

2023-24 FEDERAL BUDGET BRIEFING

Budget Overview

Amidst a slowing, uncertain and inflationary global economy, the 2023-24 Federal Budget was described by Treasurer Jim Chalmers as ‘carefully calibrated’, providing ‘responsible, targeted relief’ to those most in need and providing cost-of-living relief to **5 million** households and **1 million** small businesses via energy bill relief, while seeking to alleviate inflationary pressures. The Budget uncovers a surprise surplus of **\$4.2bn** in the 2022-23 financial year, after which time the economy is projected to return to deficit. Investing in the care economy, **\$2bn** for more social and affordable housing, **\$5.7bn** to strengthen Medicare, expanding welfare eligibility for **57,000** single parents and improving access to medications are other key funding targets.

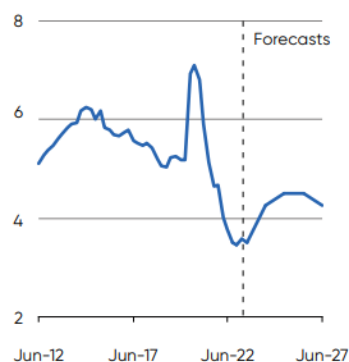
Technology Funding

In this Briefing, the AIIA will summarise the technology funding unlocked by this Budget across AI, cyber security, quantum, space and industry commercialisation.

HEADLINE FIGURES

- **SURPLUS:** \$4.2bn
- **GROSS DEBT:** 887bn
or 34.9% of GDP
- **GDP Growth:** 1.5pc in 23-24
- **PAYMENTS:** \$682.1bn in 23-24
- **RECEIPTS:** \$635.6bn in 23-24

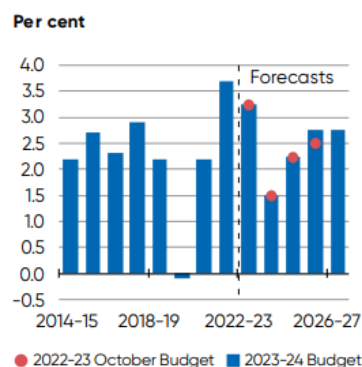
Unemployment rate
Per cent



		Actual		Estimates				Total ^(a)
		2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	
Underlying cash balance	\$b	-32.0	4.2	-13.9	-35.1	-36.6	-28.5	-109.9
	% of GDP	-1.4	0.2	-0.5	-1.3	-1.3	-1.0	
Gross debt	% of GDP	38.8	34.9	35.8	36.3	36.5	36.5	
Net debt	% of GDP	22.3	21.6	22.3	23.5	24.0	24.1	

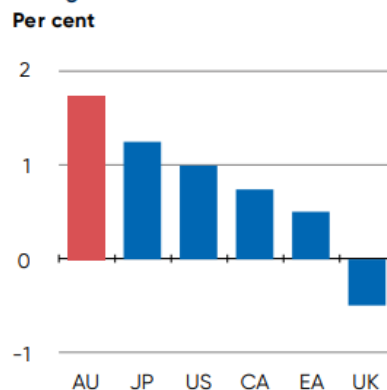
(a) Total is equal to the sum of amounts from 2022-23 to 2026-27.

GDP growth
Per cent



● 2022-23 October Budget ■ 2023-24 Budget

2023 growth forecasts
Per cent



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Critical Technologies

- **\$101.2m** over 5 years from FY22–23 to support businesses to integrate quantum and artificial intelligence (AI) technologies into their operations, through a quantum-focused **Critical Technologies Challenge Program**, extending the **National AI Centre**, establishing an **Australian Centre for Quantum Growth**, supporting small and medium enterprises' adoption of AI technologies to improve business processes and increase trade competitiveness
- **\$14.8m** over 4 years from 2023-24 to establish the Powering Australia Industry Growth Centre to develop advanced technology and skills as part of the Government's Australian Made Battery Plan.

