



BUDGET OVERVIEW

11 May 2004



CONTENTS

| | | | |
|---|----|---|----|
| Sound economic management | 2 | Recognising the contribution of carers | 13 |
| Low debt | 3 | Affordable, high quality health services | 14 |
| Strong economic growth and low inflation | 4 | Schools — investing in the next generation | 15 |
| Lowest unemployment in a generation | 5 | Investing in Australia's science and innovation | 16 |
| More help for families: (1) boosting family payments | 6 | Investing in Australia's infrastructure – AusLink | 17 |
| More help for families: (2) balancing work and family | 7 | Investing in Australia's security | 18 |
| Cutting income tax | 8 | An ongoing commitment to strong defence | 19 |
| Boosting retirement savings | 9 | Enhancing support for our veterans | 20 |
| Meeting our demographic challenge: (1) building economic growth | 10 | Assisting rural and regional Australia | 21 |
| Meeting our demographic challenge: (2) boosting retirement incomes | 11 | Sustaining our environment | 22 |
| Investing in Australia's aged care: more places, better care | 12 | Delivering more funding to the States | 23 |
| | | Australian Government budget aggregates | 24 |
| | | Spending initiatives in the 2004-05 Budget | 25 |
| | | Detailed economic forecasts for 2004-05 | 26 |
| | | Historical budget and net debt data | 27 |

BUDGET AGGREGATES

| | Actual | Estimates | | Projections | | |
|--------------------------------------|------------|------------|------------|-------------|------------|------------|
| | 2002-03 | 2003-04 | 2004-05 | 2005-06 | 2006-07 | 2007-08 |
| Underlying cash balance (\$b) | 7.5 | 4.6 | 2.4 | 1.6 | 3.4 | 4.5 |
| Per cent of GDP | 1.0 | 0.6 | 0.3 | 0.2 | 0.4 | 0.4 |
| Fiscal balance (\$b) | 6.0 | 3.0 | 0.7 | 0.7 | 2.3 | 2.6 |
| Per cent of GDP | 0.8 | 0.4 | 0.1 | 0.1 | 0.2 | 0.3 |

MAJOR ECONOMIC PARAMETERS

| | Forecasts | | Projections | | |
|------------|-----------|---------|-------------|---------|---------|
| | 2003-04 | 2004-05 | 2005-06 | 2006-07 | 2007-08 |
| Real GDP | 3 3/4 | 3 1/2 | 3 1/2 | 3 1/2 | 3 1/2 |
| Employment | 1 3/4 | 1 3/4 | 1 1/2 | 1 1/2 | 1 1/2 |
| Wages | 3 3/4 | 3 3/4 | 3 3/4 | 3 3/4 | 3 3/4 |
| CPI | 2 1/4 | 2 | 2 1/2 | 2 1/2 | 2 1/2 |

Budget at a glance

The 2004-05 Budget puts in place a package of major initiatives aimed at providing more help for Australian families, cutting taxes further, boosting retirement savings and investing in Australia's future. This package is a further major step in meeting the challenge of population ageing.

More help for families

This Budget includes the largest package of assistance for families ever, with an additional \$19.2 billion over five years.

More generous Family Tax Benefit arrangements will help families with the expense of raising children and improve the rewards from working.

A new Maternity Payment and the expansion of outside-school-hours child care and family day care places will assist families balancing work and family commitments. The changes to Family Tax Benefit improve rewards for women re-entering the workforce after having children.

Cutting income tax

Reductions in personal tax worth \$14.7 billion over four years mean that more than 80 per cent of taxpayers will face a marginal tax bracket of 30 per cent or less.

Boosting retirement savings

The Government will enhance the superannuation co-contribution scheme by \$2.1 billion, boosting incentives for low and middle income employees to save for their retirement. The Superannuation Surcharge will also be reduced.

Investing in Australia's future

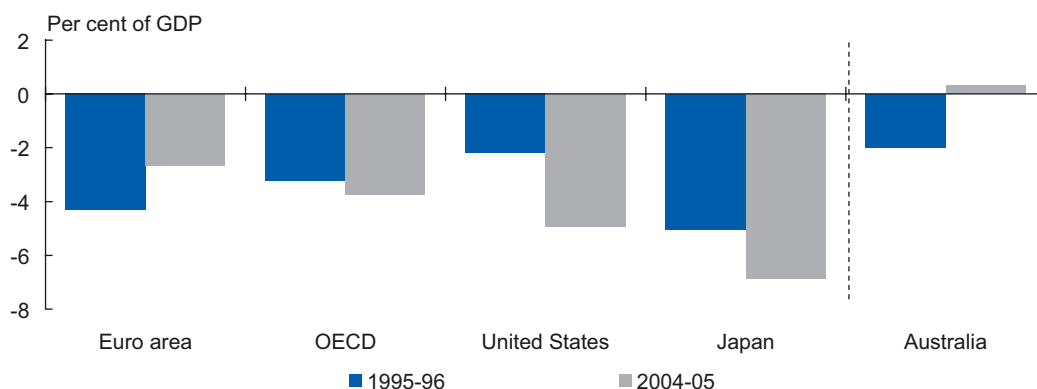
The Government will make a substantial investment in Science and Innovation of \$5.3 billion as well as \$3.1 billion for land transport infrastructure.

Providing for carers and aged care

The Government is providing an additional \$461 million over five years to support carers. The Government is also providing \$2.2 billion over five years to the aged care sector.

Investing in Australia's security

Building on the commitments made over the previous few years, \$755 million extra will be provided to enhance Australia's intelligence capabilities and strengthen security arrangements.



Experienced economic management puts Australia at the forefront of the developed world

Sound economic management

The Government has ensured that Australia's public finances are in a sound position. The Government continues to deliver budget surpluses while delivering the largest package of assistance ever to families, ongoing structural tax reform and incentives to boost retirement savings.

Delivering budget surpluses

This Budget delivers the Government's seventh surplus. Ensuring the budget is in surplus means the Government is not living beyond its means. An underlying cash surplus of \$2.4 billion is expected in 2004-05 with surpluses in the next three years.

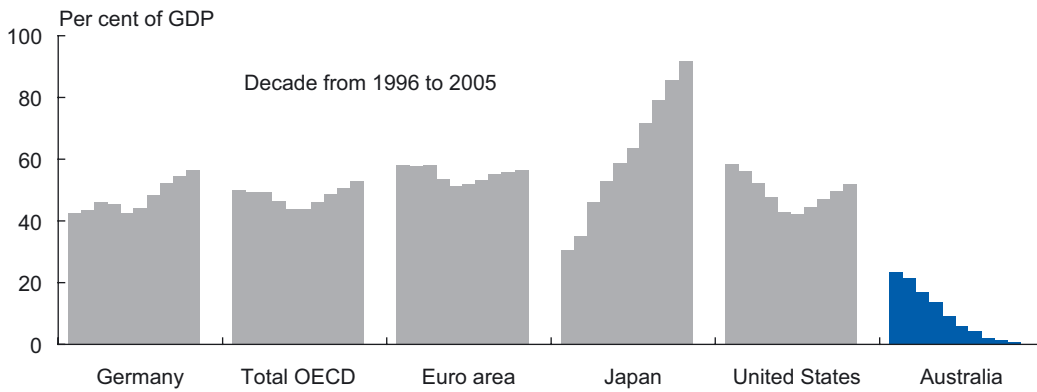
The Government's financial position continues to be guided by its medium-term strategy of achieving budget balance, on average, over the economic cycle. This strategy aims to maximise sustainable economic growth, and ultimately, the living standards of all Australians.

Good budget management

Good economic management has meant the Government has continued to deliver a budget surplus, while continuing to maintain spending in high priority areas such as aged care, health, education, security and infrastructure as well as providing more help for Australian families.

While Australia delivers surpluses, OECD projections show that most member countries are expected to record a budget deficit in 2004-05. The average budget deficit for the OECD as a whole is expected to be 3.7 per cent of GDP.

Looking to the future, responsible budget management will continue to provide support for sustainable economic growth, lower unemployment and rising living standards, and position Australia to deal with the challenges of an ageing population.



Australia's general government net debt is amongst the lowest in the developed world

Low debt

Through sound budget management the Government has reduced general government net debt which had run up to \$96 billion under Labor. The Government has delivered help for families, tax cuts, incentives for retirement savings and spending on services in all priority areas without having to borrow.

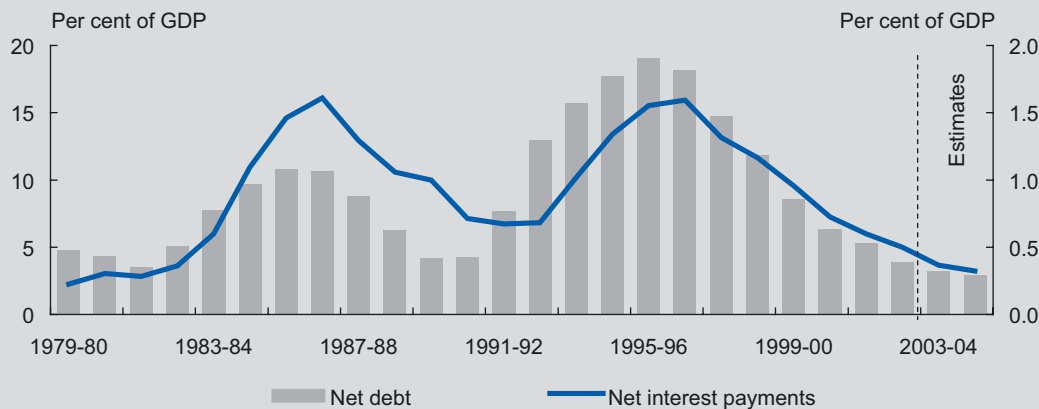
Reduced debt burden

Since 1996 the Government has reduced net debt from around \$96 billion (19 per cent of GDP), to about \$25 billion (3 per cent of GDP), a reduction from around \$5,200 per person to around \$1,200 per person.

