



# Federal Budget 2024-25: Key Portfolio Measures

14 May 2024

# Federal Budget 2024-25: Key Portfolio Measures

## Overview

The key focus areas of the Budget are: cost of living relief, putting downward pressure on inflation and the Future Made in Australia Agenda.

Of the \$734.5 billion in expected government expenditure for 2024-25:

- \$266.7 billion will go to social security and welfare
- \$112.7 billion to health
- \$53.0 billion to education
- \$48.0 billion to defence
- \$32.4 billion to general public services

## Key Measures

- \$9.3 billion surplus for 2023-24
- \$300 energy bill rebate for every Australian household and a \$325 rebate for one million small businesses
- Deficit of \$28.3 billion in 2024-25 as commodity prices fall, the domestic economy weakens and fiscal spending increases
- No cash rate cut until mid-2025, echoing Reserve Bank of Australia's message from last week
- Gross debt expected to peak at 35.2% of GDP in 2026-27 before declining to 30.2% by 2034-35
- Gross debt expected to be \$904 billion
- \$16.5 billion additional funding for infrastructure projects:
  - \$6.2 billion for housing
  - \$22.7 billion for the Future Made in Australia Agenda (over 10 years)
  - \$2.8 billion for Medicare
- \$50.3 billion towards implementing the Defence National Strategy

## Wine industry

- Wine Tourism and Cellar Door Grant funding remains at \$10 million per year over the forward estimates to 2027-28.
- \$2.0 million in 2024-25 to support affected Australian agricultural exporters to re-establish commercial connections in China and continue to diversify into other markets.
- Forecast government income from WET has reduced from \$1.14 billion last Budget to \$1.080 billion (reduction of \$30 million from MYEFO figure of \$1.110 billion).
- \$69.7 million over four years from 2024–25 (and \$3.6 million per year ongoing) to support Australian businesses and to boost Australia’s trade, tourism, and investment opportunities. Funding includes:
  - \$29.9 million over four years from 2024–25 (and \$1.0 million per year ongoing) to establish a simplified trade system unit to continue trade simplification coordination and deliver a Digital Trade Accelerator program to improve cross-border trade by enhancing border and biosecurity risk assessments and government to business trade data sharing
  - \$14.4 million over four years from 2024–25 to expand the Australia-India Business Exchange to promote Australia’s trade and investment with India and across South Asia
  - \$10.9 million over two years from 2024–25 to enhance the Go Global Toolkit online platform to support Australian businesses to export goods and services.
- \$1.0 million over two years from 2024–25 for a skilled agricultural work liaison pilot to attract graduates to work in agriculture.
- \$0.5 million over two years from 2024–25 to continue the AgCAREERSTART pilot program for two cohort years to encourage young people to consider a career in agriculture.
- \$20,000 instant asset write-off extended until 30 June 2025.

## Wine Australia

- Wine Tourism and Cellar Door Grant funding remains at \$10 million per year over the forward estimates to 2026-27.
- The 2024-25 estimated levy funds are \$15,932,000 (up from \$13,699,000 in 2023-24).
- Average Staffing Level at Wine Australia for 2024-25 remains the same as the current and previous financial years (53).

## Agriculture

- \$13.9 million over four years from 2024–25 (and \$3.4 million per year ongoing) to maintain drought policy capability in the Department of Agriculture, Fisheries and Forestry to support Australia’s readiness to respond to drought events
- \$1.0 million over two years from 2024–25 for a skilled agricultural work liaison pilot to attract graduates to work in agriculture
- \$0.5 million over two years from 2024–25 to continue the AgCAREERSTART pilot program for

two cohort years to encourage young people to consider a career in agriculture (\$4.4 million need to keep program momentum going).

