

Labor's Plan for a Better Future.

Better Budget

Better Economy



Foreword.

Labor's Plan for a Better Economy, Better Budget and Better Future

A better future relies on a stronger, broader, more inclusive, and more sustainable economy – powered by cleaner and cheaper energy, a better-trained workforce with higher participation, and key investments in the care economy, digital economy, and a Future Made in Australia.

Labor's comprehensive Economic Plan will boost productivity and expand the capacity of the economy to address high and rising inflation, falling real wages, and a trillion dollars in debt with not enough to show for it.

This will give Australians the best chance to keep up with the skyrocketing costs of living, secure more of the opportunities of a recovering economy, and get ahead.

Labor's Budget Strategy is responsible and carefully calibrated to the economic circumstances, the growing challenges faced by hardworking Australians and our priorities.

We will deliver on our commitments by prioritising smart and targeted investments that generate an economic dividend and by cracking down on the Liberals' waste, rorts and economic mismanagement.

Our commitments are modest and represent no more than an additional 0.4 per cent of the total budget in any year of the forward estimates but will deliver significant and meaningful ongoing cost of living relief and long-term economic benefits.

Labor's plan is fully costed and will deliver a Better Future for Australians.



Jim Chalmers MP
Shadow Treasurer



Senator Katy Gallagher
Shadow Finance Minister



Labor's Economic Plan and Budget Strategy.

Labor's Economic Plan will alleviate supply side pressures by enhancing the productive capacity of the economy, will facilitate higher wages growth and will help families manage the skyrocketing costs of living.

Under our five-point Economic Plan, Labor will:

- Invest in cleaner and cheaper energy through our Powering Australia policy cutting power bills by \$275 a year by 2025, unlocking \$76 billion in investment and creating over 600,000 jobs, most of these in the regions.
- Better train our workforce through fee-free TAFE and more university places to equip Australians with critical skills to address the nation's skill crisis.
- Invest in cheaper child care which will reduce cost pressures for 1.26 million working families, unlocking the equivalent of an additional 44,000 full-time workers and boost GDP through higher workforce participation by at least three times as much as the Government's alternative.
- Invest in infrastructure including upgrading the NBN as the first step in modernising our digital economy to begin capturing the digital economic opportunity, which could be worth up to \$207 billion in GDP per year by 2030 if Australia caught up to global leaders.
- Create a Future Made in Australia with procurement and co-investment plans through the National Reconstruction Fund to stimulate billions of dollars in private investment, secure supply chains and revitalise regions through more jobs and opportunities in more parts of the country.



Labor's Economic Plan will support our Budget Strategy.

The best way to fix the Budget and pay down debt is to lift growth and boost incomes, and the best way to improve the economy and lift growth is to make smart and responsible investments to expand productive capacity, so the economy can grow faster than debt.

Labor will:

- Expand the capacity of the economy so that it can grow faster than debt.
- Prioritise spending based on quality investments to ensure our policies are the most efficient ways to achieve maximum economic benefit, while delivering real outcomes for Australians in essential areas like Medicare, aged care and child care.
- Crack down on waste, rorts and mismanagement, including by conducting a waste audit and by trimming spending on consultants, contractors and labour hire.
- Ensure multinationals pay their fair share of tax in Australia.

Labor understands that there is not scope to spend on every good idea and that we can't undo the damage done over a decade in one Budget or even one term – and that we need to prioritise, and sequence and be responsible.

Our priorities when it comes to new spending are to:

- Create jobs and boost participation.
- Invest in lifting productivity, especially through investment in human capital.
- Generate new business investment.
- Increase wages and grow incomes.

Labor's Economic Plan provides confidence in our ability to invest in a stronger, broader, more inclusive, and more sustainable economy. This includes significant cost of living support for families through child care reform, investments in cleaner and cheaper energy, and strengthening Medicare.