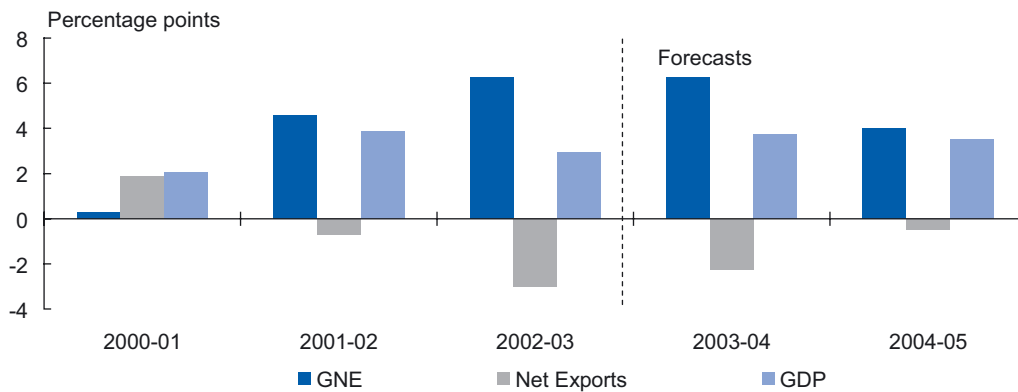
The Government is living within its means and does not need to borrow to fund its families package and other important spending on national security, health, education and infrastructure.

The Government is committed to maintaining low levels of net debt into the future. Australia has a much lower level of net debt than most other industrialised countries, with our net debt to GDP ratio among the lowest in the OECD.

While net debt in most OECD countries is rising as a percentage of GDP, Australia's net debt continues to fall.



Sound fiscal management means reduced net debt



Growth prospects remain solid as the net export position recovers

Strong economic growth and low inflation

The strong world economy in 2004-05 will provide a renewed source of demand for Australia's exports. The rebalancing of growth from domestic to external sources will contribute to maintaining strong economic growth, with inflation staying low.

Economic performance

Despite earlier weakness in the world economy and a severe drought, the Australian economy has continued to grow strongly.

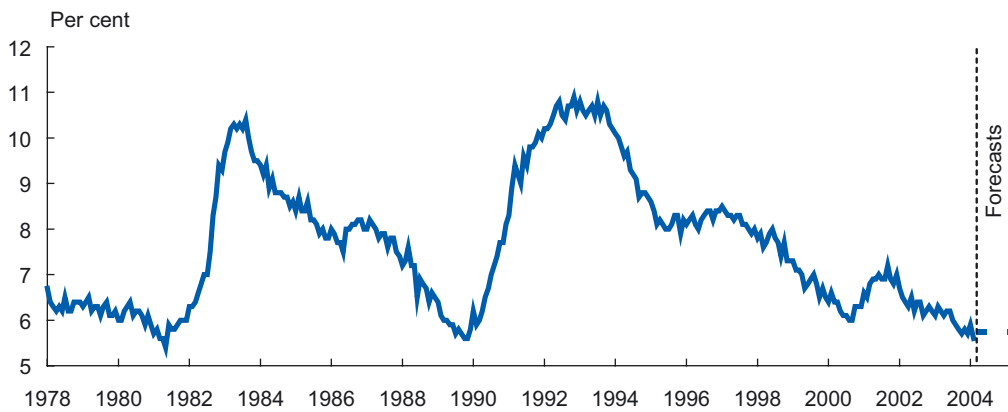
A stronger world economy in 2004-05 will provide a renewed source of external demand as domestic demand growth slows.

Overall, economic growth is forecast to be 3½ per cent in 2004-05.

Inflation is forecast to be a low 2 per cent in 2004-05. This is a marked improvement from the 1970s and 1980s, when inflation averaged more than 9 per cent a year.



Low inflation has been an anchor for sustainable economic growth



Australia's unemployment rate has declined to around 23 year lows

Lowest unemployment in a generation

Australia's unemployment rate is around 23 year lows. Currently below 6 per cent, and expected to remain low over the forecast period, Australia's unemployment rate is among the lowest of developed countries.

Continuing low unemployment

Since late 2003, Australia's unemployment rate has remained around 5¾ per cent, levels only reached briefly once before in 23 years.

The percentage of the working age population now actually working is around the highest in 30 years. This is a major benefit of ongoing reforms to labour and product markets and of better macroeconomic management over recent years.

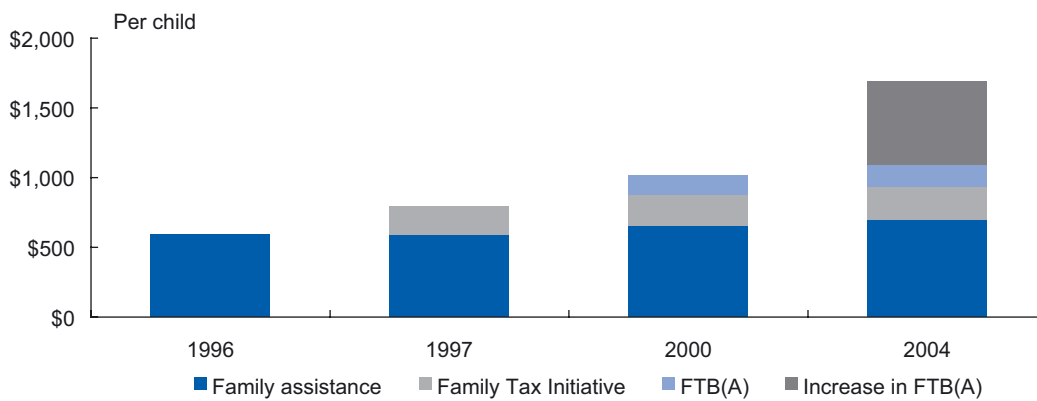
Unemployment has fallen in both regional areas and capital cities, despite the fall in agricultural employment due to the drought.

Low unemployment is good for the economy. It means higher national income and a stronger budgetary position. But, more importantly, it helps improve the wellbeing of Australians through higher family incomes, less poverty and the increased social engagement that employment helps to create.

Australia's unemployment rate is now significantly below the average for the OECD developed nations, which stands at around 7 per cent. This is in sharp contrast to the early 1990s, where Australia's unemployment rate was at times 3 percentage points higher than the OECD average.

The prospects for maintaining low unemployment are strong. Budget forecasts show the unemployment rate remaining below 6 per cent over the forecast horizon.

Maintaining strong employment and lower unemployment rates over the medium term will depend on continued growth in the economy. Sustainable growth requires strong economic policy leadership and an ongoing commitment to the reforms of the type pursued by the Government.



Increases in base rates of assistance to families since 1996

More help for families: (1) boosting family payments

More help for families delivers a \$19 billion package over five years to help families raise their children, help with their work and family responsibilities and improve rewards from working.

This is the largest package of assistance for families ever.

Family Tax Benefit, Part A

There will be an increase of \$600 a year in the maximum and base rates of FTB (A) for each dependent child.

The \$600 increase will be made available as a lump sum following the end of each financial year at the time that reconciliation of entitlement for the previous year occurs.

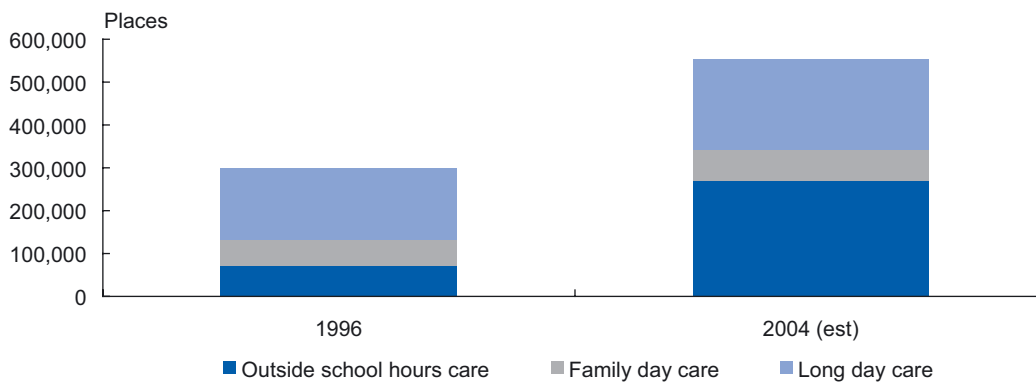
If required, the lump sum payment will be available to offset any overpayment of FTB that a family may have incurred during a previous year.

With this package, total assistance to families will have increased by over \$6 billion a year since 1996. The base rate of family assistance has increased from less than \$600 per child in January 1996 to almost \$1,700 per child in July 2004 (see chart above), a real increase of over 100 per cent.

2003-04 lump sum payment to families

As well as the ongoing increase in FTB (A), all families receiving or eligible for FTB (A) in 2003-04 will receive an immediate lump sum payment of \$600 per child. This will be paid to eligible families before 30 June 2004, at a cost of over \$2 billion.

Most families will receive \$600 before 30 June 2004 and be eligible for a further \$600 per child after their 2003-04 reconciliation of entitlement – an additional \$1,200 per child over the next 12 months.



Child care places have increased by 85 per cent since 1996

More help for families: (2) balancing work and family

More help for families includes measures to help families balance their work and family responsibilities through increased direct financial assistance, better rewards from work and by increasing the availability of child care places.

Work and family

Further help for those balancing work and family responsibilities is provided through a new maternity payment, extra child care places and better rewards from work.

Maternity Payment

To help families at the crucial period around the birth of a child, a new Maternity Payment of \$3,000 for each new born child will be introduced from July 2004. This will increase to \$4,000 in July 2006 and \$5,000 in July 2008.

This will be available to all families. It will incorporate the existing Maternity Allowance and the Baby Bonus, with existing recipients of the Baby Bonus maintaining their entitlement.

Extra child care places

An additional 40,000 outside school hours child care places and an extra 4,000 family day care places are provided in the Budget.

Since 1996, the Government has increased child care places in child care centres, family day care and outside school hours care by 266,000 places — an increase of 85 per cent.