- The Government will provide \$63.8 million over ten years from 2024–25 (and \$0.9 million per year ongoing) to support initial emission reduction efforts in the agriculture and land sectors as part of Australia's transition to net zero by 2050.
- The Government will allocate \$519.1 million over eight years from 2024–25 from the Future Drought Fund for initiatives that provide improved support to farmers and communities to manage drought and adapt to climate change (only \$42.2 million is new money). Funding includes:
  - \$132.0 million over eight years from 2024–25 to continue the Drought Resilience Adoption and Innovation Hubs model to support activities to address the challenges of drought and climate variability in local areas
  - \$83.2 million over five years from 2024–25 to continue the Farm Business Resilience Program to provide farmers, farm workers and advisers with access to learning and development opportunities and continue the scholarships program
  - \$67.0 million over four years from 2025–26 for the next phase of the Regional Drought Resilience Planning program, with a greater focus on implementation of activities in plans
  - \$60.3 million over six years from 2024–25 to continue and expand the Long Term Trials program to test drought and climate resilience farming practices and support the adoption of drought resilience innovations
  - \$40.0 million over six years from 2024–25 for the Resilient Landscapes program to support trials and demonstrate how natural resources management practices contribute to drought and climate resilience
  - \$37.0 million over three years from 2025–26 for the new Scaling Success program to support previously funded Future Drought Fund projects that demonstrated successful drought and climate resilience outcomes
  - \$36.0 million over four years from 2024–25 for the Future Drought Fund Communities Program to support social resilience and the mental wellbeing of farmers and communities
  - \$20.0 million over three years from 2025–26 for the Innovation Challenges Pilot program to accelerate research and innovation in response to drought and climate challenges
  - \$17.2 million over four years from 2024–25 to continue the Climate Services for Agriculture program and the My Climate View online tool to provide accessible and tailored climate information for farmers and regional communities
  - \$15.0 million over four years from 2024–25 to partner with First Nations people and communities to support connection to Country through the management of drought and climate risks
  - \$11.4 million over four years from 2024–25 to support enabling and evaluation activities to deliver drought and climate resilience outcomes.
- \$174.6 million over six years from 2024–25 for new water infrastructure projects, including \$119.6 million for five construction projects for agriculture, town water supplies, and water recycling.

- \$262.2 million over five years from 2023-24 to support water policy functions, including \$217.3 million over the forward estimates to provide resourcing for the delivery of the Murray-Darling Basin Plan.

## Cost of Living Relief

- Energy Bill Rebate - \$300 energy bill rebate for every Australian household and \$325 for one million small businesses, costing the Government \$3.5 billion.
- Increasing Commonwealth Rent Assistance - \$1.9 billion for a 10% increase benefiting one million households.
- Cheaper Medicine - 1-year freeze on maximum Pharmaceutical Benefits Scheme (PBS) patient co-payment at \$7.70 and a 5-year freeze for pensioners and other concession card holders.
- \$3 billion will go towards a new Eighth Community Pharmacy Agreement.
- \$138 million for emergency relief, food relief and financial support services for vulnerable Australians.
- \$1.1 million for enhancing supermarket price transparency with quarterly reporting by CHOICE.

## Stage Three Tax Cuts

- Under the original plan, the 32.5% and 37% tax brackets would've been abolished in favour of a 30% income tax rate for those earning between \$45,000 - \$200,000.
- Labor has instead retained the 37% bracket (increasing its upper limit from \$180,000 to \$190,000) and lowered the 32.5% bracket to 30% for incomes between \$45,001 to \$135,000.
- The Government has also lowered the 18,001 - 45,000 rate from 19% to 16%.
- The changes are aimed at targeting primarily lower income earners

## Future Made in Australia Agenda

- investment of \$22.7 billion over 10 years.
- The government's 'Future Made in Australia Agenda' is aimed at strengthening and rebuilding the local manufacturing industry. The Agenda has a key focus on investment in the renewable energy and rare earths / critical minerals sectors. It includes;
  - \$54.7 million over two years from 2024–25 to administer, coordinate and promote the Government's Future Made in Australia agenda.
  - \$19.7 billion over ten years from 2024–25 to accelerate investment in Future Made in Australia priority industries, including renewable hydrogen, green metals, low carbon liquid fuels, refining and processing of critical minerals and manufacturing of clean energy technologies including in solar and battery supply chains. This includes;
    - A Critical Minerals Production Tax Incentive from 2027–28 to 2040–41 to support downstream refining and processing of Australia's 31 critical minerals to improve supply chain resilience, at an estimated cost to the budget of \$7.0 billion.
    - \$8.0 billion over ten years from 2024–25 (and an average of \$1.2 billion per year from 2034–35 to 2040–41) to support the production of renewable hydrogen.