Labor has followed a rigorous process to consider each policy in light of these priorities to ensure that they are the most efficient way to deliver the most benefit to our economy, its workers, families, employers and communities.

Labor has worked closely with the independent Parliamentary Budget Office over the last three years in finalising our budget position. Labor's election commitments are either fully costed through the Parliamentary Budget Office, are capped commitments or are matching a Government policy commitment costed by Treasury and the Department of Finance.

Liberal Budget mismangement.

The Liberals have been the most wasteful government since Federation. Scott Morrison – as Treasurer and Prime Minister – has overseen a budget riddled with rorts and slush funds, and weighed down by waste.

After promising surpluses in the first and every year, this Liberal Government has delivered more consecutive deficits than any government since the 1920s.

They doubled the debt before the pandemic and have now racked up \$1 trillion in debt, with not enough to show for it.

Key examples of the Liberals' rorts and waste include:

- **\$19.7 billion** in JobKeeper payments to companies with rising revenues.
- **\$5.7 billion** spent buying votes from slush funds targeted at Coalition or marginal seats.
- **\$5.5 billion** on submarines that we will never see be built.
- **\$1 billion** in government advertising.

Scott Morrison has treated taxpayers' money like it is Liberal Party money, and an Albanese Labor Government will end this Government's rorts and waste.

Ending the rorts

Labor will put an end to the record rorts and waste that have riddled the budget under Scott Morrison. We will start by reducing the uncommitted funding in the Community Development Grants Program by \$350 million and returning the Regionalisation Fund to the budget. These two decisions alone will repair the budget by \$750 million over the forward estimates.

Waste audit

Labor will also improve the quality of investments from the budget by reducing wasteful spending. An incoming Labor Government will conduct a waste audit across government. The audit will be conducted by the Department of Finance and Treasury, to identify additional savings to repair the budget.

Budget impact of Labor's commitments.

Labor's Plan for a Better Future is fully costed and reflects the priorities and choices of an Albanese Labor Government.

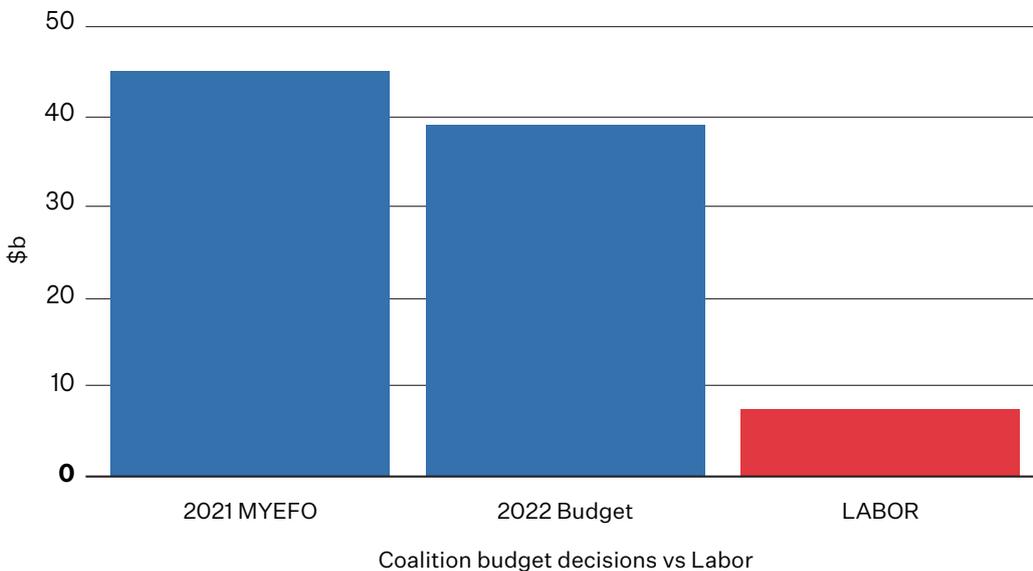
Our investments are smart and targeted to deliver economic value, and our offsets are responsible.

