for private sector investment, innovation and growth—including addressing the infrastructure needed to support the long-term growth of the region.

An extensive public consultation process has informed the White Paper, including the release of the Government's Green Paper on Developing Northern Australia, which received 185 public submissions. The Joint Select Committee on Northern Australia also conducted extensive public hearings during its inquiry into the development of northern Australia and received over 350 submissions—all of which are informing the White Paper. The Committee's report *Pivot North – Inquiry into the Development of Northern Australia: Final Report*, was tabled on 4 September 2014 and the Government's interim response was tabled on 4 December 2014.

To provide high level leadership on developing northern Australia, the Government established the Northern Australia Strategic Partnership—which consists of the Prime Minister, Deputy Prime Minister and First Ministers of Western Australia, Queensland and the Northern Territory. The Northern Australia Advisory Group, consisting of eminent individuals from the north, was also established to provide advice to the Strategic Partnership on the challenges and opportunities faced by northern Australia.

The White Paper is being led by a joint taskforce of the Department of the Prime Minister and Cabinet and the Department of Infrastructure and Regional Development, and includes seconded APS staff from a number of agencies. The White Paper will be released in mid-2015 and will set out a clear and well defined policy platform for unlocking the full potential of the north, including a plan for implementing these policies over the next two, five, 10 and 20 years (refer also page 105).

Developing Northern Australia – improving northern cattle supply chains

The Australian Government has committed \$100.0 million to 2018-19 to improve the productivity and resilience of the cattle supply industry in northern Australia. Funding will be used to leverage contributions for infrastructure upgrades from the three northern jurisdictions, local governments and industry, as well as to support the Queensland, Northern Territory and Western Australian Governments address deregulation reforms and reduce costs to the industry.

Improving the productivity of the northern cattle industry will also assist in improving the profitability of a range of related businesses in regional areas (livestock transporters, processors, stock and station agents, saleyards, exporters etc.), which will impact positively on the economic health of many regional communities.

Opportunities to improve productivity will be identified using state-of-the art transport logistics modelling developed by CSIRO (referred to as the 'TRANSIT' model). These opportunities will then be assessed and prioritised in consultation with the northern States, Territory and local governments, as well as industry leaders and experts.

Assistance to Drought-Affected Communities for Infrastructure and Employment Related Projects

The Australian Government will provide up to \$20.0 million in 2015-16, and \$5.0 million in each year from 2016-17 to 2018-19, for local infrastructure initiatives that provide employment for people whose work opportunities have been impacted by drought.

Funding will be provided to eligible local government authorities and will be targeted at projects that offer the greatest potential to stimulate local community spending, use

local resources, and provide a long-lasting benefit to communities and the agricultural industries on which they depend. Projects may include (but are not limited to):

- social and cultural infrastructure;
- access facilities;
- water infrastructure;
- town beautification works;
- safety and accessibility upgrades; and
- town facility developments and upgrades such as sports ovals, showgrounds and cemeteries.

Projects under this initiative will have positive impacts on the vibrancy and sustainability of Australia's rural and regional communities in areas affected by drought (refer also page 6).

Regional Aviation Access Programme

The Regional Aviation Access Programme (RAAP) provides assistance for remote airstrip works projects through the Remote Airstrip Upgrade (RAU) funding component, and subsidises regular, essential flights to remote communities through the Remote Air Services Subsidy (RASS) Scheme funding component. A third funding component provides technical inspections and support to 59 aerodromes at remote Indigenous communities in northern Australia.

In 2015-16, additional funding under RAAP has been allocated to both the RASS and RAU funding components.

The Australian Government has committed \$33.7 million over four years from 2015-16 for the RAU. The Programme will provide grants for remote communities to improve the safety and accessibility of airstrips and to facilitate the provision of essential air services. The support provides remote communities with improved access to regional centres and to receive fresh food, medical and education supplies, mail and services such as those of the Royal Flying Doctor Service.

The Australian Government has committed an additional \$5.9 million over three years from 2015-16 to 2017-18 to the RASS. The RASS has a continuing funding allocation of \$50.6 million over the next four years. The new funding will enable the RASS to continue to provide its network of essential flights to remote communities. Communities rely on the Scheme to convey freight and, in many cases, passengers where regular services are not commercially viable. Flights under the RASS serve 260 communities in remote locations across the Northern Territory, Western Australia, South Australia, Queensland and Tasmania.

Extension to the Tasmanian Freight Equalisation Scheme

The Australian Government has committed \$202.9 million over the next four years from 2015-16 to 2018-19 to the expansion of the Tasmanian Freight Equalisation

Scheme (TFES) to provide assistance for the shipment of goods going to markets not currently covered by the TFES. From 1 January 2016, TFES assistance will be extended to include all currently eligible goods leaving Tasmania that are being shipped to locations beyond mainland Australia and are being trans-shipped through the mainland.

The Australian Government supports the Tasmanian economy and regional Australia by subsidising the cost of transporting freight across Bass Strait. The aim of the TFES is to assist in alleviating the sea freight cost disadvantage incurred by the shippers of eligible non-bulk goods moved by sea between: the mainland of Australia and Tasmania; King Island and the main island of Tasmania; and the Furneaux Group of Islands and the main island of Tasmania. This assistance is provided because of Tasmania's geographical location and because, unlike shippers on the mainland of Australia, shippers on these islands do not have access to a network of road and rail transport.

Norfolk Island

The Australian Government is providing \$136.6 million from 2015-16 to 2018-19 for implementing major reform on Norfolk Island to enable the long term sustainability of Norfolk Island.

The Australian Government is extending Commonwealth taxation and healthcare arrangements and access to social security payments from 1 July 2016, and will be applying a modern body of State law (New South Wales) to bring the administration of Norfolk Island in line with other Australian State jurisdictions. The *Norfolk Island Act 1979* is being amended to transition the current Legislative Assembly and Norfolk Island Administration to a Regional Council.

As an interim measure an Advisory Council will be established during 2015-16 to provide a community voice on the proposed changes and to advise on the shape of the Regional Council.

Stronger Communities programme

The Australian Government's new Stronger Communities programme will provide funding for small capital projects that deliver social benefits to local communities right across Australia.

From 1 July 2015, Stronger Communities will make available funding of up to \$150,000 per year over two years in each of Australia's 150 Federal Electorates. Local Members of Parliament will be responsible for consulting with communities to identify high priority projects that:

- improve local participation and cohesion;
- are supported by the local community;
- are well costed;

- can be delivered within the two-year timeframe of the programme; and
- will be delivered by community organisations that are reputable and genuinely not-for-profit.

Communities that cross electoral boundaries may choose to collaborate on projects with the agreement of relevant Members of Parliament.

Applicants of the Stronger Communities programme must seek a grant of at least \$1,000 and up to a maximum of \$20,000. The Department of Infrastructure and Regional Development will administer the programme.

Total Australian Government funding of up to \$22.5 million per year will be available over the life of the programme.

Community Development Grants Fund

The Australian Government established the Community Development Grants Programme in 2013 to support needed infrastructure that promotes stable, secure and viable local and regional economies. The Australian Government will invest a further \$50 million over three years from 2015-16 to 2017-18.

This builds on the existing \$313.9 million Programme. With funding from 2013-14 to 2016-17, the Programme is benefiting regional communities in the long term by enhancing the social and economic well-being of communities and will create jobs during construction. A further \$22.1 million is being administered by other departments to complement the activities of the Fund and \$6.0 million has been transferred to the Tasmanian Jobs and Growth Package.

The Fund has provided funding for more than 290 regional initiatives including the Australian Government's 2013 election commitments and Australian Government selected uncontracted projects from the Regional Development Australia Fund and Community Infrastructure Grants Program.

CURRENT INITIATIVES

National Stronger Regions Fund

The Australian Government is delivering the \$1.0 billion National Stronger Regions Fund over five years from 2015-16 to promote economic development in Australia's regions.

The Fund is helping regions invest in their own future by supporting capital infrastructure projects conceived by local communities.

The Fund provides up to half the cost of projects that support economic growth and sustainability, particularly in areas of disadvantage, with remaining contributions coming from local and State governments, communities and the private sector.

Successful projects from Round One have now been announced providing \$212.3 million in funding for projects across Australia.

Tasmanian Jobs and Growth Package

The \$106.0 million Tasmanian Jobs and Growth Package is an initiative which complements the Australian Government's Economic Growth Plan for Tasmania—a package of measures aimed at stimulating Tasmania's economy by supporting growth and employment.

Funding of \$91.0 million from 2013-14 to 2016-17, administered by Department of Infrastructure and Regional Development, is being provided for over 30 projects which support the economic development of Tasmania. Additional projects of the Package are being delivered by other departments including the Department of Industry (refer also page 86 and 87) and the Department of Foreign Affairs and Trade (refer also page 57).

Infrastructure Investment

The Australian Government is building our future with a commitment to an investment of \$50.0 billion through to 2019-20 and onwards for infrastructure upgrades and the construction of safe and reliable roads. This investment will be made in partnership with State, Territory and local governments, as well as with industry, to ensure that the right projects are delivered at the right time and ensure there are sufficient resources for vital safety and capacity work. This commitment will build much-needed networks, support jobs and drive economic growth.