Including a Hydrogen Production Tax Incentive.

- \$1.5 billion over seven years from 2027–28 (and an average of \$125.0 million per year from 2034–35 to 2036–37) to the Australian Renewable Energy Agency to supercharge ARENA's core investments in renewable energy and related technologies.
  - \$1.7 billion over ten years from 2024–25 for the Future Made in Australia Innovation Fund.
  - \$1.4 billion over 11 years from 2023–24 (and \$66.8 million per year from 2034–35 to 2036–37) to support manufacturing of clean energy technologies.
  - \$835.6 million over ten years from 2024–25 (and \$66.8 million per year from 2034–35 to 2036–37) to establish the Solar Sunshot program to promote the solar manufacturing industry.
  - \$549.0 million over eight years from 2023–24 to support battery manufacturing.
- The Government will also make up to \$1.2 billion in strategic investments in priority critical minerals projects including up to \$655.0 million under the Critical Minerals Facility and up to \$400.0 million through the Northern Australia Infrastructure Facility. This includes financing to support the Alpha HPA alumina project in Queensland and Arafura Rare Earth's Nolans Rare Earth project in the Northern Territory.
  - \$10.0 million over four years from 2024–25 (and \$1.9 million per year ongoing) for additional resourcing for the Australian Securities and Investments Commission (ASIC) to investigate and take enforcement action against market participants engaging in greenwashing and other sustainability-related financial misconduct.
  - \$96.6 million over four years from 2023–24 for the Department of Climate Change, Energy, the Environment and Water to strengthen environmental approvals for renewable energy, transmission, and critical minerals projects.
  - \$218.4 million over eight years from 2023–24 (and \$1.3 million per year ongoing) to support a Future Made in Australia through the development of a skilled and diverse workforce and trade partnerships.

## Infrastructure

- Additional \$16.5 billion for infrastructure projects across Australia over the next 10 years, including;
  - \$1.9 billion for projects in Western Sydney including \$500.0 million for the Mamre Road Stage 2 Upgrade and \$400.0 million for Elizabeth Drive.
  - \$3.3 billion for North East Link in Victoria.
  - \$1.2 billion for the Direct Sunshine Coast Rail Line in Queensland
  - \$302.6 million over five years from 2024–25 (and \$53.5 million per year ongoing) to enable operations at Western Sydney International (Nancy-Bird Walton) Airport.
  - \$1.4 billion for METRONET projects in Western Australia.
  - \$1.0 billion for the Roads to Recovery Program.
  - \$200.0 million for the Safer Local Roads and Infrastructure Program.

- \$150.0 million for the Black Spot Program.
- \$134.5 million for the Mt Crosby Road Interchange Upgrade and \$42.5 million for Bremer River Bridge (Westbound) Strengthening on the Warrego Highway in Queensland.
- \$115.0 million for Zero Emission Buses Tranche 1 Infrastructure – Macquarie Park Depot in New South Wales.

## Domestic Violence

- The Government has committed \$925 million over five years to establish the Leaving Violence Program, to assist people fleeing abusive relationships.
- Support payments of up to \$5,000 will be available.

## Health

- \$41.6 million will continue critical work support for the prevention, treatment and reduction of alcohol and other drug related harms.
- \$2.8 billion to strengthen Medicare, including a further 29 Medicare Urgent Care Clinics.
- \$3.4 billion for new and amended listings on the Pharmaceutical Benefits Scheme.
- \$888.1 million to help people get mental health care.
- \$825.7 million to continue to test for and vaccinate against COVID-19.
- \$56.1 million over 4 years in initiatives that will improve access to sexual and reproductive healthcare for women across the life-course. This includes training for GPs to provide better menopause care, and to become qualified in the insertion and removal of long-acting reversible contraceptives. It also includes the delivery of free period products in rural and remote Aboriginal and Torres Strait Islander communities.