Income tests for FTB (A) and FTB (B)

From 1 July 2004, the withdrawal rate between the maximum and base rates of FTB (A) will be reduced from 30 per cent to 20 per cent. This will increase rewards from work for lower and middle income families by reducing effective marginal tax rates. It builds on the earlier reduction in the withdrawal rate from 50 per cent to 30 per cent in *The New Tax System*.

There will be a reduction in the FTB (B) income test withdrawal rate for the second earner from 30 per cent to 20 per cent. The income threshold will increase to \$4,000 a year from \$1,825.

This will improve rewards from work for families where a second earner is in part time or casual work, providing additional assistance for women returning to work after having children.

| Current tax thresholds from 1 July 2003 Income range (\$) | New tax thresholds from 1 July 2004 Income range (\$) | New tax thresholds from 1 July 2005 Income range (\$) | Tax rate % |
|---|---|---|---------------|
| 0 - 6,000 | 0 - 6,000 | 0 - 6,000 | 0 |
| 6,001 - 21,600 | 6,001 - 21,600 | 6,001 - 21,600 | 17 |
| 21,601 - 52,000 | 21,601 - 58,000 | 21,601 - 63,000 | 30 |
| 52,001 - 62,500 | 58,001 - 70,000 | 63,001 - 80,000 | 42 |
| 62,501+ | 70,001 + | 80,001 + | 47 |

More than 80 per cent of taxpayers will stay in or below the 30 per cent tax bracket.

Cutting income tax

The income thresholds at which the top two marginal tax rates apply will be raised significantly. This will allow more taxpayers to earn more before they start paying the top marginal tax rates.

Improving rewards through tax cuts

The tax cuts improve rewards from working overtime, acquiring skills, or seeking promotion. They will help Australia retain highly skilled workers. They:

- increase the income threshold for the 42 per cent tax rate to \$58,001 in 2004-05 and \$63,001 in 2005-06; and
- increase the income threshold for the 47 per cent tax rate to \$70,001 in 2004-05 and \$80,001 in 2005-06.

Over 80 per cent of taxpayers will face a top marginal tax bracket of no more than 30 per cent for the next four years. This includes those on average earnings. Increasing the 42 per cent tax threshold ensures they remain well inside the 30 per cent tax bracket over the next four years.

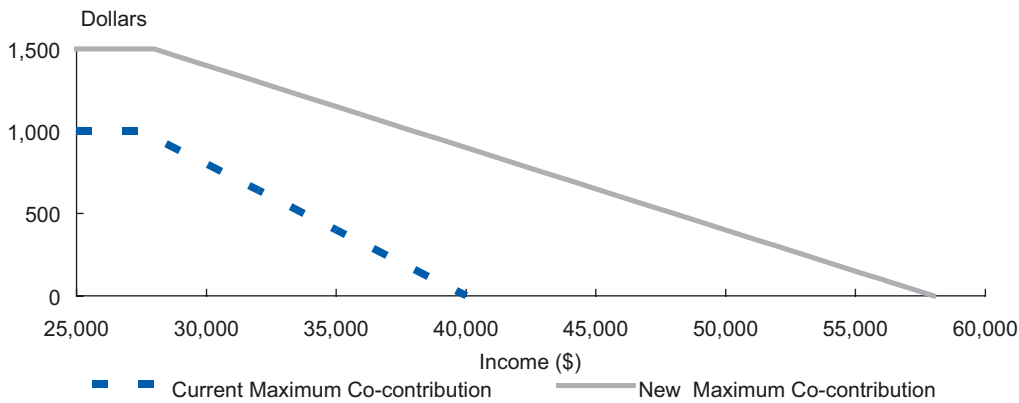
Delivering ongoing tax reform

The New Tax System introduced on 1 July 2000 provided major income tax reform. In the 2003-04 Budget tax thresholds were adjusted further.

This Budget delivers further structural tax reform.

These three stages of tax reform deliver significant tax cuts for all Australians.

- Taxpayers earning \$20,000 paid \$2,770 in tax prior to *The New Tax System* (excluding the Medicare levy) whereas taxpayers on that income would now only pay \$2,145, a reduction of around **23 per cent**
- For Taxpayers on \$50,000 (around average weekly earnings) paid \$14,102 in tax prior to The New Tax System (excluding Medicare Levy) and now pay \$11,172 a reduction of **21 per cent**
- By 1 July 2005, a taxpayer on \$90,000 who paid \$32,902 in tax prior to The New Tax System (excluding the Medicare levy) will pay \$26,912 in tax in 2005-06, a reduction of around **18 per cent**.



Maximum co-contribution under new and previous policies

Note: All people on less than \$25,000 per annum can get the maximum co-contribution

Boosting retirement savings

An enhanced Government superannuation co-contribution scheme and a reduction in the superannuation surcharge, worth \$2.7 billion over four years, will boost incentives to save. Australians will have more choice on how they retire and fund their retirement.

More than three quarters of the benefit will go to low and middle income earners.

Government superannuation co-contribution

The Government will increase the incentive for low to middle income Australians to make additional voluntary savings through the superannuation system. This measure will cost \$2.1 billion over the forward estimates.

From 2004-05, the maximum Government co-contribution will be increased from \$1,000 to \$1,500, to match a \$1,000 personal contribution. The maximum Government co-contribution of \$1,500 will be available to all people making personal contributions on incomes up to \$28,000. The income threshold was previously \$27,500. Above this amount, the maximum co-contribution will reduce by 5 cents for each dollar of income to phase out completely at \$58,000, up from \$40,000.

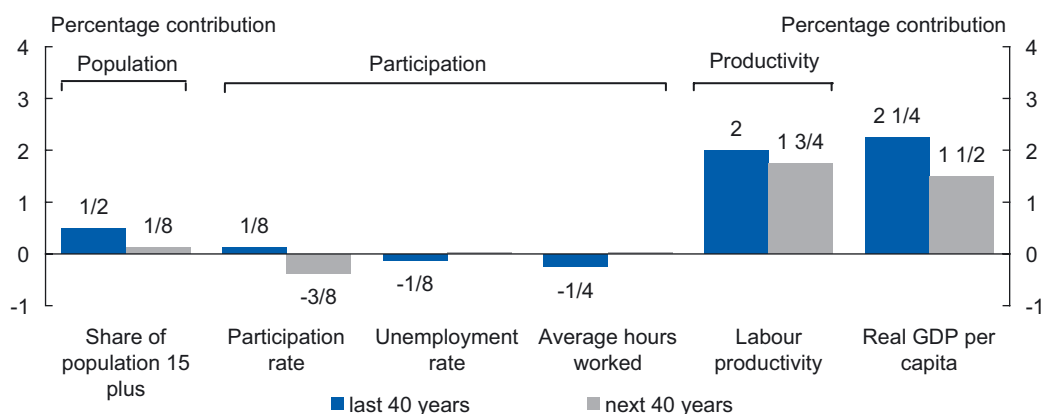
Superannuation surcharge

The Government will further reduce the superannuation surcharge rate, leading to a maximum rate of 7.5 per cent for 2006-07 and following years.

This measure will cost \$610 million over the forward estimates period and will boost retirement savings.

Flexibility and choice

With the ageing of the population, the retirement income system needs to be more flexible and adaptable to the changing workplace arrangements and provide more choices. The Government is reducing restrictions on who may contribute to superannuation and improving options for those in the transition to retirement and those in retirement.



Participation and productivity need to increase in order to boost economic growth.

Meeting our demographic challenge: (1) building economic growth

The *More help for families* package of increased family assistance and tax cuts together with investment in health, education, innovation and infrastructure will help increase participation and productivity in the economy. The Government's ongoing reform measures will boost economic growth and address Australia's demographic challenges.

Increasing economic growth

The challenges that Australia's ageing population present for our future standard of living and the sustainability of spending on health and other social priorities require us to increase economic growth.

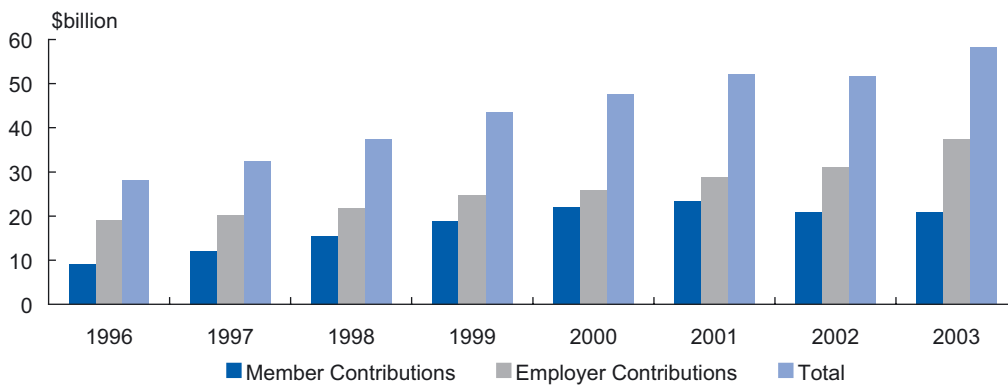
This is best done by maintaining responsible economic management and increasing participation in the workforce and productivity in the economy.

The sooner we take actions to increase our growth potential to address the demographic challenges of an ageing population, the more successful we will be. And the higher will be our standard of living.

More help for families

This Budget will increase our growth potential by increasing labour force participation and productivity in the economy:

- *More help for families* increases work incentives and rewards for Australian families and improves the capacity of families to balance their work and family responsibilities
- further structural tax reforms improve work incentives and make the Australian tax system more internationally competitive
- improved incentives to save for retirement through superannuation will help to ensure a sustainable retirement income system
- increased investment in education and health will improve the capacity of people to participate
- measures such as research and innovation and improved transport infrastructure will enhance productivity.



Employer contributions are strong — member contributions more variable

Meeting our demographic challenge: (2) boosting retirement incomes

Building savings is an important element of preparing for a secure and comfortable retirement.

Better incentives for saving

This Budget will further position Australians to prepare for their retirement through enhanced co-contributions and reduced superannuation surcharge.