This investment includes the \$5.0 billion Asset Recycling Initiative, through this Initiative, the Australian Government is partnering with State and Territory Governments to unlock significant additional funding for new infrastructure projects through the sale of existing government-owned assets.

Funding is provided for a range of projects that specifically target road safety and productivity in regional areas. These include, but are not limited to, the following programmes.

Roads to Recovery Programme

The Australian Government is providing \$2.1 billion from 2014-15 to 2018-19 to local councils through the Roads to Recovery Programme, including an additional \$350.0 million in 2015-16 committed in the 2014 Budget. Of this, around \$1.6 billion will be provided to local councils in rural and regional areas.

The Roads to Recovery Programme provides funding directly to local councils for road works chosen by the councils, and to States and Territories for roads in areas where there are no councils. Each funding recipient has a set allocation of funding over the life of the Programme.

Black Spot Programme

The Black Spot Programme provides \$500.0 million from 2014-15 to 2018-19 for road safety works such as roundabouts, crash barriers and street lights at places where there have been serious crashes or where serious crashes are likely. This includes an additional \$200.0 million across 2015-16 and 2016-17, committed in the 2014 Budget.

This investment is helping to make roads safer for motorists, cyclists and pedestrians. Each State and Territory receives a share of the total funding, based on population and crash data.

The Australian Government has broadened the eligibility criteria for the Black Spot Programme for 2015-16 and 2016-17 to make it easier for regional communities to compete for the additional funding. The Australian Government has also guaranteed that at least 50 per cent of funding provided over the next two years will be dedicated to fixing roads in regional Australia.

Heavy Vehicle Safety and Productivity Programme

The Australian Government committed a further \$200.0 million from 2014-15 to 2018-19 to deliver heavy vehicle safety and productivity projects for the heavy vehicle industry and other road users across Australia.

Funded projects are aimed at improving safety and productivity of the heavy vehicle industry through the construction of rest stops and parking bays, upgrading the capacity of roads and technology trials aimed at improving heavy vehicle productivity.

Funding will be provided following a merit-based process open to State, Territory and local governments. Funding of \$96.0 million for 53 projects under Round Four of the Programme was announced in March 2015.

Bridges Renewal Programme

The Australian Government is investing \$300.0 million from 2015-16 to 2018-19 under the Bridges Renewal Programme. The objectives of the Programme are to contribute to the productivity of bridges serving local communities, and facilitate higher productivity vehicle access.

Funding of \$113.7 million for 73 projects under Round One of the Programme was announced in February 2015.

National Highway Upgrade Programme

The Australian Government is investing \$228.7 million from 2014-15 to 2017-18 for a new National Highway Upgrade Programme. The Programme provides funding for improvements to Australia's key national highway networks through works such as shoulder and centreline widening, ripple strips and wire rope barriers, overtaking lanes, turning lanes and pavement improvements. This commitment provides for these essential works on the:

- Newell Highway (New South Wales);
- Hume Freeway, Monash Freeway, Western Highway and Goulburn Valley Highway (Victoria);
- New England Highway, Cunningham Highway, Flinders Highway and Landsborough Highway (Queensland);
- Great Northern Highway (Western Australia);
- Sturt Highway (South Australia);
- Bass Highway (Tasmania);
- Victorian Highway (Northern Territory); and
- Federal Highway (Australian Capital Territory).

Pacific Highway (New South Wales)

The Australian Government is investing \$5.6 billion from 2013-14 to 2018-19 in a package of projects which will bring major improvements in freight efficiency, an expected reduction in road trauma and benefits to regions made more accessible by the upgrade. This funding ensures that the highway will be fully duplicated from Newcastle to the Queensland border by the end of the decade.

Bruce Highway (Queensland)

The Australian Government is investing \$3.6 billion from 2013-14 to 2018-19 to a package of projects to upgrade and maintain the Bruce Highway, Queensland's major north-south transport corridor which links Brisbane and the regional centres to the north of the State. Over ten years this will increase, with investment reaching up to \$6.7 billion.

Inland Rail (Victoria, New South Wales and Queensland)

The Australian Government has committed \$300.0 million from 2013-14 to 2017-18 for preconstruction works, in preparation for construction of the Melbourne-Brisbane inland railway. An inland route, through Albury, Parkes, Moree and Toowoomba, will improve the reliability and availability of freight trains and shorten trip times by seven hours.

Cape York Region Package (Queensland)

The Australian Government is investing \$208.4 million from 2014-15 to 2018-19 to facilitate upgrades to infrastructure including improved road access into Cape York from the south. The projects will provide benefits to the Cape York local community and local industry, including the mining sector.

Outback Way (Queensland, Northern Territory and Western Australia)

The Australian Government is investing \$42.0 million from 2014-15 to 2018-19 to upgrades of sections of the Outback Way to improve safety and access to remote areas. The project will unlock the potential benefits of the Outback Way, benefitting Indigenous and remote communities and the Australian economy, particularly in the areas of tourism, mining and freight.

Great Northern Highway (Western Australia)

The Australian Government is investing \$307.8 million from 2014-15 to 2017-18 to upgrading the highway between Muchea and Wubin which will significantly improve freight efficiency and safety on this section of the National Network. Upgrades to this link will also contribute to the long term objective of enabling road trains to travel further south to Muchea before 'breaking down' to B-double single trailer configurations (road trains are currently required to 'break down' at Wubin, some 220 km north of Muchea).

North West Coastal (Western Australia)

The Australian Government is investing \$172.7 million from 2014-15 to 2017-18 towards works to address the problems associated with predicted traffic growth, including heavy vehicles, and safety concerns, due to the age of the road and its narrow seal width. The works are also expected to improve freight efficiency and reduce freight costs by improving access for the local farming area and the resources areas in the north-west.

Anangu Pitjanjatjara Yankunytjatjara (APY) Lands (South Australia)

The Australian Government is investing \$85.0 million from 2015-16 to 2018-19 to upgrade sections of the 210 km of main access road between the Stuart Highway and Pukatja, and improving up to 21 km of community roads. This package of work will provide all weather access to airstrips in Pukatja, Umuwa, Fregon, Mimili, Indulkana, and to the Umuwa and Fregon homelands.

Midland Highway (Tasmania)

The Australian Government is investing \$400.0 million over 10 years from 2014-15, to improve safety and connectivity at targeted locations on this critical north-south road link in Tasmania. The Midland Highway is the main freight connection facilitating access from southern Tasmania to the State's northern ports.

Regional Roads Productivity Package (Northern Territory)

The Australian Government is investing \$90.0 million from 2013-14 to 2016-17 to replace bridges on the Roper Highway, improve flood immunity on Port Keats Road, seal sections of the Santa Teresa Way, construct a new bridge over Rock Bottom Creek on Central Arnhem Road, strengthen, widen and seal sections of the Buntine Highway and install gravel on sections of Arnhem Link Road.

The Australian Government is also investing \$77.0 million from 2014-15 to 2016-17 for the strengthening and widening of road pavements, flood immunity improvements and fatigue management measures such as upgrading rest areas and intersection improvements through the Northern Territory Roads Package.

The Airservices Australia Enroute Charges Payment Scheme

The Australian Government is providing \$1.0 million each year over the next four years to assist scheduled passenger services. This is on top of the \$1.0 million each year allocated to supporting vital aeromedical services, such as the Royal Flying Doctor Service. Continuing funding is allocated for regional commercial airlines to support low volume and new commercial routes to regional and remote communities as well as for aeromedical service providers delivering services to regional and remote Australia.

Under the Scheme, commercial and aeromedical airlines are reimbursed a proportion of the enroute air navigation charges incurred for eligible flights, as levied by Airservices Australia.

Regional Development Australia Committees

The Regional Development Australia (RDA) Committee programme provides a network of 55 committees of community leaders, working to strengthen Australia's regions and build stronger communities. They achieve this by enhancing economic development opportunities and fostering effective communication between communities, business and all three spheres of government.

The Australian Government is continuing the RDA Committee programme, providing \$73.3 million for the period 2015-16 to 2018-19. Current funding agreements are due to be completed at 30 June 2016. Key tasks for RDA Committees include maintaining 3-5 year regional plans and advising on critical issues affecting economic development, as well as priority activities to drive economic development in their regions. RDA Committees also assist local community stakeholders to develop project proposals, identify appropriate funding sources and promote Australian Government programmes.

Local Government Financial Assistance Grants

The Local Government Financial Assistance Grant programme established under the *Local Government (Financial Assistance) Act 1995* provides financial assistance to local governments across Australia to enable them to meet local priorities. The Australian Government is continuing the Financial Assistance Grant programme which will provide an estimated \$9.3 billion to local government over the period 2014-15 to 2017-18 – approximately \$2.3 billion per year.

The funding is untied and consists of two components:

- a general purpose component which is distributed between the States and Territories according to population; and
- an identified local road component which is distributed between the States and Territories according to fixed historical shares.

Services to Territories

The Department of Infrastructure and Regional Development administers the Territories of the Ashmore and Cartier Islands, Christmas Island, the Cocos (Keeling) Islands, the Coral Sea Islands and Jervis Bay, and manages national interest in the Australian Capital Territory, the Northern Territory and Norfolk Island.