## Aged Care

- \$2.2 billion to improve the aged care system and continue to implement recommendations from the Royal Commission into Aged Care Quality and Safety.
- This will include \$531.4 million to release an additional 24,100 Home Care Packages in 2024–25.
- The Government has committed to funding the Fair Work Commission decision to increase award wages for aged care workers, building on the \$11.3 billion already allocated for the interim 15 per cent increase.

## Child Care

- The Government has committed to provide funding towards a wage increase for the early childhood education and care workforce, with details to be finalised following the Fair Work Commission processes currently underway.

## Housing

- \$6.2 billion in total new housing investment, including;
  - \$423.1 million over five years from 2024–25 in additional funding to support the provision of social housing and homelessness services by states and territories under a new National Agreement on Social Housing and Homelessness.
  - \$1.0 billion in 2023–24 for states and territories to support enabling infrastructure for new housing through a new Housing Support Program.
  - \$1.9 billion in concessional finance for social and affordable homes.
  - \$88.8 million to deliver 20,000 new fee-free TAFE places, including pre-apprenticeship programs, in courses relevant to the construction sector.

## Defence

- An additional \$50.3 billion over ten years from 2024–25 (and \$7.7 billion per year ongoing) to deliver the 2024 National Defence Strategy and Integrated Investment Program.
- Defence as a percentage of GDP to increase from 2.1% to 2.4% by 2033.
- Defence spending will reach \$765 billion over the next decade.
- \$101.8 million over seven years from 2024–25 to continue to build the Australian industrial workforce required to support the delivery of Australia's conventionally-armed, nuclear-powered submarines.
- \$194.4 million over four years from 2024–25 (and \$20.6 million per year ongoing) to provide additional resourcing to meet increased service delivery pressures including claims processing, and modernise the digital capability of the Department of Veterans' Affairs.
- \$17.5 million over ten years from 2024–25 (and \$1.8 million per year ongoing) to establish a new Parliamentary Joint Committee on Defence.
- \$232.2 million over three years from 2023–24 to provide regional and global assistance and support peacekeeping activities.
- \$15.3 million over seven years from 2023–24 to support the manufacture and export of more than 100 Boxer Heavy Weapon Carrier vehicles to the Federal Republic of Germany.
- \$165.7 million over five years from 2023–24 to establish the Defence Industry Development Grant program for Australian defence industry.
- \$59.6 million over three years from 2024–25 to continue access to health and support services for veterans and their families.
- \$222.0 million over four years from 2024–25 (and \$83.4 million per year ongoing) to reform the legislation framework for veterans' compensation and rehabilitation by moving to a single ongoing Act from 1 July 2026.

## Energy, Climate Change, and Environment

- \$7.1 billion over four years from 2024–25 to Snowy Hydro Limited to support continued construction of Snowy 2.0.



- \$519.1 million over eight years from 2024–25 from the Future Drought Fund for initiatives that provide improved support to farmers and communities to manage drought and adapt to climate change.
- \$399.1 million over five years from 2023–24 (and an additional \$616.8 million from 2028–29 to 2034–35 and \$93.4 million per year ongoing) in additional resourcing for the Net Zero Economy Authority (the Authority), the Department of Employment and Workplace Relations, and the Fair Work Commission to promote orderly and positive economic transformation associated with decarbonisation.
- \$448.7 million for advanced satellite data on climate, agriculture, and natural disasters.
- \$63.8 million over ten years from 2024–25 (and \$0.9 million per year ongoing) to support initial emission reduction efforts in the agriculture and land sectors as part of Australia’s transition to net zero by 2050.
- \$290.5 million over five years from 2023–24 (and an additional \$207.8 million from 2028–29 to 2032–33) to continue delivery of the Australian Antarctic Program and expand Australia’s international scientific activities.
- \$150.0 million over four years from 2024–25 in contributions to international climate financing funds.
- \$27.7 million over four years from 2024–25 (and \$0.7 million per year ongoing) to implement priority consumer energy resources reforms that help consumers save on bills by boosting the supply of renewable electricity to the grid from rooftop solar, home batteries and other consumer energy resources.
- \$48.0 million over four years from 2024–25 to implement further reforms to the Australian Carbon Credit Unit scheme as part of the Government’s response to the Independent Review of Australian Carbon Credit Units.
- \$174.6 million over six years from 2024–25 to deliver new water infrastructure projects
- \$40.9 million over two years from 2024–25 to continue implementing the Nature Positive Plan: better for the environment, better for business (Nature Positive Plan).
- \$5.0 million in 2024–25 for the Great Barrier Reef Marine Park Authority to engage tourism operators to conduct reef monitoring, protection and other stewardship activities to protect the Great Barrier Reef.