Incentives like the Government's co-contribution of \$1.50 for each \$1.00 of private contributions to superannuation are an important part of encouraging higher savings.

Saving for retirement

The Government's retirement income policy encourages Australians to achieve a higher standard of living in retirement than would be possible from the age pension alone, while ensuring all Australians have security in retirement.

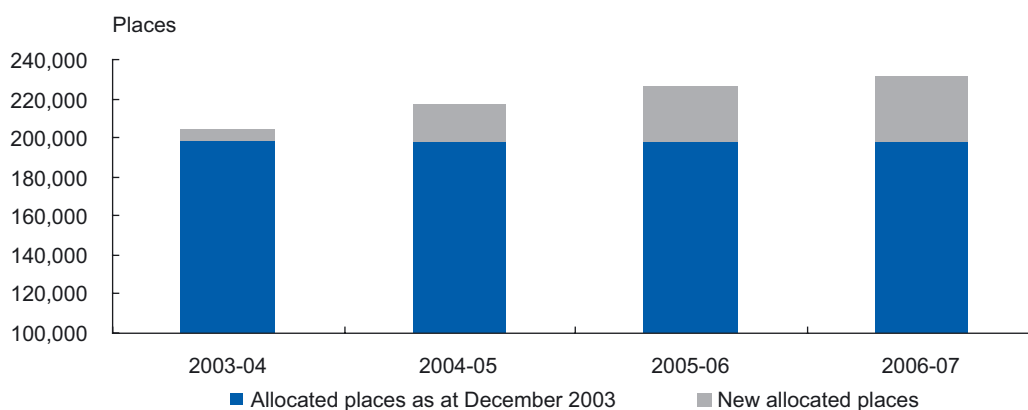
The Government's statement, *A more flexible and adaptable retirement income system*, outlined measures to further broaden the availability of superannuation, provide more choice in financing retirement income, and make superannuation more adaptable to changing work arrangements.

Measures include:

- Allowing market linked complying pensions
- Removing the work test for those below age 65
- Simplifying the work test for those aged 65 to 74
- Preserving rolled over employer eligible termination payments
- Allowing people to access superannuation before retirement to enable them to keep working in their transition to retirement.

Details of changes to the retirement income system are outlined in the statement, *A more flexible and adaptable retirement income system*, released in February 2004.

Saving for retirement will help address the challenges of our ageing population.



The Government will allocate 27,900 aged care places over the next three years.

Investing in Australia's aged care: more places, better care

The Government will implement a range of measures to increase the number of aged care places, improve the quality of care, and help providers build new facilities and upgrade existing ones, as a direct response to the longer term issues of the ageing of our population.

More places, better quality

The projected proportion of the population aged over 65 will increase from 12.8 per cent in 2002 to 24.5 per cent in 2042. In 2012, the proportion of the population aged over 85 will have grown from 1.5 per cent to 1.9 per cent, and is projected to grow to around 4.3 per cent by 2042.

The Government is committing an extra \$2.2 billion over five years to expand the number of places and improve the quality of care and facilities. It will also initiate a reform process to ensure a more productive and viable aged care industry.

In 2003-04, the Government is providing \$513 million to providers to ensure that all residential facilities improve safety and building standards for aged care homes.

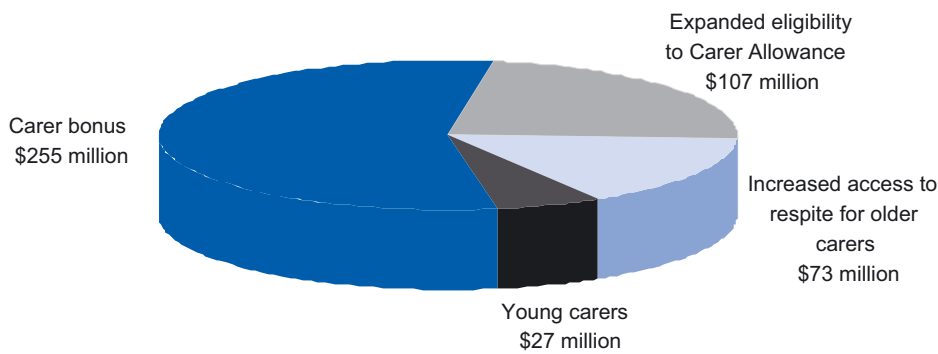
An additional \$58 million will be provided to help lift the number of aged care places to be allocated over the next three years to 27,900.

Over the next four years, the Government will improve the quality of care by introducing a

Conditional Adjustment Payment which will progressively increase subsidies to providers by 7 per cent. This will deliver an extra \$878 million in resources available for care.

The quality of care will be improved by enhancing the skills of workers in aged care homes, and 1600 aged care nurses will begin training in the next four years.

To help providers expand and improve high-care facilities, the maximum accommodation charge that providers will be able to charge new non-concessional high-care residents will be increased by \$2.34 per day to \$16.25 per day. The supplement paid by the Government on behalf of those residents unable to afford higher accommodation charges will also rise to match the increased charge. These measures will help move the sector to a more financially sustainable structure in the long-term.



New assistance for carers totalling \$461 million over five years

Recognising the contribution of carers

Carers provide a great service to the community through supporting and caring for those with disabilities. The Government recognises this contribution and is increasing the support available to people in this role.

One-off carer bonus

The Government will provide \$255 million for a one-off carer bonus to be paid to eligible carers in June 2004 in recognition of their role of caring for a person with a disability.

- Recipients of Carer Payment at the payment date will receive the \$1,000 bonus payment
- Recipients of Carer Allowance at the payment date will receive the \$600 bonus payment

The bonus is tax free and not treated as income when calculating social security payments.

Expanded eligibility for Carer Allowance

The eligibility criteria for Carer Allowance will be expanded at a cost of \$107 million over four years. This will enable carers who provide at least 20 hours of care per week to a person with a disability, but do not live with the care recipient, to receive the payment.

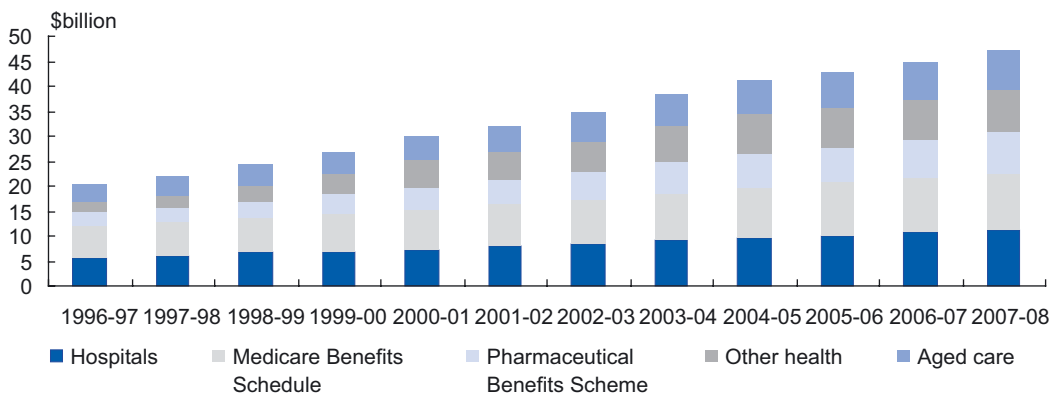
Access to respite for older carers

There are a growing number of ageing carers who care for an adult child with a disability. The Government will expand this group's access to respite services, subject to receiving matched funding from the States, at a cost to the Australian Government of \$73 million over four years.

- Parents aged 70 and over who provide primary care for a child with a disability will be guaranteed access to four weeks of respite per year
- Up to two weeks respite per year will be available for a primary carer parent aged between 65 and 69 who needs to be hospitalised.

Young carers

Young carers aged under 25 will benefit from expanded access to in-home respite care in addition to a range of information, referral and advice services, costing \$27 million over four years. This will help young carers to continue to participate in education and training.



A growing investment in first-rate health and aged care services for Australians

Affordable, high quality health services

The Government plans to spend more than \$41 billion on health and aged care services in 2004-05. Budget initiatives for diabetics and the hearing impaired, a focus on indigenous health, additional subsidised medicines and significant rural health initiatives complement the Government's strengthening of Medicare.

Supporting a healthy society

By the end of 2004-05, the Australian Government will have doubled funding for health and aged care since coming to office. This underlines its commitment to improving the quality and affordability of health care for all Australians, wherever they live.

Initiatives in this Budget include:

- improved access to insulin infusion pump consumables for diabetics and Cochlear speech processor upgrades for children in need
- enhancements to Australia's ability to respond to a national health emergency, such as avian influenza
- increased funding for indigenous health
- funding life saving drugs to treat Fabry's disease.

The Government has also renewed funding for its innovative Rural Health Strategy, worth \$830 million over four years. This vital program improves affordability and access to medical services for those living in rural areas.

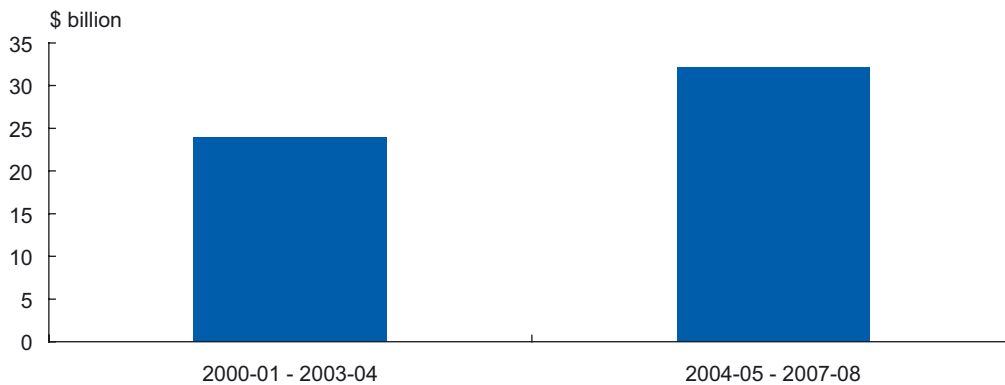
These initiatives are in addition to the Government's strong contribution to public hospital funding of nearly \$8 billion in 2004-05 and its commitment to a sustainable Pharmaceutical Benefits Scheme.