Renewable Energy and net-zero industries

- **\$2bn** for a new Hydrogen Headstart program, with revenue support for renewable hydrogen production
- **\$1.3bn** over 5 years from FY22-23 from **\$1.9bn** in the October '22 Budget to support the decarbonisation of existing industries, develop new clean energy industries and support sovereign manufacturing capacity to support the energy transition
- **\$5.6m** to analyse increasing global competition in the clean energy industry with actions for catalysing clean energy

industries and attracting investment in Australia

- **\$2m** over 2 years from FY24-25 for First Nations' engagement with hydrogen projects and planning

Space and Defence Industry and Capability

- **\$3.4bn** over 10 years from FY23-24 to establish the Advanced Strategic Capabilities Accelerator within the Department of Defence to lift capacity to translate disruptive new technologies into Defence capability rapidly, in close partnership with Australian industry, implementing a key priority in the *Defence Strategic Review*.
- **\$34.2m** over 3 years from FY23-24 for the Australian Space Agency by maintaining investment in successful space programs and providing appropriate regulation for the space industry

National Reconstruction Fund and Industry Growth Program

- **\$61.4m** over 4 years from FY23-24, and **\$1.2m** per year ongoing, to establish the National Reconstruction Fund Corporation
- **\$392.4m** over 4 years from FY23-24, and **\$68.2m** per year ongoing, to establish an Industry Growth Program to support Australian SMEs and startups to commercialise their ideas and grow their operations, guided by priority areas of the National Reconstruction Fund

Buy Australian Plan

- **\$18.1m** over 4 years from FY23-24, and **\$1.5m** per year

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ongoing, to the Department of Finance for the improvement of government procurement processes, including tools to improve the ability of businesses to compete for procurement opportunities, improving AusTender transparency and establishing a supplier portal for panels, increasing engagement with SMEs and improving procurement and contract management capability across the APS

Fighting Scams

- **\$86.5m** over 4 years from FY23-24 to combat scams and online fraud, including:
- **\$58m** over 3 years from FY23-24 to establish the National Anti-Scam Centre within the ACCC to improve scam data-sharing across government and the private sector and to establish public-private sector Fusion Cells to target specific scam issues
- **\$17.6m** over 4 years from FY23-24, and **\$4.4m** per year ongoing, for ASIC to identify and take down phishing websites and investment scam websites
- **\$10.9m** over 4 years from FY23-24, and **\$2.2m** per year ongoing, for ACMA and the Department of Infrastructure, Transport, Regional Development, Communications and the Arts to establish and enforce an SMS sender ID registry to impede scammers seeking to spoof industry and government brand names in message headers

Capturing Emissions Reduction Data

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- **\$21.8m** over 3 years from FY23-24 to maintain and enhance the capability of Australia's National Greenhouse Accounts to deliver high-quality emissions data and track progress against Australia's emission reduction targets.

Central Australia Connectivity Support

- **\$10m** over 3 years from FY23-24 for broadband and mobile services upgrades to support digital connectivity needs for First Nations people in Central Australia through the Regional Connectivity Program
- **\$300k** in 22-23 to provide mobile and internet for Wi-Fi connectivity in Alice Springs Town Camps through the Digital Connectivity Project

Consumer Data Right and Treasury ICT

- **\$88m** over 2 years from FY23-24 for the continued operation of the consumer Data Right in the banking, energy and non-bank lending sectors, progress the design of action initiation and uplift cyber security
- **\$32.7m** over 5 years from FY23-24 for the upgrade of ICT systems and delivery of key programs and statutory reviews

Critical National ICT Systems

- **\$156.7m** over 4 years from FY23-24 to continue the ABS implementation of its 10-year plan to modernise and replace legacy ICT systems
- Additional funding to build and sustain the second tranche of the Australian Electoral Commission's ICT modernisation project (financial implications not-for-publication)

- **\$254.1m** over 4 years from FY23-24, and **\$56.1m** per year from 27-28 ongoing, to replace, enhance and sustain the Department of Veterans' Affairs' new and at-risk legacy ICT systems