The Department delivers services, provides funding support and undertakes capital works with the objective of ensuring that Territory communities have access to similar services as equivalent mainland communities.

For example, the Australian Government in 2014-15 provided \$126 million in funding for services to the Indian Ocean Territories, and approximately \$6.3 million in funding for services to the Jervis Bay Territory.

Indian Ocean Territories

The Australian Government continues to support the communities of Christmas and Cocos (Keeling) Islands and has extended air services underwriting. The Australian Government continues to review the air services arrangements for territories to place these on as commercial a setting as possible.

PRIME MINISTER AND CABINET

Indigenous programmes and related service delivery are primarily the responsibility of the Department of the Prime Minister and Cabinet. These programmes have been streamlined and combined into five outcomes-based flexible programmes (Jobs, Land and the Economy; Children and Schooling; Safety and Wellbeing; Culture and Capability; and Remote Australia Strategies). Together with reformed arrangements to the regional network of staff which operates from around 100 locations across 12 regions, these changes primarily comprise the Indigenous Advancement Strategy.

Through these changes, the Australian Government has laid the groundwork to significantly reform Indigenous Affairs to get adults into work, children to school and to make communities safer.

From 1 July 2015, key initiatives such as reforming employment services in remote communities, as well as measures to increase Indigenous employment rates in the private and public sector, and to support Indigenous enterprises to win more Australian Government contracts will commence. These actions will improve employment outcomes for Indigenous Australians.

The majority, or around two thirds of Indigenous Australians, live outside the major cities with over twenty per cent living in remote and very remote locations.

In the 2015-16 Budget, the Australian Government is continuing to make sure the significant investment through National Partnership Agreements is focused on results. The Australian Government's substantial investment into the Northern Territory will be refocused to meet the Australian Government's Indigenous Affairs priorities. The Australian Government will also refocus its investment in remote Indigenous housing to provide incentives to states to achieve more sustainable housing systems in remote Indigenous communities.

These reforms will affect practical change on the ground, supported by the Department of the Prime Minister and Cabinet's regional network of staff who are located in the communities they serve. Regional managers work closely with communities to implement tailored local solutions that improve outcomes for Indigenous Australians in Australian Government priority areas.

NEW INITIATIVES

Reforming employment services in remote Australia

The Australian Government is introducing reforms to the Remote Jobs and Communities Programme from 1 July 2015 to provide real pathways to employment in remote communities and reduce welfare dependency. The reforms will:

- provide opportunities for eligible remote job seekers, aged 18 to 49 years, to participate in continuous work-like projects;
- strengthen incentives for employment services providers and employers to retain job seekers in employment, including a payment of up to \$7,500 for employers who retain a job seeker for 26 weeks; and
- support the establishment of local businesses in remote communities, with allocated funding of up to \$25.0 million a year.

The Australian Government has provided an additional \$94.9 million, and redirected existing funding of \$1.5 billion to the reformed Remote Jobs and Communities Programme. The Programme operates in 60 remote regions across Australia. It provides services to more than 37,800 job seekers (as at 30 March 2015), most of whom are Indigenous.

Employment Parity Initiative

The Employment Parity Initiative is a programme that aims to increase the number of large Australian companies with a workforce reflective of the size of the Indigenous population. Specifically, the Initiative aims to get 20,000 more Indigenous job seekers into jobs by 2020. Many of the largest Australian businesses have the goodwill and ability to provide Indigenous Australians with greater employment opportunities. Some of Australia's largest businesses will be invited, and supported to become 'parity employers' through increasing the number of Indigenous employees within their business to levels that are representative of their population levels within Australia.

These reforms will build on the success of the Australian Government's Vocational Training and Employment Centre initiative, which will see 29 centres across the country support more than 5,000 Indigenous Australians into jobs.

Public sector procurement

On 17 March 2015, the Australian Government announced a new Indigenous Procurement Policy that will strengthen the Indigenous business sector. The new policy will support Indigenous enterprises to win more Australian Government contracts and get more Indigenous Australians into jobs.

The policy will start on 1 July 2015 and has three parts.

- A target of three per cent of new domestic Australian Government contracts will be awarded to Indigenous enterprises each year from 2019-20, with interim targets from 2015-16.
 - This is a more than 60 fold increase on current numbers, and will mean around 1,500 contracts being awarded to Indigenous enterprises each year by 2020, or around \$135.0 million per annum based on an average contract value of \$90,000.
- There will be a mandatory set-aside for certain Australian Government contracts — agencies will first have to check whether an Indigenous small or medium business

can deliver the goods or services on a value for money basis, before making a general approach to the market.

- There will be minimum requirements for Indigenous employment and supplier use for some Australian Government contracts.

The policy will have a positive impact on regional Australia. Around 35 per cent of Australian Government contracts are in regional areas, which means the policy will provide significant opportunities for Indigenous enterprises and Indigenous Australians in regional areas.

Public sector Indigenous employment

The Australian Government has committed to a target of three per cent Indigenous employment across the Commonwealth public sector by 2018. This equates to around 7,500 Indigenous employees. The target will cover Australian Public Service agencies and other agencies including the Australian Defence Force and the Australian Federal Police. Some agencies have a significant regional presence and provide employment opportunities for Indigenous job seekers in those regions. Agencies will be responsible for achieving their targets and held accountable through public reporting to the Australian Public Service Commission and in annual reports. An Indigenous Recruitment and Retention Strategy will be developed to support agencies in meeting their targets.

The three reforms – public sector procurement, employment parity and public sector Indigenous employment – form part of the initial response to the *Creating Parity* Forrest Review and will have a positive impact on Indigenous Australians and businesses in regional Australia.

National Partnership Agreement on Northern Territory Remote Aboriginal Investment

In the 2015-16 Budget, the Australian Government is continuing to ensure the significant investment through National Partnership Agreements secures results for Indigenous Australians. The Government will redirect funding of \$988.2 million over eight years to establish a new National Partnership Agreement on Northern Territory Remote Aboriginal Investment.

The Australian Government's substantial investment into the Northern Territory will be refocused to get children to school, keep children and communities safe and continue critical frontline services into remote communities. This new National Partnership Agreement will replace the *Stronger Futures in the Northern Territory National Partnership Agreement*. The new Agreement will prioritise health, schooling and community safety.

The revised National Partnership Agreement will continue the effort required to tackle the unacceptable levels of disadvantage still experienced by too many Aboriginal people in the Northern Territory. It will ensure that the investment committed through

the previous arrangements is directed to greater effect and administration and red tape is minimised.

As part of these reforms, the Australian Government has set aside \$154.8 million to support the Northern Territory Government assuming full responsibility for municipal and essential services in all remote Indigenous communities in the Northern Territory. This will bring the Northern Territory into line with arrangements with other States.

A new Remote Indigenous Housing Strategy

The Australian Government is providing \$1.1 billion over three years from 2015-16 to 2017-18 for a new Remote Indigenous Housing Strategy to replace the existing *National Partnership on Remote Indigenous Housing*. The new Strategy will facilitate new housing, housing-related infrastructure and refurbishments and, for the first time, provide incentives to States for progress against agreed outcomes which establish more sustainable housing systems in remote Indigenous communities.

The new Strategy will focus on improving outcomes in property and tenancy management, Indigenous employment, and home ownership and land tenure. It will continue to address over-crowding in remote Indigenous communities by funding the construction of around 1,240 new houses in larger, sustainable remote Indigenous communities. The strategy will also provide greater flexibility to better respond to the housing needs in these communities

Remote Indigenous internet training

The Australian Government is providing funding of \$6.7 million over three years for internet access and training in remote Indigenous communities across Australia. The Remote Indigenous Internet Training activity will increase educational outcomes for Indigenous children and assist adults with employment and job-seeking skills. The Australian Government will supply essential infrastructure such as computers, printers and internet access and data to around 75 remote communities. Training will be tailored to the specific needs of each community.

South Australia municipal and essential services

The Australian Government will provide \$15.0 million to the South Australian Government as a Special Purpose Payment to assume responsibility for ongoing delivery of municipal and essential services in Indigenous communities outside the Anangu Pitjantjatjara Yankunytjatjara (APY) Lands. This brings South Australia into line with arrangements with other States. The Commonwealth will continue to fund provision of municipal and essential services in the Anangu Pitjantjatjara Yankunytjatjara Lands in 2015-16.

Agricultural Competitiveness White Paper

The Australian Government is currently developing an Agricultural Competitiveness White Paper. The White Paper will be the Australian Government's plan to grow

agriculture's competitiveness, farm gate profitability and contribute to Australia's prosperity, including the prosperity of our rural and regional communities.

The Agricultural Competitiveness White Paper will provide a strong policy platform for enhancing the contribution of agriculture to economic growth, employment creation and national prosperity through increased innovation, productivity, investment and trade.

The White Paper has been informed by comprehensive stakeholder consultations providing grassroots input from farmers and rural communities. This has included the release of an Issues Paper in February 2014 and the Green Paper in October 2014.

The White Paper is set for completion in 2015 and is being led by the Agricultural Competitiveness Taskforce at the Department of Prime and Cabinet (refer also page 4).