Strengthening Medicare

MedicarePlus is the single largest improvement to Medicare since its inception. The centrepiece of the package is the new safety net, which helps individuals and families cope with high out-of-pocket medical costs.

The Government has also sought to address the shortage of medical professionals while providing them with incentives to bulk-bill.

Additional initiatives will allow some services provided by allied health professionals and dentists to be billed to the Medicare Benefits Schedule.



The Australian Government will increase its investment in schools by \$8 billion over the next four years.

Schools — investing in the next generation

National leadership, and a significant investment in schools, will prepare the next generation of Australians for future opportunities. The Government will invest a record \$32 billion over the next four years in mainstream and indigenous schooling.

National leadership for schools

The Australian Government is taking a strong leadership role in our schools. It is significantly increasing funding, as well as setting national standards and goals in our schools.

In this Budget, the Government has demonstrated its commitment to school funding by investing a record \$32 billion over the next four years. This is an increase of \$8.2 billion over the previous four years.

Of the \$8.2 billion increase in funding:

- \$4.7 billion is for the Government's generous school funding indexation arrangements. This indexation is increasing by around 6 per cent per annum
- \$3.1 billion has also been allocated for increases in enrolments, increased school completion rates and the implementation of the final phase in of the Government's Socio Economic Status (SES) funding model

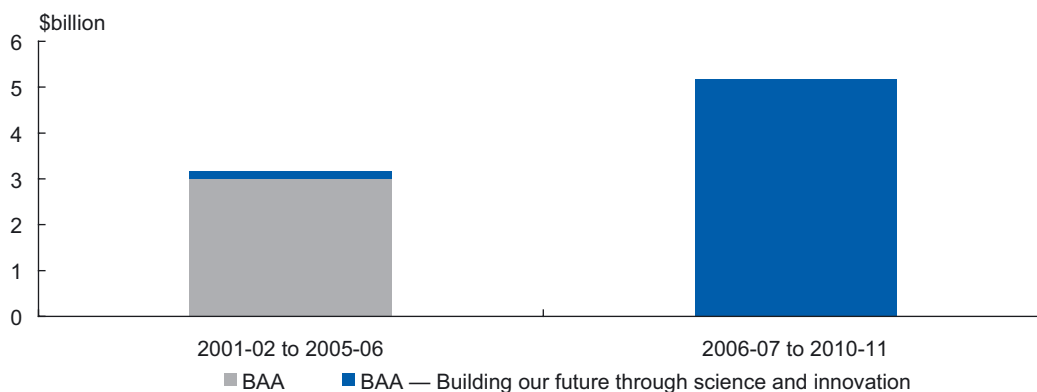
- \$404 million is to bring Catholic systemic schools into the SES funding model, fund the Literacy, Numeracy and Special Needs Programme, and provide funding guarantees and capital grants for non-government schools
- \$42 million is for indigenous specific education, including the Education Strategic Initiatives Programme targeting the most disadvantaged Indigenous students.

Students will benefit from greater national consistency in the school system and from values being a core part of schooling.

Parents will benefit from more information on their child's performance against national benchmarks.

Teachers will be assisted through greater support for high quality teaching.

School principals will be given more autonomy to make decisions on their schools.



\$5.3 billion over seven years for science and innovation.

Investing in Australia's science and innovation

Developing new products and better work processes enhances productivity and employment growth, increasing prosperity for all Australians. New ideas improve our health, create a better environment, and contribute to social progress.

Backing Australia's Ability — building our future through science and innovation

The Government will provide a \$5.3 billion package of support for science and innovation over the seven years from 2004-05 (including \$5.2 billion over 2006-07 to 2010-11).

The Government's original *Backing Australia's Ability* (BAA) package is providing \$3 billion over five years from 2001-02. Together, the packages mark an unprecedented \$8.3 billion, 10 year commitment aimed at building a world class innovation system for the 21st century.

Strengthening research

The Government will provide additional funding of \$1.2 billion to the Australian Research Council's National Competitive Grants Program, maintaining the doubling of funding provided through the BAA package. Having doubled funding for the National Health and Medical Research Council over six years in the 1999-2000 Budget, the Government is providing a further boost of \$200 million to enable

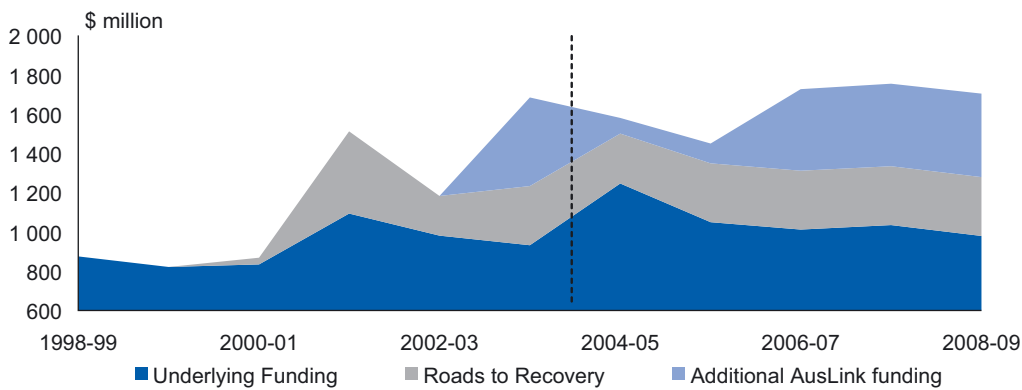
the Council to provide infrastructure funding for independent medical research institutes. Additional funding for the CSIRO of \$305 million will enable it to enhance the scale and scope of the Flagships Initiative which facilitates research in areas of national importance.

Accelerating the commercial application of research

The establishment of the new Commercial Ready Program with funding of \$1 billion, and \$100 million to continue and expand the Commercialising Emerging Technologies Program, will increase the commercialisation of innovative ideas particularly in small to medium sized businesses.

Developing and retaining Australian skills

A range of initiatives will continue to foster science, mathematics and technological skills in schools, and in the community.



Increased investment in land infrastructure

Investing in Australia's infrastructure – *AusLink*

The Government will provide a further \$1.1 billion over five years for our road and rail systems, in addition to the \$2 billion announced in January 2004. This investment will boost productivity and position Australia for an expected doubling of the land freight task over the next 20 years.

AusLink

High quality physical infrastructure is crucial to increasing efficiency and productivity in the economy. In this Budget, the Government will introduce a new land transport infrastructure programme — *AusLink*.

The national land transport plan

The Government will allocate additional funding of \$1.9 billion over five years to upgrade Australia's road and rail systems under its *AusLink* initiative.

Funding of \$1.1 billion in this Budget is on top of the \$810 million over three years from 2006-07 redirected from the Fuel Sales Grants Scheme to fund land transport improvements in regional and outer metropolitan areas which the Government announced in January 2004. This includes funding for the Australian Rail Track Corporation towards rail improvements.

This additional national network funding will position Australia to cope with an expected doubling of the land freight task over the next 20 years.

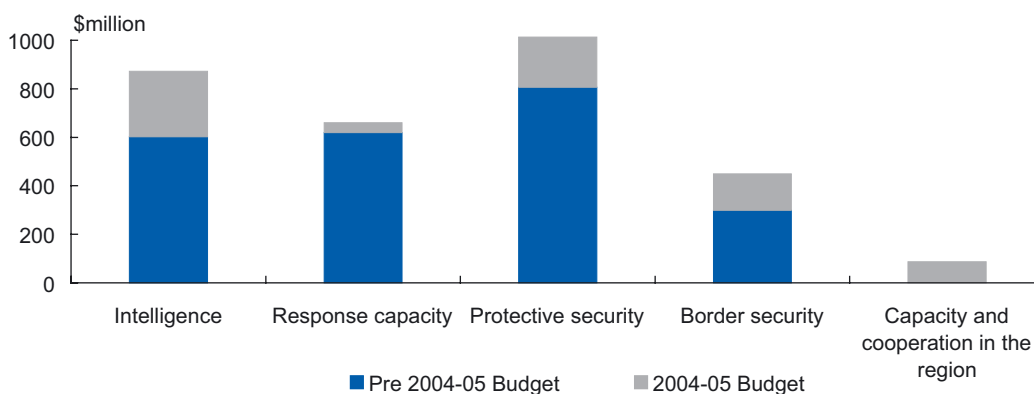
Under *AusLink*, the Australian Government will take a strategic leadership role in national land transport infrastructure. It will do this through establishing a National Land Transport Plan and through funding processes that give competing land transport solutions and providers equitable access to Australian Government funding.

Roads to Recovery

In January, the Government announced the extension, for four years from 2005-06, of the *Roads to Recovery* programme. *Roads to Recovery* provides funding directly to local councils to maintain and upgrade local roads.

Under the new arrangements the Government will provide \$200 million a year, allocated by formula as under the existing arrangements, to local councils to upgrade local roads while \$100 million a year will be available direct to councils to undertake local land transport infrastructure projects of strategic regional importance.

The *AusLink* White Paper will be released later in 2004.



A total of \$3.1 billion over seven years from 2001-02 to counter terrorist threats

Investing in Australia's security

Ensuring the security of our people and our nation is a major priority for the Government. Significant new funding is being provided through the *Investing in Australia's Security* package to counter terrorist threats in Australia and the region.

A safer Australia, a safer region

Reflecting the Government's commitment to making Australia safe and secure, this Budget provides an additional \$755 million (including \$144 million capital funding) over five years to counter the threat of terrorism in Australia and the region. In total, the Government has committed \$3.1 billion over the seven years from 2001-02 for a range of national security initiatives.

Strong intelligence is the best weapon in the fight against terrorism. The Government will provide \$270 million to Australia's intelligence gathering agencies to boost their capacity to identify and respond to possible threats to national security.