The difference between Labor and the Government's budget positions is a clear statement of the choice at this election: an Albanese Government will deliver a Better Future with cheaper child care, cheaper and cleaner energy and a better trained workforce.

Our policy commitments will have a net aggregate impact of \$7.4 billion over the forward estimates compared to the underlying cash balance outlined in the 2022 PEFO.

Labor's election commitments are measured and modest compared to the Government's commitments in the election period (2021 MYEFO, 2022 Budget), which total \$45 billion and \$39 billion respectively.

Net impact of decisions





Labor’s Budget Strategy is supported by a responsible package of \$11.5 billion in budget improvements to offset the majority of Labor’s election commitments that include:

- Ending the waste and rorts.
- Trimming spending on consultants, contractors and labour hire.
- Trimming spending on advertising, legal and travel.
- Increasing foreign investment fees and penalties.
- Extending and boosting existing ATO programs.
- Ensuring multinationals pay their fair share of tax.

This means that Labor’s budget position over the forward estimates sees:

- Deficits decline both in dollar terms and as a percentage of the economy each year over the forward estimates.
- Spending as a per cent of GDP decline in each year over the forward estimates.

To put the difference in context, it is:

- No larger than 3.5 per cent of the total deficits over the forward estimates.
- Less than 0.1 per cent of GDP in any year of the forward estimates.
- Less than 3 per cent of the debt accrued by the Liberals before the pandemic began.
- Less than half of the \$19.7 billion of waste that went to firms that increased their earnings during the pandemic.
- Less than a fifth of the \$39 billion in net spending that was outlined by the Morrison Government in the 2022 Budget without any offsets, which followed \$45 billion in net spending in the 2021-22 MYEFO that was not offset.

Budget position

Underlying Cash Balance (\$b)	2022-23	2023-24	2024-25	2025-26 (\$b)
2022 PEFO	-77.9	-56.5	-47.1	-42.9
ALP Underlying Cash Balance	-79.1	-58.3	-49.3	-45.2
IMPACT OF ALP COMMITMENTS^(a)	-1.1	-1.7	-2.2	-2.3

(a) Includes impact of public debt interest (PDI)

Agriculture, Environment and Water

	2022-23 (\$m)	2023-24 (\$m)	2024-25 (\$m)	2025-26 (\$m)
Animal Welfare Strategy	-2.3	-2.3	-2.3	-2.3
Biosecurity Dogs and Trainers	-1.2	-2.1	-2.1	-2.1
Cairns Water Security Project	0.0	-10.0	-43.8	-53.8
Coastal Marine Ecosystems Centre	-15.0	0.0	0.0	0.0
Ensure Proper Consultation on Hells Gates Dam proposal - one year deferral	0.0	50.0	50.0	350.0
Environment Assurance Commissioner - abolition	2.3	2.3	2.3	2.3
Expanding the work of the National Institute for Forest Products and Innovation and extending funding for Regional Forestry Hubs	-12.0	-15.0	-25.0	-28.3
Forestry Workforce Training Program	-0.5	-1.5	-4.0	-4.0
Landcare Rangers and Facilitator	-19.3	-19.3	-19.3	-19.3
Marine Parks Management	-1.0	-1.0	-1.0	-1.0
Plan for the Murray-Darling Basin	-27.4	-32.8	-12.8	-12.8
Reef 2050 Plan	0.0	-31.5	-31.5	-31.5
Return funding from the Great Barrier Reef Foundation	88.5	0.0	0.0	0.0
Saving Native Species Fund	-26.0	-15.2	-15.2	-15.2
Shovel Ready Catchment and Reef Restoration Projects	-21.3	-21.3	-21.3	-21.3
Tasmanian Irrigation	-20.0	-20.0	-20.0	-20.0
Urban Rivers and Catchments Program	-5.0	-5.0	-10.0	-20.0