White Paper on Developing Northern Australia

The Australian Government is preparing a White Paper on Developing Northern Australia. The White Paper will examine Northern Australia's natural, geographic and strategic assets, and potential to further develop the region's minerals, energy, agricultural, tourism, defence and other industries. It will set out actions to capitalise on the region's strengths, manage impediments to growth, and create the right conditions for private sector investment, innovation and growth. It will also consider the infrastructure needed to support the long-term growth of the region.

An extensive public consultation process has informed the White Paper including the release of the Government's Green Paper on Developing Northern Australia, which received around 180 submissions. The Joint Select Committee on Northern Australia has also conducted extensive consultations in preparing its final report *Pivot North – Inquiry into the Development of Northern Australia: Final Report* which will inform the Government's White Paper (refer also page 90).

CURRENT INITIATIVES

Indigenous Advancement Strategy

A new Indigenous Advancement Strategy (IAS) began on 1 July 2014 and replaced more than 150 individual programmes and activities with five flexible, broad-based programmes:

- Jobs, Land and Economy;
- Children and Schooling;
- Safety and Wellbeing;
- Culture and Capability; and
- Remote Australia Strategies.

Through these five broad programmes, the IAS supports a wide range of activities, including demand-driven activities. This focus is on clear, measurable results, with payments linked to the achievement of results and intended outcomes. The IAS is designed to reduce red tape and programme duplication, increase the flexibility of funding, and deliver results on the ground for Indigenous people. A high emphasis is placed on the funding of organisations which deliver results throughout regional and remote Australia where a high proportion of Indigenous people live.

The IAS open grants round in 2014-15 provided the Australian Government the opportunity to view and assess funding applications from across the country in a single exercise to ensure the best results for Indigenous Australians. This new funding model round allows funding to be prioritised to continue critical front line service delivery and to support Indigenous organisations and of Indigenous people, and address the Government's Indigenous affairs priorities.

The following section summarises current initiatives which involve Australian Government funding in 2015-16, mapped against the five programmes under the IAS.

Jobs, Land and Economy

Getting more adults into employment, fostering Indigenous business and assisting Indigenous people to benefit socially and economically from the use of their land are essential to delivering the Australian Government's commitment to improving the lives of Indigenous Australians. In regional and remote Australia, the jobs, land and economy programme is key to meeting the Australian Government's target to end the employment disparity between Indigenous and non-Indigenous Australians.

Demand-led employment model

The Australian Government committed \$45.0 million over two years from 2013-14 for a national network of Vocational Training and Employment Centres (VTECs) to provide up to 5,000 Indigenous job seekers with practical training for a guaranteed job.

The Australian Government has now signed contracts with 29 VTECs across the country. The 29 VTECs are located in:

- New South Wales – Sydney, the Hunter region, New South Wales south coast and western New South Wales;
- Queensland – Brisbane, north and central Queensland;
- Northern Territory – Darwin, Alice Springs, the Barkley region in the Northern Territory;
- Western Australia – Perth, Kalgoorlie, Kimberley, Pilbara, Gascoyne and Peel regions of Western Australia;
- Victoria and Tasmania; and
- Adelaide and regional areas of South Australia.

Land

The Australian Government will continue to support the recognition of traditional ownership and Indigenous interests in land through native title processes and Commonwealth land rights legislation, especially in the Northern Territory. It will continue to support negotiation of further 99-year township leases in the Northern Territory to support home ownership and economic development opportunities for Indigenous people and their communities. The Government also provides funding for Native Title Representative Bodies, Native Title Service Providers across Australia, Aboriginal Land Councils in the Northern Territory and the Office of the Aboriginal Land Commissioner.

The Australian Government is working with the States, the Northern Territory and senior Indigenous leaders on an investigation by the Council of Australian Governments (COAG) into how traditional owners can leverage their land assets for economic development as part of the mainstream economy. This investigation will report to COAG in late 2015.

Indigenous rangers

The Australian Government currently supports Indigenous rangers to deliver environmental outcomes and address Indigenous disadvantage by providing jobs to Indigenous people. It is expected that at least 760 Indigenous rangers, mostly in remote and regional areas, will be trained and employed in land and sea management by July 2015.

Indigenous Protected Areas

Indigenous Protected Areas now make up more than 55 million hectares, or approximately 40 per cent of the National Reserve System, Australia's network of protected areas. There are 67 declared Indigenous Protected Areas and a further 20 Protected Area consultations underway.

Children and schooling

The Australian Government's priority is improving school attendance for Indigenous children which in turn leads to improved educational attainment through to Year 12 and onto further education. There is a particular focus on remote parts of Australia where Indigenous school attendance is particularly poor. For example, in very remote parts of the Northern Territory, three-quarters of all Indigenous students attend school less than 80 per cent of the time. To address this issue, in May 2014 COAG agreed to a new five-year target to close the gap between Indigenous and non-Indigenous school attendance.

The Australian Government is also working bilaterally with each state and territory government, through a process agreed by COAG to prioritise early childhood care and education. Funding is also being provided to a range of Indigenous early childhood

services through the Indigenous Advancement Strategy, including Indigenous parenting services and playgroups.

Funding is provided to all four educational sectors; early childhood, schooling, vocational education, and training and higher education.

Remote School Attendance Strategy

The Remote School Attendance Strategy provides targeted assistance to improve school attendance in around 70 remote communities with long-standing school attendance issues in the Northern Territory, Western Australia, South Australia, Queensland and New South Wales.

The Strategy is being led by over 500 local Aboriginal and Torres Strait Islander people employed as School Attendance Supervisors and Officers who are determined and committed to ensuring a bright future for their children. Duties for the School Attendance Supervisors and Officers have been adapted to the needs of each community and target gaps in existing areas of service provision.

The strategy is continuing to show promising results in the Northern Territory and Queensland, where there were on average 11 per cent more students attending government Remote School Attendance Strategy schools in Term 3, 2014 compared to the same time in 2013. That equates to over 360 more kids attending school.

Clontarf Foundation

As announced in the 2014-15 Budget, the Australian Government is investing \$13.4 million to further support the Clontarf Foundation to provide an additional 3,000 places for Indigenous boys in academies over 2014 to 2018. The Clontarf Foundation primarily operates in regional and remote locations, targeting Indigenous boys who are most at risk of disengaging from education. The school-based sports academies aim to improve student attendance, education and retention to Year 12, using sport and recreation as an incentive to participation. The Clontarf Foundation also focuses on improving discipline, life skills, self-esteem, and employment prospects of the young men they work with.

Other education initiatives

Other examples of how the Australian Government's priorities for improving Indigenous education outcomes in regional areas being progressed include:

- assisting Aboriginal and Torres Strait Islander students to attend high performing schools, including both day and full boarding support;
- mentoring support to improve rates of school attendance, Year 12 attainment and transition to further education;
- assisting tertiary students who are required to travel away from their permanent home for short periods to undertake approved course-related activities;

- scholarships to assist tertiary students meet the costs of taking up a place at university;
- sporting academies across Northern Territory, Western Australia, Queensland, Victoria, South Australia and New South Wales; and
- working with Aboriginal and Torres Strait Islander families and communities to become more involved in their children's education, including helping them build relationships with principals and teachers; supporting them to help children and young people to learn at home; and helping parents overcome the barriers to sending children to school.

Safety and Wellbeing Programme

The Australian Government is committed to ensuring that the ordinary law of the land operates in all Indigenous communities, including those in regional and remote areas, and that Indigenous people enjoy similar levels of physical, emotional and social wellbeing enjoyed by other Australians. Activities funded under the Safety and Wellbeing Programme include:

- reducing alcohol and other drugs misuse through alcohol and other drug treatment, rehabilitation and aftercare services, drug and alcohol awareness and education, community development and capacity building and diversion;
- reducing petrol sniffing in regional and remote areas of Australia through replacing regular fuel with low aromatic unleaded fuel and supporting local community action. There are currently over 140 sites supplying low aromatic unleaded fuel.
- reducing offending and re-offending through the delivery of community crime prevention including night patrols, youth and adult diversion, prisoner throughcare and mediation services;
- improving policing through additional funding to support increased policing in remote Indigenous communities;
- supporting victims through Indigenous family safety activities, Indigenous women's legal services and family violence prevention legal services;
- increasing protective factors by promoting connection to family, culture, community and land, including through sport and recreation activities, school nutrition services and Outback stores; and
- reducing the impacts of grief and trauma and unhealthy lifestyles through social and emotional wellbeing support services for members of the Stolen Generations and other Indigenous people experiencing trauma.

Culture and Capability Programme

Activities funded under the Culture and Capability Programme support Indigenous people to maintain their culture, and participate equally in the economic and social life of Australia. This delivers against the Australian Government's commitment of new engagement with Indigenous people to work together to meet the needs and aspirations of Indigenous Australians.

Under the Indigenous Advancement Strategy activities were supported to strengthen the leadership, governance and engagement of Indigenous Australians, organisations and communities.

Funding for the Aboriginal and Torres Strait Islander Healing Foundation assists communities to maintain Indigenous culture and heal trauma. Community-led projects are helping individuals to sustain positive life changes, fulfil family responsibilities, and increase capacity for social and economic participation. Each year, over 60 community projects around the country are delivered to around 10,000 participants, creating employment for around 500 Indigenous Australians.