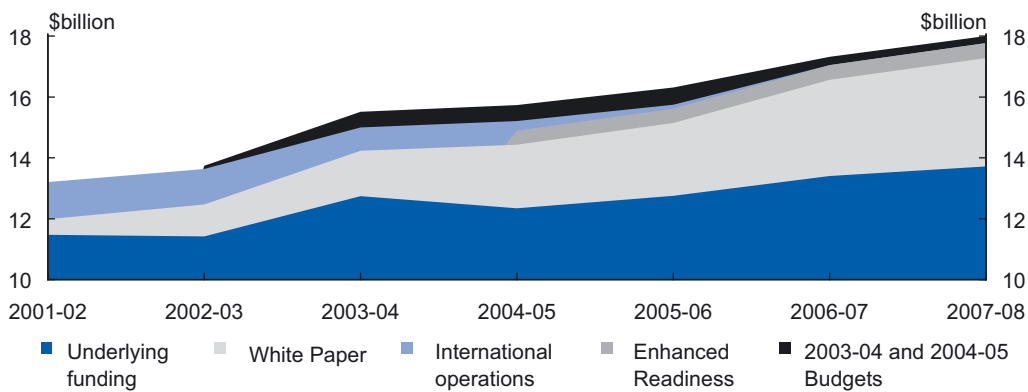
Funding of \$207 million will be used to upgrade protective security. This includes testing national information systems as part of continuing efforts in critical infrastructure protection, more Air Security Officers and diplomatic guarding as well as relocating a number of overseas diplomatic and trade missions in high risk locations.

An additional \$150 million will help secure Australia's borders. More robust identity verification processes will be tested for passport holders, and Australia's global visa processing systems will be enhanced.

Because the threat to Australia from terrorism extends beyond our borders, the Government will provide \$87 million to improve security capacity and cooperation in the region. The Australian Federal Police will be more able to assist regional counterparts respond to terrorist attacks, and funding will be provided for the establishment of a regional counter-terrorism centre in Indonesia.

Enhancing regional governance

In addition to security initiatives in the region, the Government is acting to support improved governance in the Pacific. The Regional Assistance Mission to Solomon Islands and the Enhanced Cooperation Package in Papua New Guinea aim to improve law and order, and build stronger economies in the Pacific.



The Government has committed nearly \$40 billion in new funding to defence since coming to office in 1996

An ongoing commitment to strong defence

This Budget implements and supports the outcomes of two key reviews into Defence capabilities and procurement processes, and provides funding, as required, for Australia's ongoing participation in Iraq and East Timor.

International deployments

To meet its international obligations, the Government will provide \$132 million to allow for the continuation of the current Australian Defence Force (ADF) deployment to Iraq through financial year 2004-05. The timeframe for, and composition of, operations in Iraq will be kept under review.

The Government will also provide \$27 million over two years for the expected extension of the ADF and Australian Federal Police contribution to the United Nations mission in East Timor.

Improving Defence capability

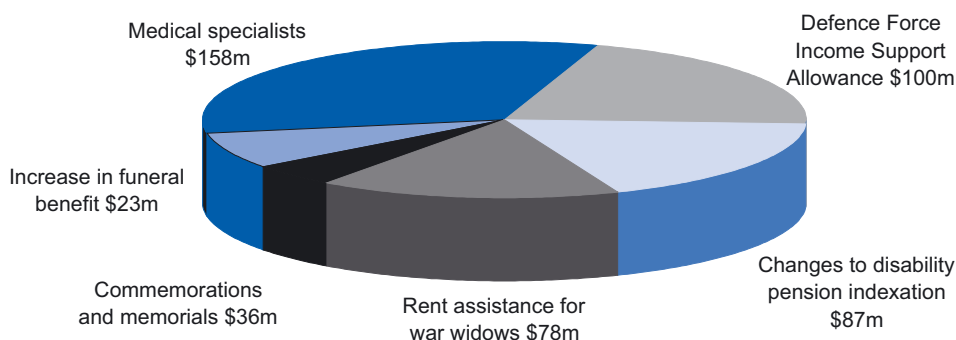
In late 2003, the Government reviewed Australia's Defence Capability Plan (DCP) in light of changes in the strategic environment and Defence's heightened operational tempo.

As a result, the Government has announced the replacement of Leopard tanks with the Abrams M1 tanks, the acquisition of larger amphibious lift ships and three air warfare destroyers, and an upgrade of the F/A-18s.

Capabilities are underpinned by strong operational support. Funding of \$815 million over four years will be provided for logistics support for a range of platforms, including the P-3C Orions, ANZAC Frigates, and Collins class submarines. This includes \$610 million for additional programmes beyond those provided for in the 2003-04 Budget.

The Government has also committed \$458 million over the next four years to improve conditions for ADF personnel, including measures to increase rental assistance, as well as the quality of, and access to, housing.

Following the Defence Procurement Review, the Government has committed \$33 million over five years to significantly improve capability development and acquisition processes through the Defence Materiel Organisation.



Additional assistance for veterans totalling \$481 million over five years

Enhancing support for our veterans

The Government places a high priority on meeting its obligations to those who have served in the defence of Australia. Assistance for veterans and their families has been enhanced and additional funding provided for health services and commemorative activities.

Response to the Clarke Review

Reflecting its commitment to veterans, the Government responded to the Clarke review of veterans' entitlements in March 2004 with a \$289 million package (over five years) to provide extra assistance to veterans and their families. Measures include:

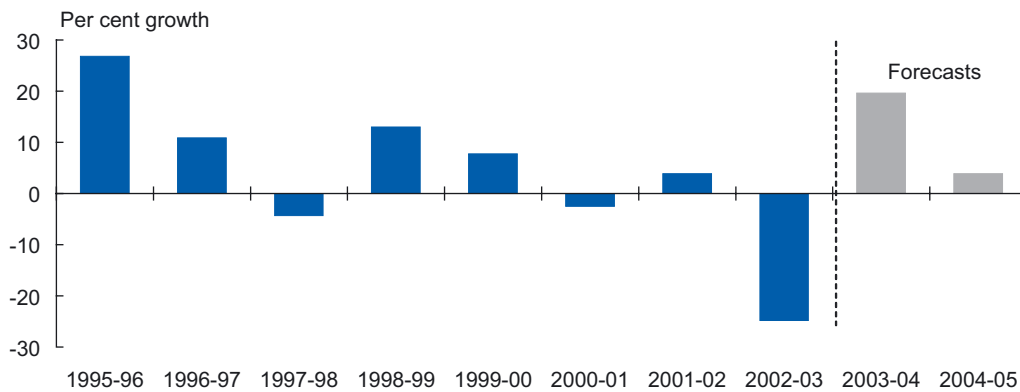
- around 19,000 disability pensioners and their partners who also receive income support payments will receive the *Defence Force Income Support Allowance* from 20 September 2004. This will average an extra \$40 per fortnight
- indexation arrangements for the above general rate component of disability pension will be made more generous from 20 March 2004, benefiting around 45,000 veterans
- around 11,500 war widows/widowers will benefit from payment of rent assistance in addition to the income support supplement, worth up to an extra \$95.40 per fortnight, from 1 January 2005
- an ex-gratia payment of \$25,000 will be made to all surviving prisoners of war held captive during the Korean War (or their widows/widowers) who were alive on 1 July 2003
- the maximum funeral benefit is also being increased from \$572 to \$1,000 on 1 July 2004.

Veterans' health

Funding of \$158 million over four years will ensure veterans retain access to medical specialists. This will be achieved through making higher payments to specialists for treating veterans.

Commemorations and memorials

Fostering recognition by the community of the contribution of those who have served is important. The Government will provide \$36 million to facilitate redeveloping the Australian War Memorial's Post-1945 Galleries, repair war graves, and support other commemorative activities.



Farm production hit by the drought but forecast to recover

Assisting rural and regional Australia

Maintaining a strong, productive and competitive rural sector and self-reliant regional communities is important, ensuring Australia's long term prosperity. The Government is supporting the rural sector through the drought, and assisting rural producers and communities to prepare for the future.

Drought Assistance

The drought has affected almost two thirds of Australia's productive agricultural land over the last two years and has had major social and economic impacts.

\$73 million in this Budget takes this total to around \$1.1 billion in direct assistance to farmers in drought affected regions over the period 2002-03 to 2005-06.

Agriculture Advancing Australia

Programmes including FarmBis, FarmHelp and the Rural Financial Counselling Service, aim to support primary producers to respond positively to change, to adopt and benefit from innovation and to meet the challenges of farming in Australia. The Government is ensuring the continuation of these and other programmes by providing \$236 million over the next four years to the package.

Wine industry assistance

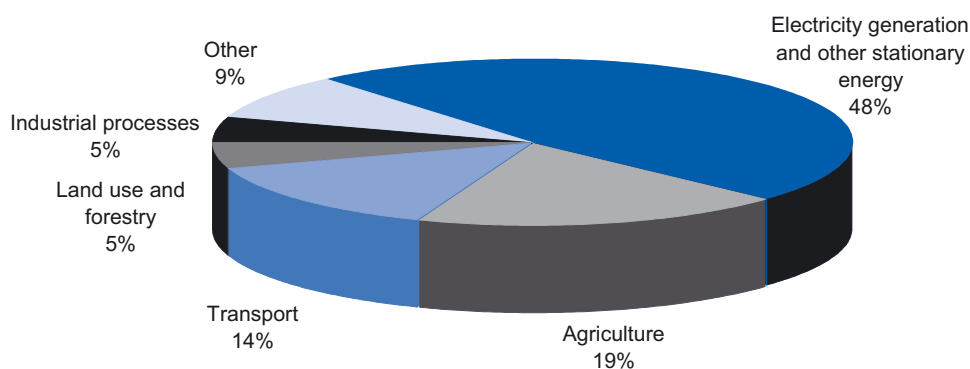
The Government will rebate \$290,000 to every wine producer from 1 October 2004 to offset the wine equalisation tax (WET) on up to \$1 million per annum of their domestic wholesale sales. Tax relief will be pro-rated in 2004-05. The changes will provide significant benefits to small wine producers in rural and regional Australia and effectively exempt 90 per cent of wine producers from the WET.