## Education

- \$319.50 per week payment for nursing, teaching, midwifery and social work students on mandatory placement.
- HECS indexation has been reformed to stay in line with wage growth.
- Previously, HECS increases were indexed to the Cost Price Index (CPI). They will now be indexed to either CPI or the Wage Price Index (WPI), whichever is lower.
- This will retrospectively be applied to last year’s record 7.1% increase and is expected to save students \$3 billion.
- \$70.3 million over five years from 2023–24 to continue support for initiatives to improve education outcomes for students.
- \$1.6 billion over 5 years, and an additional \$2.7 billion from 2028–29 to 2034–35 to reform the

tertiary education system.

## Employment and Workplace Relations

- \$68.6 million over five years from 2023–24 to increase resourcing for the Digital Services Contact Centre to support people using Workforce Australia Online services.
- \$32.1 million over four years from 2024–25 for the Real Jobs, Real Wages pilot providing tapered payments to employers to support wages for people at risk of long-term unemployment
- \$21.9 million over five years from 2023–24 to provide paid employment placements through social enterprise and employer partnerships for people with high barriers to work.
- \$13.0 million over five years from 2023–24 (and \$0.9 million per year ongoing) to strengthen the complaints mechanism for clients of Workforce Australia and introduce further safeguards in relation to payment suspensions or penalties.
- \$32.1 million over two years from 2024–25 to the Australian Border Force to enforce a legislated import prohibition on engineered stone products entering Australia.
- \$60.0 million over four years from 2024–25 to increase the Productivity, Education and Training Fund to support practical activities by employer and worker representatives to boost workplace productivity and engage in tripartite cooperation. This will also support workplaces to implement policy changes such as the introduction of payday superannuation
- \$27.5 million over four years from 2024–25 (and \$7.0 million per year ongoing) to enable the Office of the Fair Work Ombudsman to continue targeting non-compliance with the Fair Work Act 2009 by large corporate employers.
- \$20.5 million over four years from 2024–25 (and \$5.1 million per year ongoing) to boost funding for the Office of the Fair Work Ombudsman to support small business employers to comply with recent changes to workplace laws.
- \$2.0 million in 2024–25 for the Victorian Government to establish a project office and progress a national labour hire regulation model through harmonisation of state and territory laws. Costs will be partially offset by \$1.2 million by not proceeding with the Office of the Fair Work Ombudsman 2019–20 Budget measure titled Protecting Vulnerable Workers – National Labour Hire Registration Scheme and other measures.

## Foreign Affairs & Trade

- \$206.5 million over four years from 2024–25 (and \$6.9 million per year ongoing) to enhance Australia's presence in Pacific Island countries and ability to support the Pacific family. Bringing the total development assistance to the Pacific in 2024–25 to \$2 billion.
- \$505.9 million over five years from 2023–24 (and \$118.3 million per year ongoing) to deepen Australia's engagement with Southeast Asia, including measures to implement the next phase of the Government's response to 'Invested: Australia's Southeast Asia Economic Strategy to 2040'.
- \$110 million to the Falepili Union with Tuvalu. The funds will include \$50 million for a new undersea cable.