Funding for major Indigenous events, festivals and community events, including NAIDOC community events and annual awards, celebrate culture and promote respect for the unique place Indigenous peoples have in Australian society.

The Australian Government's continued support to Reconciliation Australia is a key mechanism to build understanding of Indigenous cultures, societies and traditions in the wider community. Reconciliation Action Plans provide an avenue for organisations, businesses and government agencies to commit to practical actions that advance reconciliation and provide opportunities for Indigenous Australians. Over 500 organisations have committed to Reconciliation Action Plans and over 25,000 Indigenous Australians are employed by organisations with Reconciliation Action Plans in place.

The Australian Government continues to invest in Indigenous leadership by supporting the Australian Indigenous Leadership Centre to deliver accredited Indigenous governance and leadership programmes across Australia. Each year, 180 Indigenous people participate in leadership activities, taking valuable skills and experience back to their communities.

Indigenous interpreting services support access to government services and health and justice outcomes.

Regional and remote Indigenous radio stations receive funding support and are a source of employment in remote and regional communities. Indigenous broadcasters contribute to community safety by carrying warnings and safety directions to the local population in times of natural disasters, and key messages on health and education issues, often in local languages.

The Australian Government is implementing measures that require all organisations receiving significant government funding for the delivery of services to Indigenous people to have strong governance and accountability standards in place. Further work is being progressed on a coordinated approach to strengthen the capability of Indigenous organisations so they deliver high quality services to their clients.

Remote Australia Strategies

The Remote Australia Strategies programme addresses social and economic disadvantage in remote Australia and supports flexible solutions based on community and government priorities.

By supporting the provision of infrastructure as well as the development of local and regional place-based approaches, the Programme addresses the disproportionate disadvantage in remote Australia and the need for strategic grant funding in infrastructure, and local solutions. Activities funded under this programme may include:

- discrete support for remote infrastructure, including renewable energy systems;
- activities which support increased home ownership, particularly on Indigenous owned land;
- improved Indigenous telecommunications access and training activities to remote areas; and
- flexible, place-based strategies with Indigenous communities and regions to improve Indigenous school attendance and attainment, employment, community safety and other enabling services.

Outback Power

Funding of \$10.6 million over four years from 2014-15 has been provided for the repair and maintenance of up to 250 existing solar energy systems in over 200 remote Indigenous communities in Queensland, Western Australia and the Northern Territory.

Army Aboriginal Community Assistance Programme

The Army Aboriginal Community Assistance Programme is a joint venture between the Department of the Prime Minister and Cabinet and the Army to improve primary and environmental health and living conditions in remote Indigenous communities. Up to \$6.0 million dollars is provided to deliver one project in a remote Indigenous community each calendar year, providing infrastructure, health services and vocational training. The programme is currently operating in Titjikala Community (Northern Territory) and will commence in Laura (Queensland) in June 2016.

Indigenous Communications Programme

The Australian Government provided funding of \$7.5 million over two years in 2013-14 and 2014-15 to: maintain 546 telephones in remote Indigenous communities across Australia; progressively enable Wi-Fi on 301 of those telephones; and provide basic internet training to residents in the those communities when the Wi-Fi is activated. Funds have been set aside to continue services from 1 July 2015.

Portfolio bodies

Indigenous Business Australia

The Australian Government continues to support Indigenous businesses and home ownership through Indigenous Business Australia (IBA) which is a corporate Commonwealth entity within the Prime Minister and Cabinet portfolio. IBA provides new and existing Indigenous business owners access to expert advice and business finance. IBA is also increasing its focus on helping Indigenous landowners to build wealth and maximise economic outcomes from their land and native title rights. This includes new investment options for Indigenous groups and developing Indigenous investment principles that meet international best practice.

The majority of IBA's customers and investments are located in regional Australia where IBA's activities and related businesses contribute to local economies, provide employment, and enhance wealth creation. These activities supported 716 jobs for Indigenous Australians in 2013-14. IBA's total assets at 30 June 2014 of \$1.15 billion provided concessional loans and equity to businesses and home owners.

In 2015-16, IBA expects to provide:

- approximately 575 new concessional home loans to eligible low and middle income Indigenous families to assist buying their first home; and
- 60 business loans and 600 business supports to assist eligible Aboriginal and Torres Strait Islander people to start up, acquire, or grow a successful small-to-medium sized business.

Indigenous Land Corporation

The Indigenous Land Corporation (ILC) is a Corporate Commonwealth entity that assists Indigenous Australians to acquire land, and manage Indigenous-held land, 'so as to provide economic, environmental, social or cultural benefits for Aboriginal persons and Torres Strait Islanders'. The ILC was established on 1 June 1995, and is governed by the *Aboriginal and Torres Strait Islander Act 2005* (ATSI Act). The ILC has two programs to support its purpose—Land Acquisition and Land Management. While the ILC has a national focus, it has extensive engagement in regional Australia.

The ILC makes a significant contribution in working with Indigenous landowners in regional Australia, through:

- operating Australia's 15th largest cattle herd across 12 pastoral leases in partnership with traditional owners;
- running complex multi-property land management projects across regions including: the Northern Territory Indigenous Pastoral Program (IPP) and the Indigenous Land Holder Services in Western Australia that provide advice, training, mentoring, extensions services and assistance to Indigenous landholders. These are joint efforts with the Western Australian and Northern Territory Governments and key industry stakeholders;

- continuing innovation in payment for ecosystem services with the generation of over 5000 Australian Carbon Credit Units per year for future sale on the carbon market; and
- granted \$54.0 million in land management assistance to Indigenous landholders and projects on Indigenous-held land to protect country, bring land back into production and build capacity to sustainably manage land and develop land based enterprises.

Over the last two financial years (2012-13 and 2013-14), the ILC has invested \$13.0 million in acquiring land for Indigenous owners of which 73 per cent are in regional Australia. To date, the ILC has acquired over 250 properties of which almost 90 per cent are in regional and remote Australia. In the past two financial years (2012-13 and 2013-14), the ILC divested 14 properties to Indigenous groups of which 12 (86 per cent) are in regional and remote Australia.

Aboriginal Hostels Limited

Aboriginal Hostels Limited (AHL) is an Australian Government-owned company within the Prime Minister and Cabinet portfolio that facilitates safe, culturally appropriate and affordable accommodation for Indigenous Australians who must live away from home to access services and economic opportunities.

As at 30 April 2015, AHL operates 47 accommodation facilities Australia wide, predominately in regional and remote locations. AHL provides 1,953 bed nights across the country, with 82 per cent of these beds located in regional and remote areas (28 beds per night in regional areas, 1580 beds per night in remote areas and 345 beds per night in capital areas).

Across these locations, AHL's service offering included:

- short-term accommodation for individuals and families waiting for housing, seeking employment or meeting general business and other commitments away from their homes and communities. Many residents in these hostels stay with AHL until they are able to access long-term accommodation;
- education hostels for secondary and tertiary students close to educational facilities. For secondary students this affordable accommodation assists students to attend school and achieve their education goals, including their Year 12 Certificate. AHL also provides tertiary education accommodation for Indigenous students undertaking higher education and training; and
- health and medical hostels which cater specifically for Indigenous people who need to be away from home to access medical treatment, renal dialysis, or antenatal and postnatal care for mothers.

SOCIAL SERVICES

The Department of Social Services contributes to the lifetime wellbeing and prosperity of regional Australians by planning and helping to deliver social services for those who need them most. Almost everyone, at some point in their life, is touched by the programmes and the work of the Department and more than 30 per cent of all Social Services grant funding and income support payments are delivered to people in regional Australia.

In 2015, the Department of Social Services, through the National Disability Insurance Agency, will continue to roll out the National Disability Insurance Scheme in trial sites. The Scheme will eventually support over 460,000 people with significant and permanent disability, regardless of where they live. The rollout includes a mix of regional and metropolitan trial sites across the country. The outcomes from trials will also assist to identify issues faced by people who live outside major population centres and inform the transition to full Scheme.

The Department of Social Services delivers a range of programmes which assist older Australians, people with disability and many of their unpaid carers. Increasingly, this approach enables many people living in regional areas to direct their own care and obtain comprehensive, accurate information about their options.

Other assistance delivered by the Department includes:

- supporting community inclusion, multicultural harmony and the rural settlement of migrants;
- supporting regional Australians with high care needs to increase their independence and participate economically and socially in the community while also providing an adequate safety net;
- child care assistance to help improve child care affordability and accessibility;
- measures to reduce Indigenous disadvantage; and
- drought assistance.

About a quarter of the Department's 4,000 staff work from State, Territory and regional offices. Working with local government and the community sector, regional services administered by the Department of Social Services help overcome the challenges caused by distance, so that Australians living outside major cities can receive the support that they need.

NEW INITIATIVES

Families Package

The Australian Government is delivering a \$4.4 billion Families Package to give parents more choice and opportunity to work.

As part of the Families Package, the Australian Government will invest an additional \$3.5 billion over five years to provide child care that is simpler, more affordable, accessible and flexible. These child care reforms will provide simpler, accessible, flexible and more affordable care.