Sugar Industry Reform

The sugar industry will receive more than \$444 million over five years from 2003-04 to help secure its long term future.

Regional Partnerships

The Government is strengthening its commitment to promoting self reliant regional communities by providing \$78 million over four years to the Regional Partnerships programme. This funding will support initiatives for regional business development, and improved access to services. As GST revenue grows it can fund these tax reductions



Australia's greenhouse gas emissions 2002: percentage of emissions by sector

Sustaining our environment

Sustainable development is a cornerstone of Australia's continuing economic prosperity. The Government's comprehensive response to climate change and investment in our largest river system will help position Australia to meet the challenge of global warming and safeguard our future economic prosperity.

Climate change strategy

The Government is committed to lowering Australia's greenhouse gas emissions while maintaining Australia's strong and internationally competitive economy.

Funding of \$248 million over the period 2004-05 to 2007-08 will implement the Government's Climate Change Strategy. This builds on existing programmes to reduce Australia's greenhouse gas emissions.

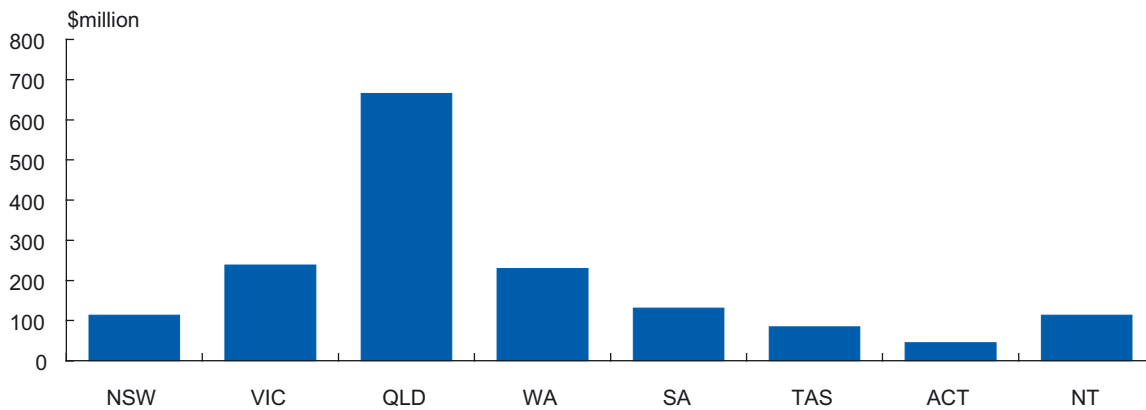
A comprehensive global response to climate change is vital. The strategy includes \$20 million for Australia to actively participate in international forums, \$30 million to improve emissions measurement and analysis, and \$26 million to ensure a strategic national response to climate change.

The strategy will provide \$27 million to foster the development of innovative low emissions technologies, and encourage industry and the community to reduce emissions.

Preparing for, and managing the unavoidable consequences of climate change is also a key part of the strategy. Some \$31 million will enable additional scientific research aimed at better understanding and predicting how future changes in Australia's climate will impact on our environment, communities and industry.

Murray-Darling Basin

A healthy Murray-Darling Basin is vital to the industries, communities and ecosystems relying on water from the system. The Government will provide almost \$70 million over three years to the Murray-Darling Basin Commission to fund capital works and education activities, and oversee important salinity mitigation work. This is in addition to the \$200 million announced by the Government in relation to the National Water Initiative, which will help address water over-allocation in the Murray-Darling Basin.



States' gains from tax reform in 2004-05

Delivering more funding to the States

After just four years of *The New Tax System*, all States and Territories will fully benefit from the Australian Government's tax reforms. All States and Territories in 2004-05 and beyond will receive more GST revenue than they would have received had tax reform not been implemented.

States better off

All GST is paid to the States and Territories, delivering them a secure and growing revenue base. This can be used to fund services such as hospitals, schools and police, and to reduce state taxes.

In 2004-05, every State and Territory receive more revenue than it would have received had the Australian Government not implemented tax reform.

GST revenue collections in 2004-05 will be reduced by the decision to allow certain taxpayers to pay GST annually. However, the Government will compensate the States and Territories for this impact. Including these payments, the States and Territories will receive an additional \$1.6 billion in revenues in 2004-05.

- New South Wales will receive \$113.7 million more
- Victoria will receive \$237.9 million more
- Queensland will receive \$665.6 million more
- Western Australia will receive \$229.1 million more

- South Australia will receive \$130.9 million more
- Tasmania will receive \$84.3 million more
- The ACT will receive \$45.1 million more
- The NT will receive \$113.6 million more.

The benefit to the States and Territories will increase over time, with the States and Territories estimated to be better off by a total of \$2.9 billion in 2007-08.

Removing more taxes

In March 2004, the Australian Government received a commitment from the States and Territories that they will abolish debits tax by 1 July 2005. Individuals and businesses will no longer be taxed every time they make a withdrawal from a bank account with a cheque drawing facility. This will save taxpayers around \$1 billion in 2005-06.

A review is now underway on the need to retain a range of inefficient and distorting State business stamp duties. As GST revenue grows it can fund these tax reductions.

Appendix A

Australian Government budget aggregates

The table below shows the main cash and accrual budget aggregates for the Australian Government general government sector over the period 2002-03 to 2007-08. The underlying cash surplus is estimated to be \$2.4 billion in 2004-05. The fiscal surplus is estimated to be \$0.7 billion. More comprehensive information is provided in *Budget Strategy and Outlook 2004-05, Statement 2*.

| | Actual | Estimates | | Projections | | |
|--------------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|
| | 2002-03 | 2003-04 | 2004-05 | 2005-06 | 2006-07 | 2007-08 |
| Revenue (\$b) | 175.0 | 186.2 | 193.2 | 201.4 | 212.2 | 223.1 |
| Per cent of GDP | 23.2 | 23.0 | 22.5 | 22.2 | 22.2 | 22.1 |
| Expenses (\$b) | 169.2 | 183.1 | 192.3 | 200.6 | 210.0 | 220.9 |
| Per cent of GDP | 22.4 | 22.6 | 22.4 | 22.1 | 22.0 | 21.9 |
| Net operating balance (\$b) | 5.8 | 3.1 | 0.8 | 0.8 | 2.2 | 2.2 |
| Net capital investment (\$b) | -0.2 | 0.0 | 0.1 | 0.0 | -0.1 | -0.4 |
| Fiscal balance (\$b) | 6.0 | 3.0 | 0.7 | 0.7 | 2.3 | 2.6 |
| Per cent of GDP | 0.8 | 0.4 | 0.1 | 0.1 | 0.2 | 0.3 |
| Underlying cash balance (\$b) | 7.5 | 4.6 | 2.4 | 1.6 | 3.4 | 4.5 |
| Per cent of GDP | 1.0 | 0.6 | 0.3 | 0.2 | 0.4 | 0.4 |
| <i>Memorandum item:</i> | | | | | | |
| Headline cash balance (\$b) | 7.3 | 4.0 | 1.0 | 0.0 | 12.8 | 13.7 |

(a) All estimates are based on Government Finance Statistics (GFS) standards, but with Goods and Services Tax (GST) revenue collected on behalf of the States and Territories netted off revenue and expenses.

Appendix B

Spending initiatives in the 2004-05 Budget

This table provides a summary of significant new expenditure measures in the 2004-05 Budget. More comprehensive information is provided in Budget Paper No.2, *Budget Measures 2004-05*.

| | 2004-05 \$m | 2005-06 \$m | 2006-07 \$m | 2007-08 \$m | Total \$m |
|---|----------------|----------------|----------------|----------------|----------------|
| National security | | | | | |
| Increased funding to intelligence agencies | 50.6 | 59.2 | 57.4 | 60.6 | 227.8 |
| Critical infrastructure protection | 12.8 | 15.2 | 11.4 | 10.8 | 50.2 |
| Border security | 13.6 | 17.5 | 17.0 | 19.8 | 67.9 |
| Strong defence | | | | | |
| Additional funding for logistics | 142.1 | 146.7 | 158.4 | 368.4 | 815.6 |
| Iraq deployment | 124.6 | 3.0 | 4.0 | - | 131.6 |
| Estate Upkeep | - | 90.0 | 100.0 | 110.0 | 300.0 |
| Personnel initiatives | 2.0 | 71.8 | 138.8 | 165.3 | 377.9 |
| Science and innovation | | | | | |
| National Competitive Grants Program | -0.4 | -1.4 | -1.5 | 286.8 | 283.5 |
| Research Infrastructure Block Grants | - | - | 106.6 | 108.7 | 215.3 |
| National Collaborative Research Infrastructure Strategy | 1.9 | 15.1 | 100.3 | 102.7 | 220.0 |
| CSIRO - Flagships Initiatives | 30.0 | 35.0 | 40.0 | 50.0 | 155.0 |
| Health and medical research infrastructure | 26.0 | 27.0 | 28.0 | 29.0 | 110.0 |
| Commercial Ready Program | 5.5 | 16.7 | 144.1 | 200.0 | 366.3 |
| Transport infrastructure | | | | | |
| AusLink | 92.4 | 113.2 | 156.7 | 151.7 | 514.0 |
| Roads to Recovery | - | 300.0 | 300.0 | 300.0 | 900.0 |
| Aged Care | | | | | |
| Conditional Adjustment Payment | 81.1 | 172.6 | 265.7 | 373.1 | 892.5 |
| Building Better Aged Care Homes | 123.4 | 112.9 | 104.1 | 98.1 | 438.5 |
| Better Skills for Better Care | 14.2 | 26.2 | 29.3 | 31.7 | 101.4 |
| Agriculture - Advancing Australia | | | | | |
| FarmHelp | 41.7 | 49.6 | 31.3 | 12.3 | 134.9 |
| FarmBis | 13.6 | 17.7 | 17.8 | 17.6 | 66.7 |
| Rural Financial Counselling Service | 5.9 | 5.9 | 5.7 | 5.8 | 23.3 |
| International Agriculture Cooperation | 1.6 | 1.6 | 1.6 | 1.6 | 6.4 |
| Industry Partnerships | 4.7 | - | - | - | 4.7 |
| Sugar Industry Reform | | | | | |
| Sustainability grants | 73.1 | - | - | - | 73.1 |
| Regional and community projects | 15.0 | 35.0 | 25.0 | - | 75.0 |
| Restructuring grants | 17.9 | 20.0 | 2.6 | - | 40.5 |
| Re-establishment grants | 62.6 | 24.1 | 9.5 | .. | 96.2 |
| Veterans' Entitlements | | | | | |
| Defence Forces income support allowance | 24.1 | 23.0 | 23.0 | 22.8 | 92.9 |
| Rent assistance for war widows | 11.5 | 21.4 | 22.3 | 23.1 | 78.3 |
| Medical specialists' fees for services provided to veterans | 24.9 | 45.2 | 43.5 | 44.0 | 157.6 |
| Commonwealth Games | 48.1 | 90.4 | 1.3 | - | 139.8 |
| Total impact of expenses and capital in 2004-05 Budget | 6398.0 | 6986.0 | 7811.0 | 9020.0 | 30215.0 |