Strengthening STEM and data capability

- **\$31.4m** over 4 years from FY23-24 to establish the National Disability Data Asset
- **\$8.4m** in FY23-24 for projects to uplift capability across the APS including futures analysis skills and enhancing the quality of data to inform policy analysis
- **\$127.3m** over 4 years from FY23-24 for 4,000 additional commencing Commonwealth-supported places for courses supporting the skills requirement of the government's \$4.2bn Australian Submarine Agency and nuclear-powered submarine program
- Extending the Women in STEM Cadetships and Advanced Apprenticeships Program for two years to 30 June 2027
- **\$59.7m** over 4 years from FY23-24 for Questacon, including STEM engagement programs
- **\$9.1m** over 4 years from FY23-24 to promote STEM and encourage engagement between STEM professionals and policy makers through the National Science and Technology Council, the Prime Minister's Prizes for Science and the Science Meets Parliament initiatives.

Digital Identity

- **\$24.7m** for the Department of Finance and the DTA to

maintain the current Digital ID system and design the policy and legislative foundations to transition to an economy-wide Digital ID ecosystem with an independent regulator

- **\$1.1m** for the Office of the Australian Information Commissioner to provide ongoing privacy assurance for the Digital ID program
- **\$1.1m** for the Australian Taxation Office for communications research associated with the myGovID brand

My Health Record

- **\$429m** over 2 years from FY23-24 to modernise My Health Record (MHR) including by creating a new National Repository platform which supports easier, more secure data-sharing across all healthcare settings, investment to improve the sharing of pathology and diagnostic imaging information, and targeted investment to increase allied health professionals' connection to MHR

Australian Digital Health Agency

- **\$325.7m** over 4 years, and approx. **\$79.9m** per year ongoing, to establish the Australian Digital Health Agency (ADHA) as an ongoing entity

Small Business Energy and Cyber Security Support

- Increasing the instant asset write-off threshold to **\$20,000** from 1 July 2023 until 30 June 2024

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- For SMEs of an aggregated annual turnover of less than **\$50m**, an additional **20%** of the cost of eligible depreciating assets supporting electrification and the more efficient use of energy A range of depreciating assets, and upgrades to existing assets, will be eligible for the Small Business Energy Incentive including more efficient electrical goods and electric heating or cooling systems
- **\$23.4m** over 3 years from FY23-24 for a small business cyber wardens program delivered by the Council of Small Business Organisations Australia to support in-house cyber security capability for small businesses

Critical Infrastructure, Privacy and Cyber security

- **\$44.3m** over 4 years from FY23-24, and **\$8.4m** per year ongoing, for the Office of the Australian Information Commissioner to support a standalone Privacy Commissioner and enhance data and analytics capability
- **\$19.5m** to continue work to improve the security of critical infrastructure assets and assist owners and operators to respond to significant cyber attacks
- **\$12.2m** in FY23-24 to sustain cyber resilience of Commonwealth entities currently serviced by the Cyber Hubs pilot program and to continue assessment and certification of service providers used by the Commonwealth entities to host data

Jobs, Skills, Migration and Apprenticeships

- **\$125.8m** over 4 years from FY23-24 to continue implementing outcomes from the Jobs and Skills Summit, including **\$75.8m** to extend to current surge in visa processing resources and **\$50m** for enforcement and compliance activities
- **\$54.3** million over 5 years from 2022-23 to introduce a new non-financial support model for Australian Apprenticeships from 1 July 2024
- A redesigned Commonwealth foundation skills program to improve access to training for Australians seeking to develop language, literacy, numeracy and digital skills from 1 July 2024

For More Information

[Budget Overview](#) | [Budget Measures](#)

About the AIIA

The Australian Information Industry Association (AIIA) is Australia's peak representative body and advocacy group for those in the digital ecosystem. Since 1978 AIIA has pursued activities to stimulate and grow the digital ecosystem, to create a favourable business environment for members and to contribute to Australia's economic prosperity. We do this by delivering outstanding member value by providing a strong voice of influence; building a sense of community through events and education; enabling a network for collaboration and inspiration; developing compelling content and relevant and interesting information.

[AIIA Website](#) | [AIIA Budget 23-24 Media Release](#)

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