These reforms will improve the current system of multiple child care support payments. The new assistance arrangements will include:

- a Workforce Participation stream that will improve affordability to assist families already in or entering the workforce; and
- a Child Care Safety Net that will provide targeted assistance for genuinely disadvantaged or vulnerable families to help them access early childhood learning and support transition to work.

Under the Workforce Participation stream a new single means-tested payment, the Child Care Subsidy (CCS) will replace the Child Care Benefit and the Child Care Rebate, from 1 July 2017.

The CCS will provide assistance to meet the cost of child care for parents engaged in work, training, study, or other recognised activity. The CCS provides a subsidy based on a percentage of the actual fee, up to a maximum hourly fee cap for each service type, with the level of subsidy based on family income.

The Child Care Safety Net will provide \$0.87 billion of targeted assistance for genuinely disadvantaged or vulnerable families to help them access early childhood learning and better support their transition to work. The three elements of the Child Care Safety Net are:

- the Inclusion Support Programme
- the Additional Child Care Subsidy; and
- the Community Child Care Fund.

The Inclusion Support Programme will commence on 1 July 2016. The Additional Child Care Subsidy and Community Child Care Fund will commence 1 July 2017.

Additionally, a two year Interim Home Based Carer Subsidy Programme will commence on 1 January 2016 to trial the extension of fee assistance to care delivered in the home by nannies in parallel with the existing In Home Care programme. The Interim Home Based Carer Subsidy Programme will be targeted at families who are

finding it difficult to access mainstream child care services, including shift workers (such as nurses, police officers and ambulance officers) and families living in regional and remote areas.

Support for rural and remote families is an important feature of the Families Package, including recognising the extra challenges families face in accessing child care and early learning in those locations. Initiatives such as the Interim Home Based Carer Subsidy programme and the Community Child Care Fund will be an important element of this targeted assistance. The Community and Child Care Fund aims to increase access to child care in disadvantaged communities, low viability markets, areas of high cost and areas with high demand but low supply of child care places.

The Australian Government is strengthening the immunisation requirements already in place for child care payments and the Family Tax Benefit Part A end of year supplement. From 1 January 2016, vaccination objection will no longer be a valid exemption category for the Child Care Benefit and Child Care Rebate and the Family Tax Benefit Part A end of year supplement. This measure reinforces the importance of immunisation and that the choice not to immunise is not supported by public health policy or medical research.

Enhanced support to drought-affected farmers (Drought Reform)

The Australian Government is providing up to \$20 million in 2015-16 to continue social and community support services in previously identified drought-affected areas in northern New South Wales and Queensland. Some of these regions are entering a period of recovery and funding levels will be adjusted accordingly. The initiative will also expand the drought assistance package into the additional states of Victoria, Tasmania, Queensland, South Australia and Western Australia.

This initiative builds on the success of the existing social and community support component of the Drought Package, first announced by the Prime Minister and the Minister for Agriculture, the Hon Barnaby Joyce MP, on 26 February 2014.

This initiative will focus primarily on farmers, farm families and rural communities. Existing service providers funded under the Families and Children Activity and the Community Mental Health Activity will be allocated funds to commence or to continue to deliver services in identified drought-affected communities, including those areas entering a period of recovery.

It will support farming families and communities dealing with mental illness and family relationship issues. Services will provide family counselling, referrals to additional services and fund activities which build community resilience.

These services will also promote community understanding of mental health issues and reduce the stigma associated with mental illness in regional communities.

The additional social and community support measure provides funding for services in drought-affected areas and will complement a range of other services that are already available.

Income Management – Two Year Extension

Income management is part of the Australian Government's commitment to helping stabilise the lives of vulnerable families and individuals and to reduce social dysfunction. As part of this commitment, the Australian Government wants to ensure welfare payments are spent in the way they are intended – to help meet life's essentials.

The Australian Government will continue the existing income management arrangements in all current locations for an additional two years to 30 June 2017, while further work is undertaken to explore future arrangements for income quarantining. This continuation is an Australian Government investment of \$146.7 million.

Findings from evaluations of income management have found welfare quarantining has helped participants have a greater sense of control of money, improved stability and reduced stress and financial harassment. Continuation of the programme will build on positive outcomes achieved and help efforts to reduce dysfunction and alcohol-related violence by limiting access to cash.

Microfinance Projects – continuation

This measure targets, and will benefit, low income and vulnerable individuals and families in regional areas through greater access to financial products and services. In 2014 the Centre for Social Impact identified consumers in rural and remote areas as more likely to experience financial exclusion as a result of a range of factors related to locational disadvantage.

Under this proposal, vulnerable individuals and families will be supported to build their financial resilience and capability by providing access to no- or low-interest loans and matched savings programmes, in addition to financial literacy education.

This measure is a continuation of previous microfinance funding that commenced in 2009. Approximately half of existing microfinance services are located in regional areas across every State and Territory. This equates to around 300 locations across Australia.

In addition to directly benefitting individuals and families, the proposal has flow-on effects for local and regional economies, which will benefit from increased spending. Funding of \$63.4 million over five years will be provided to support this initiative.

Financial Counselling and Capability in Income Management Locations – continuation

This measure will support regional Australians to manage their finances, particularly at key transition points (like loss of employment or family breakdown) where increased or improved financial capability can play a preventive or early intervention role.

Services will also increase financial resilience and economic participation and contribute to long term economic sustainability by linking vulnerable people to microenterprise initiatives, such as no- or low-interest loans. The model will support individuals and communities to build their financial knowledge and capacity, deal with complex financial and debt problems, access microfinance products to build assets and support Indigenous Australians to access home ownership opportunities.

Funding of \$25.6 million over two years will establish up to 32 service hubs. This funding will support people living in existing Income Management locations in Western Australia, the Northern Territory, South Australia, Queensland, New South Wales and Victoria.

Up to 340,000 people living in areas of particularly high disadvantage, including in regional areas, will be assisted to increase their financial wellbeing, helping them to participate socially and economically and to avoid the many negative outcomes associated with poor financial wellbeing.

ABSTUDY Under-16 Boarding Supplement – Extend To Hostels

The Australian Government will provide \$10.0 million to improve educational engagement and retention of secondary school students under 16 years from remote Indigenous communities, by extending the ABSTUDY under-16 Boarding Supplement to approved hostels from 1 July 2015.

National Partnership Agreement on Homelessness - extension

In 2015-16, the Australian Government will provide up to \$115.0 million, to be matched by the States and Territories, to ensure that critical homelessness initiatives continue to support some of Australia's most vulnerable people.

This is a two-year agreement, commencing 1 July 2015, that will provide a total of \$230.0 million to 30 June 2017, with funding priority given to frontline services focusing on women and children experiencing domestic and family violence, and homeless youth under 18.

Discussions with the States and Territories on the new agreement will address service delivery in regional and remote areas.

CURRENT INITIATIVES

Support to drought-affected farmers

The Australian Government will provide up to \$15.5 million in 2013-14 and 2014-15 to extend social and community support services in identified drought-affected communities in northern New South Wales and Queensland. Service providers under the Families and Children Activity and the Community Mental Health Activity received additional funding to enhance services to particularly focus on farmers, farm families and rural communities in the drought-affected areas.

This funding is part of the Drought Assistance Package announced by the Prime Minister and the Minister for Agriculture, the Hon Barnaby Joyce MP, on 26 February 2014 (refer also pages 5, 6 and 7).

The Social and Community Support measure will support farming families and communities dealing with mental illness and family relationship issues, including referrals to services, and build community resilience. Services will also enhance community understanding of mental illness and reduce the stigma associated with mental health issues.

Strengthening Communities Activity

The Strengthening Communities Activity aims to support communities to become more socially cohesive and resilient, by building their capacity to identify and address local community needs.

The Activity combines three sub-activities that have a strong focus on the broader community and participation of disadvantaged people in community life:

- community development and participation;
- volunteering; and
- multicultural affairs.

The Activity provides combined funding of \$28.0 million in 2015-16, with funding provided to organisations to develop solutions and deliver responsive and integrated services that meet local community needs.

Child Care Services Support Programme

The Child Care Services Support Programme provides financial assistance to child care service providers to improve access to child care for children, families and communities. Two components are the Community Support Programme (CSP) and the Inclusion and Professional Support Programme (IPSP).

The CSP supports the sustainability of child care for all Australian children and families, including in areas or under circumstances where services would not otherwise be viable – such as in disadvantaged or regional and remote areas.

The IPSP assists services to improve access and inclusion for children with additional needs and provides professional support to build the capacity of the child care sector and increase the supply of qualified early childhood educators.

The IPSP will be replaced by a new Inclusion Support Programme from 1 July 2016, which will assist families with children with additional needs to access child care. The CSP will be replaced by the Community Child Care Fund from 1 July 2017.

Long Day Care Professional Development Programme

The \$200 million Long Day Care Professional Development Programme assists educators in centre-based long day care services to meet the qualification requirements under the National Quality Framework and improve quality outcomes for children.

The Programme allows funding to be used flexibly by services and targets known workforce shortages, such as among early childhood teachers and long day care educators working in rural and remote locations.

Services in rural and remote areas receive loadings on their funding in recognition of the extra challenges of accessing professional development for their educators.