Appendix C

Detailed economic forecasts for 2004-05

The table below shows Australia's macroeconomic forecasts. Economic growth is forecast to be around 3¾ per cent in 2003-04 and 3½ per cent in 2004-05. More comprehensive information is provided in *Budget Strategy and Outlook 2004-05, Statement 3*.

| | Outcomes 2002-03 | Estimates 2003-04 | Forecasts 2004-05 |
|--|---------------------|----------------------|----------------------|
| Demand and output(a)(b) | | | |
| Household consumption | 4.1 | 5 1/2 | 4 1/4 |
| Private investment | | | |
| Dwellings | 15.5 | 6 | -3 |
| Total business investment(c) | 16.8 | 11 | 7 |
| Non-dwelling construction(c) | 31.9 | 16 | 6 |
| Machinery and equipment(c) | 16.4 | 10 | 8 |
| Intangible fixed assets | 5.7 | 4 | 7 |
| Private final demand(c) | 6.7 | 6 1/2 | 4 |
| Public final demand(c) | 4.3 | 2 3/4 | 3 1/2 |
| Total final demand | 6.2 | 5 3/4 | 4 |
| Change in inventories(d) | | | |
| Private non-farm | 0.1 | - 1/4 | 0 |
| Farm and public authorities(e) | -0.1 | 1/2 | - 1/4 |
| Gross national expenditure | 6.2 | 6 | 3 3/4 |
| Exports of goods and services | -0.5 | 2 | 8 |
| Imports of goods and services | 13.5 | 12 | 9 |
| Net exports(d) | -3.0 | -2 1/4 | - 1/2 |
| Gross domestic product(a)(b) | 2.9 | 3 3/4 | 3 1/2 |
| Non-farm product | 4.0 | 3 1/4 | 3 1/2 |
| Farm product | -24.8 | 20 | 4 |
| Other selected economic measures(a) | | | |
| External accounts | | | |
| Terms of trade | 2.1 | 6 1/2 | 4 1/2 |
| Current account balance | | | |
| \$billion | -41.4 | -46 | -43 1/2 |
| Percentage of GDP | -5.5 | -5 3/4 | -5 |
| Labour market | | | |
| Employment (labour force survey basis) | 2.5 | 1 3/4 | 1 3/4 |
| Unemployment rate (per cent) | 6.2 | 5 3/4 | 5 3/4 |
| Participation rate (per cent) | 63.7 | 63 1/2 | 63 1/2 |
| Prices and wages | | | |
| Consumer Price Index | 3.1 | 2 1/4 | 2 |
| Gross non-farm product deflator | 2.6 | 4 | 2 1/2 |
| Wage Cost Index | 3.5 | 3 3/4 | 3 3/4 |

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

(b) Chain volume measure.

(c) Excluding second-hand asset sales from the public sector to the private sector.

(d) Percentage point contribution to growth in GDP.

(e) For presentation purposes, forecast changes in inventories held by privatised marketing authorities are included with the inventories of the farm sector and public marketing authorities.

Appendix D

Historical budget and net debt data

This table provides historical data and forward estimates for Australian Government general government cash receipts, cash payments, cash surplus and net debt. The table provides details of the cash budget aggregates for the period 1972-73 to 2007-08. More comprehensive information is provided in *Budget Strategy and Outlook 2004-05, Statement 13*.

| | Receipts | | Payments | | Cash surplus | | Net debt | |
|-------------------|----------------|-------------|----------------|-------------|--------------|------------|---------------|------------|
| | \$m | Per cent | \$m | Per cent | \$m | Per cent | \$m | Per cent |
| | | of GDP | | of GDP | | of GDP | | of GDP |
| 1972-73 | 9,414 | 19.8 | 9,120 | 19.2 | 294 | 0.6 | -790 | -1.7 |
| 1973-74 | 11,890 | 20.6 | 10,829 | 18.8 | 1,061 | 1.8 | -1,851 | -3.2 |
| 1974-75 | 15,325 | 22.6 | 15,275 | 22.5 | 50 | 0.1 | -1,901 | -2.8 |
| 1975-76 | 18,316 | 23.0 | 19,876 | 25.0 | -1,560 | -2.0 | -341 | -0.4 |
| 1976-77 | 21,418 | 23.3 | 22,657 | 24.7 | -1,239 | -1.4 | 898 | 1.0 |
| 1977-78 | 23,491 | 23.4 | 25,489 | 25.4 | -1,998 | -2.0 | 2,896 | 2.9 |
| 1978-79 | 25,666 | 22.6 | 27,753 | 24.5 | -2,087 | -1.8 | 4,983 | 4.4 |
| 1979-80 | 29,780 | 23.1 | 31,041 | 24.1 | -1,261 | -1.0 | 6,244 | 4.8 |
| 1980-81 | 35,148 | 24.1 | 35,260 | 24.2 | -112 | -0.1 | 6,356 | 4.4 |
| 1981-82 | 40,831 | 24.3 | 40,394 | 24.0 | 437 | 0.3 | 5,919 | 3.5 |
| 1982-83 | 44,675 | 24.7 | 47,907 | 26.5 | -3,232 | -1.8 | 9,151 | 5.1 |
| 1983-84 | 49,102 | 24.0 | 55,966 | 27.4 | -6,864 | -3.4 | 16,015 | 7.8 |
| 1984-85 | 57,758 | 25.6 | 63,639 | 28.2 | -5,881 | -2.6 | 21,896 | 9.7 |
| 1985-86 | 64,845 | 26.1 | 69,838 | 28.1 | -4,993 | -2.0 | 26,889 | 10.8 |
| 1986-87 | 73,145 | 26.9 | 75,392 | 27.7 | -2,247 | -0.8 | 29,136 | 10.7 |
| 1987-88 | 81,217 | 26.1 | 79,440 | 25.6 | 1,777 | 0.6 | 27,359 | 8.8 |
| 1988-89 | 88,369 | 25.1 | 82,202 | 23.4 | 6,167 | 1.8 | 21,982 | 6.2 |
| 1989-90 | 95,517 | 24.8 | 88,882 | 23.1 | 6,635 | 1.7 | 16,121 | 4.2 |
| 1990-91 | 97,705 | 24.6 | 97,333 | 24.5 | 372 | 0.1 | 16,936 | 4.3 |
| 1991-92 | 92,966 | 22.9 | 104,551 | 25.7 | -11,585 | -2.8 | 31,132 | 7.7 |
| 1992-93 | 94,448 | 22.2 | 111,484 | 26.2 | -17,036 | -4.0 | 55,218 | 13.0 |
| 1993-94 | 100,142 | 22.4 | 117,252 | 26.2 | -17,110 | -3.8 | 70,223 | 15.7 |
| 1994-95 | 109,720 | 23.3 | 122,901 | 26.1 | -13,181 | -2.8 | 83,492 | 17.7 |
| 1995-96 | 121,105 | 24.1 | 131,182 | 26.1 | -10,077 | -2.0 | 95,831 | 19.1 |
| 1996-97 | 129,845 | 24.5 | 135,126 | 25.5 | -5,281 | -1.0 | 96,281 | 18.2 |
| 1997-98 | 135,779 | 24.2 | 134,608 | 24.0 | 1,171 | 0.2 | 82,935 | 14.8 |
| 1998-99 | 146,496 | 24.7 | 142,159 | 24.0 | 4,337 | 0.7 | 70,402 | 11.9 |
| 1999-00 | 165,806 | 26.5 | 152,747 | 24.4 | 13,059 | 2.1 | 53,768 | 8.6 |
| 2000-01 | 160,829 | 24.0 | 154,858 | 23.1 | 5,970 | 0.9 | 42,651 | 6.4 |
| 2001-02 | 162,524 | 22.8 | 163,507 | 22.9 | -983 | -0.1 | 38,024 | 5.3 |
| 2002-03 | 176,147 | 23.4 | 168,661 | 22.4 | 7,486 | 1.0 | 29,665 | 3.9 |
| 2003-04(e) | 185,214 | 22.8 | 180,605 | 22.3 | 4,609 | 0.6 | 26,000 | 3.2 |
| 2004-05(e) | 194,237 | 22.6 | 191,821 | 22.3 | 2,416 | 0.3 | 24,562 | 2.9 |
| 2005-06(p) | 201,831 | 22.3 | 200,117 | 22.1 | 1,714 | 0.2 | 22,028 | 2.4 |
| 2006-07(p) | 211,832 | 22.1 | 208,183 | 21.8 | 3,649 | 0.4 | 6,964 | 0.7 |
| 2007-08(p) | 222,748 | 22.1 | 217,956 | 21.6 | 4,792 | 0.5 | -9,067 | -0.9 |

(e) estimate (p) projection