- \$254.2 million over four years from 2024–25 (and \$17.7 million per year ongoing) to improve the capability of the Department of Foreign Affairs and Trade to deliver foreign policy outcomes.
- \$20.7 million over five years from 2023–24 (and \$3.9 million per year ongoing) to deliver the Australia-France Roadmap.
- \$69.7 million over four years from 2024–25 (and \$3.6 million per year ongoing) to support Australian businesses and to boost Australia’s trade, tourism, and investment opportunities. Funding includes:
  - \$29.9 million over four years from 2024–25 (and \$1.0 million per year ongoing) to establish a simplified trade system unit to continue trade simplification coordination and deliver a Digital Trade Accelerator program to improve cross-border trade by enhancing border and biosecurity risk assessments and government to business trade data sharing
  - \$14.4 million over four years from 2024–25 to expand the Australia-India Business Exchange to promote Australia’s trade and investment with India and across South Asia
  - \$10.9 million over two years from 2024–25 to enhance the Go Global Toolkit online platform to support Australian businesses to export goods and services.

## Illicit Tobacco Compliance

- \$188.5 million over four years from 2023–24 to the Australian Border Force to deliver a coordinated multi-agency, multi-jurisdictional response to the illicit tobacco trade, in conjunction with Commonwealth, state, and territory partners.

## Social Services

- \$468.7 million to support people with disabilities and get the NDIS back on track.
- \$227.6 million for a new specialised disability employment program to support approximately 270,000 Australians with disability to prepare for and find work.
- \$1.8 billion to support additional frontline staff at Services Australia.
- \$630.3 million to sustain, secure and enhance myGov. \$314.1 million to enhance safety and security at Services Australia.
- \$11 million towards an app that will alert the public when their data is being used to commit fraud.

## Indigenous

- \$151.4 million over four years from 2024–25 (including \$3.0 million in capital funding in 2024–25) to accelerate progress under the National Agreement on Closing the Gap and deliver better outcomes for First Nations peoples.
- \$110.0 million over four years from 2024–25 (and \$11.0 million per year ongoing) to accelerate action against the National Agreement on Closing the Gap Priority Reforms in the Education portfolio.
- \$68.0 million over four years from 2023–24 to support First Nations digital inclusion.

- \$12.9 million over two years from 2024–25 to the Australian Electoral Commission to extend its activities to promote Indigenous enrolment and electoral participation.
- \$4.0 million over four years from 2024–25 to the Australian Indigenous Doctors' Association to continue to support First Nations doctors to become medical specialists.
- \$12.8 million over four years from 2024–25 to extend the Indigenous Youth Connection to Culture program which supports First Nations youth in 12 communities through place-based activities to reduce suicide rates and improve mental health outcomes.
- \$20.0 million over two years from 2023–24 towards other priorities within the Indigenous Australians portfolio by not proceeding with Local and Regional Voice arrangements, consistent with the outcome of the 2023 Referendum on an Aboriginal and Torres Strait Islander Voice.
- \$76.2 million over five years from 2023–24 (and \$18.7 million per year ongoing) to implement a new voluntary prison to employment transition program for First Nations people aged 15 years and over who are incarcerated with a known release date or are on remand. The program will be progressively rolled out from 1 July 2025. The new program will support the economic security of First Nations people by providing pre-release and post-release support services to assist them to reintegrate into their communities and prepare to enter or re-enter the labour market.

## Consulting Cuts

- Labor has found \$1 billion in savings through further cuts to consultants and the outsourcing of the public service.
- Nearly 9,000 outsourced roles have been converted to public service roles since Labor took government, saving a total of \$4 billion.

## Super for Paid Parental Leave

- 12% superannuation will be paid on top of the 20 weeks government funded paid parental leave from July next year.

## National Firearms Register

- National Cabinet agreed in December to establish a national firearms register.
- The national database will cost \$161.3 million over the next 4 years.

## Anti-Money Laundering

- \$166 million will go towards extending anti-money laundering reporting requirements to include real estate agents, lawyers, and accountants.

## Waste

- The Morrison Government's \$4 per tonne levy on waste exports will be scrapped, it was due to

come into effect by July.

## Digital ID

- \$288.1 million over four years from 2024–25 to support the initial delivery of the Digital ID system.

Additional information on the Federal Budget can be found at <https://budget.gov.au/index.html>

The Department of Agriculture, Fisheries and Forestry Portfolio Budget Statement is available [here](#).