National Occasional Care Programme

The Australian Government believes that families deserve a greater choice in meeting their child care needs and understands that occasional care provides a vital service for many families. This is particularly evident among families living in regional, rural and remote areas, where occasional care may be required due to seasonal work.

In line with this, the Australian Government reinstated funding from 2014-15 for Non-Child Care Benefit approved occasional care to be known as the National Occasional Care Programme.

The Australian Government has entered into project agreements with Victoria and South Australia to deliver increased access to occasional care, particularly in regional and remote areas, with almost \$6.0 million of Australian Government funding committed to these two States over the forward estimates.

State and Territory Governments are also being asked to provide to a co-contribution of 45 per cent of the cost.

Jobs, Education and Training Child Care Fee Assistance Programme

Jobs, Education and Training Child Care Fee Assistance (JETCCFA) provides parents on eligible income support payments with assistance meeting fee costs. Many of these live in regional areas and are given additional assistance with the cost of child care while they enhance their skills through work, study or training to enable them to enter or return to the workforce.

The Australian Government is investing \$112.2 million in the programme in 2015-16.

JETCCFA will be replaced by the new Child Care Subsidy and Additional Child Care Subsidy from 1 July 2017. Assistance will continue to be provided under the current programme until 1 July 2017.

Home Interaction Programme for Parents and Youngsters

The Home Interaction Programme for Parents and Youngsters (HIPPY) is a two-year, home-based parenting and early childhood learning initiative that currently operates in 75 communities across Australia, including locations in regional areas.

HIPPY builds the confidence and skills of parents and carers to create a positive learning environment to prepare their child for school. At each HIPPY site, a not-for-profit organisation delivers the programme in collaboration with the local community.

Since 2008, the Australian Government has invested more than \$100 million to support ongoing delivery. The Programme is being expanded to a total of 100 vulnerable communities by late 2015, including 50 Indigenous-focused communities.

Budget Based Funded Services Programme

The Australian Government provides funding to about 300 child care and early learning services through the Budget Based Funded Services Programme. The Programme plays a vital role in ensuring families have access to a child care service where one would not otherwise be viable, particularly in regional, remote and Indigenous communities.

Delivery models for these services are diverse and include: centre-based long day care; out-of-school-hours care; mobile child care services; playgroups; and flexible services that meet the needs of local communities.

The Australian Government has committed \$60.8 million to the Programme in 2015-16.

As part of the Government's child care reforms, many Budget Based Funded Services will transition to the mainstream Child Care Subsidy from 1 July 2017 and will receive additional support through the Community Child Care Fund.

Residential Aged Care Viability Supplement

The Residential Aged Care Viability Supplement is paid to eligible providers operating in rural and remote areas; providers with small numbers of residents; and providers specialising in the care of homeless people or people from Aboriginal and Torres Strait Islander communities. It will improve the capacity of eligible services to offer quality care to residents. The supplement was increased by 20 per cent from 1 July 2014.

Home Care Viability Supplement

The Home Care Viability Supplement is paid to eligible home care providers operating in rural and remote areas. This supplement provides support for the higher operating costs (such as wages, fuel and training) associated with providing care in rural and regional locations. The supplement was increased by 20 per cent from 1 July 2014.

National Aboriginal and Torres Strait Islander Flexible Aged Care Programme

The National Aboriginal and Torres Strait Islander Flexible Aged Care Programme funds 28 organisations to provide culturally appropriate aged care to older Aboriginal and Torres Strait Islander people close to home and community. Flexible aged care services funded under the Programme deliver a mix of residential and community services in accordance with the needs of the community. These services are mainly in remote and very remote areas.

Multi-Purpose Services Programme – Aged Care Subsidies

The Multi-Purpose Services Programme is a joint initiative of the Australian Government and State and Territory Governments and delivers flexible and integrated health and aged care services for small regional and remote communities. Multi-purpose services receive Australian Government funding for aged care and State and Territory Government funding for health services. As at 1 May 2015, there were 148 multi-purpose services, providing 3,545 aged care places in regional and remote areas, Australia-wide.

Rural, Regional and Other Special Needs Building Fund

Capital grants assist providers of residential aged care, particularly those in rural, regional and remote areas, with the cost of capital works including land acquisition, building new, altered or extended premises, and acquiring furniture and fittings. Grants are only available where the provider has demonstrated a lack of capacity to meet the full cost of capital works through other funding sources.

Dementia and Aged Care Services Fund

The Dementia and Aged Care Services Fund includes a specific focus on supporting services targeting older Australians with dementia, people from diverse backgrounds and Aboriginal and Torres Strait Islander people, through measures including the provision of capital funding to improve Indigenous aged care services.

Indigenous aged care workforce – employment

Indigenous specific aged care employment initiatives enable aged care services, mainly in regional and remote areas, to employ permanent, part-time staff from Aboriginal and/or Torres Strait Islander backgrounds.

Longer-term funding agreements for critical Family and Children's Activities

New five-year funding agreements have been offered to crucial family and children services including:

- family and relationship services;
- communities for Children facilitating partners;
- children and parenting support services;
- intensive family support services; and
- family law services.

Family and Children's Activities are delivered across the country, including an extensive footprint in regional areas.

Settlement services

The Department of Social Services administers settlement services to assist eligible people who have recently arrived in Australia settle into their new lives and become active and contributing members of the community. Funding for services to new arrivals in regional areas helps to reduce secondary migration to metropolitan areas.

A growing regional population can create more employment opportunities in regional areas. Where available in regional areas, employment opportunities and community support can help to make regional areas attractive destinations for new migrants.

Settlement services are currently being delivered in 17 regional areas that include: Shepparton (Victoria); Launceston (Tasmania); Albury and Coffs Harbour (New South Wales); Toowoomba and Townsville (Queensland); and Mount Gambier (South Australia).

Community Business Partnership – re-establishment

The Prime Minister's Community Business Partnership was an election commitment funded through the 2014-15 Budget for \$6.0 million over four years.

Chaired by the Prime Minister, the partnership brings together leaders from the community and business sectors to advise on practical strategies to foster a culture of philanthropic giving, volunteering and investment in Australia.

Communities across Australia will benefit through access to more diverse sources of funding and innovative strategies to strengthen social capital.

Young Carer Bursary Programme

The Young Carer Bursary Programme was a 2013 election commitment to assist young carers aged 25 years and under to continue to study, and to relieve the financial pressure for them to undertake part-time work in addition to their educational and caring responsibilities.

The first bursary payments were made in February 2015 to 150 young carers to support them as they began the 2015 academic year. On 30 March 2015, the Australian Government announced further funding of \$500,000 to deliver an additional 150 bursaries for the 2015 calendar year.

While the Young Carer Bursary Programme is not specifically targeted at regional Australia, the programme eligibility criteria recognises that young carers living in regional and remote areas are a high-needs group due to geographic factors that can result in social isolation.

TREASURY

The Treasury portfolio, through the Australian Taxation Office (ATO), administers a range of subsidies and personal benefits. These initiatives are not designed specifically for regional or urban areas, but rather to assist people and organisations that satisfy the eligibility criteria regardless of their location. The Treasury also administers payments to State and Territory governments under the federal financial relations framework. Further details are provided in the Treasury Portfolio Budget Statement.

NEW INITIATIVES

Growing Jobs and Small Business Package

Allowing immediate deductibility for professional expenses

The Australian Government will allow businesses to immediately deduct a range of professional expenses associated with starting a new business, such as professional legal and accounting advice. This measure will be available to businesses from the 2015-16 income year. This measure is estimated to have a cost to revenue of \$30.0 million over the forward estimates period.

Currently, some professional costs associated with a new business start-up are deducted over a five year period. Allowing start-ups to immediately deduct these expenses will provide much needed cash flow for these new businesses.

Capital gains tax roll-over relief for changes to entity structure

The Australian Government will allow small businesses with an aggregated annual turnover of less than \$2 million to change legal structure without attracting a capital gains tax (CGT) liability at that point. This measure will be available for businesses that change entity type from the 2016-17 income year. This measure is estimated to have a cost to revenue of \$40.0 million over the forward estimates period.

CGT roll-over relief is currently available for individuals who incorporate, but all other entity type changes have the potential to trigger a CGT liability. This measure recognises that new small businesses might choose an initial legal structure that they later find does not suit them when the business is established.

Changes to the Fringe Benefits Tax system for work-related devices

The Australian Government will allow a Fringe Benefits Tax (FBT) exemption from 1 April 2016 for businesses with an aggregated annual turnover of less than \$2 million that provide employees with more than one qualifying work-related portable electronic device, even where the items have substantially similar functions. This measure is estimated to have a small but unquantifiable cost to revenue over the forward estimates period.

Currently, an FBT exemption can apply to more than one portable electronic device used primarily for work purposes, but only where the devices perform substantially different functions. Removing the restriction that a tax exemption is only provided for one work-related portable electronic device of each type will remove confusion where there is a function overlap between different products (such as between a tablet and a laptop).

Expanding accelerated depreciation for small businesses

The Australian Government will significantly expand accelerated depreciation for small businesses for the next two years. From Budget night 2015, small businesses with turnover less than \$2 million will be able to immediately deduct assets they start to use or install ready for use, provided the asset costs less than \$20,000. Assets valued at \$20,000 or more (which cannot be immediately deducted) can continue to be placed in the small business simplified depreciation pool (the 'pool') and depreciated at 15 per cent in the first income year and 30 per cent each income year thereafter. The pool can also be immediately deducted if the balance is less than \$20,000 in the next two years (including existing pools). This will improve cash flow for small businesses and provide a boost to small business activity and investment.

Small businesses can access accelerated depreciation for the majority of capital asset types. Only a small number of assets are not eligible (such as horticultural plants and in-house software). In most cases specialised depreciation rules apply to these assets.

From 1 July 2017, the thresholds for the immediate depreciation of assets and the value of the pool will revert back to existing arrangements.

The measure is estimated to have a cost to revenue of \$1.75 billion over the forward estimates period.

Crowd-sourced equity funding for public companies

The Australian Government will provide \$7.8 million over four years from 2015-16 to the Australian Securities and Investments Commission (ASIC) to implement and monitor a regulatory framework to facilitate the use of crowd-source equity funding (CSEF), including simplified reporting and disclosure requirements.

CSEF is an emerging form of funding that allows entrepreneurs to raise funds online from a large number of small investors and has the potential to increase funding options available for entrepreneurs to assist in the development of their business.

Streamlining Business Registration

The Australian Government will make a provision of \$32.4 million over five years from 2014-15 (including capital of \$13.5 million over three years from 2014-15) for the ATO, ASIC and the Department of Industry and Science, to develop a single online portal for business and company registration; publish new computer code to enable developers

to build new registration software; and reduce the number of business identifiers. Funding for this proposal is contingent on a second pass business case.

Tax cuts for small business

The Australian Government will deliver a tax cut to all small businesses through a 1.5 percentage point tax cut for small companies and a 5 per cent tax discount on income from unincorporated small business activity. These tax cuts will be available from the 2015-16 income year and are estimated to have a cost to revenue of \$3.3 billion over the forward estimates period.

The Government will reduce the company tax rate to 28.5 per cent for companies with aggregated annual turnover less than \$2 million. Companies with a turnover of \$2 million or above will continue to be subject to the current 30 per cent rate on all their taxable income.

The current maximum franking credit rate for a distribution will remain unchanged at 30 per cent for all companies maintaining the existing arrangements for investors such as self-funded retirees.

Individual taxpayers with business income from an unincorporated business that has an aggregated annual turnover of less than \$2 million will be eligible for a small business tax discount. The discount will be five per cent of the income tax payable on the business income received from an unincorporated small business entity. The discount will be capped at \$1,000 per individual for each income year and delivered as a tax offset.

This measure will deliver lower taxes to both incorporated and unincorporated small businesses, improving their cash flow and assisting them to grow, compete and hire new workers.

Developing Northern Australia – Northern Australia Infrastructure Facility

The Australian Government will establish a concessional loan facility of up to \$5 billion, with the objective of increasing private sector investment in infrastructure in northern Australia. The loan facility will be open for applications from 1 July 2015.

The measure will form part of the Government's White Paper on Developing Northern Australia.

Strengthening the foreign investment framework

On 2 May 2015, the Australian Government announced reforms to Australia's foreign investment framework to strengthen the rules for residential real estate and agricultural investments. There are six key elements to the reforms, including:

- Increased scrutiny around foreign investment in agriculture.

- From 1 March 2015, the screening threshold for agricultural land was lowered from \$252 million to \$15 million (cumulative).
- From 1 December 2015, a \$55 million threshold (based on the value of the investment) for investments in agribusiness will be introduced.
- Increased transparency on the levels of foreign ownership in Australia through a comprehensive land register.
 - An agricultural land register with information provided directly to the ATO by investors will be established from 1 July 2015.

Zone Tax Offset

The Australian Government will exclude 'fly-in fly-out' (FIFO) and similar workers whose normal residence is not within a 'zone' from claiming the Zone Tax Offset (ZTO). The measure will take effect from the 2015-16 income year and is estimated to have a gain to revenue of \$325.0 million over the forward estimates period.

The ZTO is a concessional tax offset available to individuals in recognition of the isolation and high cost of living associated with living in identified locations. Eligibility is based on defined geographic zones.

Currently, to be eligible for the ZTO a taxpayer must reside or work in a specified remote area for more than 183 days in an income year. It is estimated that around 20 per cent of all claimants do not actually live full-time in the zones. Many of these are FIFO workers who do not necessarily face the same challenges of remote living that the ZTO was designed to address. In addition, FIFO workers are often compensated for working in these remote areas through existing remuneration arrangements provided by employers.

This measure will better target the ZTO to taxpayers who have taken up genuine residence within the zones. This will better align the ZTO with its original policy intent, which was to support genuine residents of the zones. FIFO workers whose normal residence is in one zone, but who work in a different zone, will retain the ZTO entitlement associated with their normal place of residence.

A new drought preparedness framework — accelerated depreciation for primary producers

The Australian Government will allow all primary producers to immediately deduct capital expenditure on fencing and water facilities such as dams, tanks, bores, irrigation channels, pumps, water towers and windmills.

The Australian Government will also allow primary producers to depreciate over three years all capital expenditure on fodder storage assets such as silos and tanks used to store grain and other animal feed.

These changes will be for income years commencing on or after 1 July 2016. Currently, the effective life for fences is up to 30 years, water facilities is three years and fodder storage assets is up to 50 years.

This measure is estimated to have a cost to revenue of \$70.0 million over the forward estimates period.

This measure will improve resilience for those primary producers who face drought, assist with cash flow and reduce red tape by removing the need for primary producers to track expenditure over time.

This measure will form part of the Australian Government's Agricultural Competitiveness White Paper.

CURRENT INITIATIVES

Regional and Remote Programme

Tax information and services are provided to regional areas through the Regional and Remote programme. The programme uses established Rural Resource Centres or other service providers in regional areas to provide access to these services.

New Commonwealth Building in New South Wales Central Coast

The ATO will lease and fit out a building on the New South Wales Central Coast (Gosford) to accommodate up to 600 Commonwealth employees by mid to late 2017. Locating 600 Commonwealth public servants to the Gosford area is likely to provide significant benefits to the regional area.

VETERANS' AFFAIRS

The Department of Veterans' Affairs provides support to veterans, war widows and widowers, serving members, former defence force members and their families, and eligible members of the Australian Federal Police who have served overseas. Its client base is located across regional and metropolitan areas in Australia, as well as overseas.

The Department of Veterans' Affairs provides a comprehensive range of services to clients across the country. Clients can access support through Veterans' Access Network locations, outreach services and online. A range of programmes are available to help clients to access health and community services in regional locations.

The Department of Veterans' Affairs' vision is to be a responsive and flexible organisation, efficiently delivering high quality, connected services to all generations of veterans and the wider veteran community.

The Department of Veterans' Affairs strives to be efficient and responsive to the needs of the changing demographic of the veteran community. It is dedicated to helping clients, particularly contemporary veterans, to access vital support as early as possible to help with rehabilitation and recovery, as well as focusing on aged care for veterans and war widows and widowers.

In 2015-16 the Department of Veterans' Affairs will continue to prepare for and implement the Centenary of Anzac commemorations that will occur from 2014 to 2018. During this time the nation will remember not only the Anzacs who served at Gallipoli and on the Western Front, but all Australians who have served in uniform across a century of service. This will be a national commemoration and will encompass domestic – including regional areas – and international activities.

CURRENT INITIATIVES

Spirit of Anzac Centenary Experience

The Australian War Memorial, in partnership with the Department of Veterans' Affairs, the Department of Defence, CommBank and Telstra is to deliver the Spirit of Anzac Centenary Experience travelling exhibition on behalf of the Australian Government as part of the Anzac Centenary programme of events. The project is being progressed utilising the \$10.0 million seed funding provided by the Australian Government.

The Spirit of Anzac Centenary Experience will be displayed within existing community spaces and will be part museum, part experiential and provide a focus for commemoration of the Anzac Centenary and Century of Service. The Spirit of the Anzac Centenary Experience will tell the stories of Australians' experiences during the First World War using artefacts from the period, recreations and factually-based stories. The visitor experience will be enhanced through the use of digital technologies.

There will be a strong focus on local communities. The installation of the Spirit of Anzac Centenary Experience will be a catalyst for local commemorative events and engagement. There will be scope for communities to add local content to personalise the visit. There will also be a strong focus on education and bringing the stories from 100 years ago to life for all.

Funded jointly by the Australian Government and major corporate partners, the exhibition will tour by road to regional and urban communities in Australian States and the Northern Territory from late 2015 to early 2017.

The Spirit of Anzac Centenary Experience will give Australians a chance to engage in the stories of the First World War and the Century of Service, contribute to the shared journey and take something very special away from the experience.

Saluting Their Service

Saluting Their Service is the Australian Government's commemorations grants programme.

Under Saluting Their Service funding is available for projects, including events and activities that are directly commemorative of Australia's involvement in war, conflict and peace operations.

Grants are approved each year in most electorates across Australia, many in regional areas. In 2013-14, 184 grants were provided to 85 of the 150 electorates across Australia, and for 2014-15, at least 250 grants will be provided to 96 electorates.