Attorney-General's, Defence, Home Affairs, Emergency Management and Veterans' Affairs

	2022-23 (\$m)	2023-24 (\$m)	2024-25 (\$m)	2025-26 (\$m)
A Government that Works for Multicultural Australia	-0.5	-0.5	0.0	0.0
Abolish TPVs and SHEVs and create a new permanent visa	-39.0	-48.0	-129.0	-191.0
Advanced Strategic Research Agency ^(a)	0.0	0.0	0.0	0.0
Anti-racism Strategy	-3.0	-1.5	-1.5	-1.5
Defence portfolio grants	-1.5	-1.5	0.0	0.0
Disaster Ready Fund	-29.4	0.0	0.0	0.0
Disaster Relief Australia	-8.7	-12.7	-16.7	0.0
Funding for Community Legal Centres in flood and bushfire affected areas	-3.0	-3.0	-3.0	-3.0
Improving Home Ownership for Defence Personnel and Veterans ^(a)	0.0	0.0	0.0	0.0
Improving the Adult Migrant English Program	-2.5	-5.0	-5.0	-7.5
Increasing penalty units	5.7	7.7	8.6	8.7
Increasing the Temporary Skilled Migration Income Threshold	6.8	21.7	38.0	65.6
Increasing the Totally and Permanently Incapacitated Payment for Veterans	-13.4	-27.4	-28.1	-28.9
Local Multicultural Projects	-17.0	-14.3	0.0	0.0
Marking WWI Graves ^(a)	0.0	0.0	0.0	0.0
National Anti-Corruption Commission	-10.0	-10.0	-10.0	-10.0
Native Title Respondents Scheme - abolition	1.7	1.8	1.8	1.8
Restoring funding to Environmental Defenders Offices and Environmental Justice Australia	-2.3	-2.3	-2.3	-2.3
Tackling Modern Slavery ^(a)	0.0	0.0	0.0	0.0
Veterans' Wellbeing Package	-11.6	-11.2	-11.2	-11.2
Women's Safety - Respect@Work	-9.2	-9.2	-8.4	-8.4

(a) funded from existing resources

Child Care, Education, Skills, Training and Youth

	2022-23 (\$m)	2023-24 (\$m)	2024-25 (\$m)	2025-26 (\$m)
20,000 More University Places	-96.1	-156.7	-153.8	-117.2
Abolish PaTH Internships	3.1	6.7	6.3	6.4
Australian Skills Guarantee	0.0	0.0	0.0	0.0
Cheaper Child Care	-6.0	-1,523.8	-1,710.8	-1,832.6
Community Language Schools	-5.0	-5.0	-5.0	0.0
Consent and Respectful Relationships Education	-3.5	-14.7	-22.4	-20.5
Ending the 10% upfront fee discount	19.6	40.0	41.7	43.4
Fee-Free TAFE	-112.1	-229.9	-237.9	-216.5
Fix Teacher Shortages and Stop the Slide in School Results	-17.2	-34.5	-47.3	-53.2
Helping Families Learn and Grow with Playgroups	-2.5	-3.5	-3.5	-1.5
Safe Kids are eSmart Kids ^(a)	0.0	0.0	0.0	0.0
Schools Upgrade Fund	-144.0	-94.0	0.0	0.0
Startup Year	-1.7	-3.6	-4.3	-5.0
Student Wellbeing Boost	-201.5	0.0	0.0	0.0
TAFE Technology Fund	-25.0	-25.0	0.0	0.0
Y Career Agency	-15.2	0.0	0.0	0.0

(a) funded from existing resources



Climate Change and Energy

	2022-23 (\$m)	2023-24 (\$m)	2024-25 (\$m)	2025-26 (\$m)
Driving the Nation	-11.4	-9.7	-59.2	-59.1
Energy Efficiency grants for SMEs	-20.0	-40.0	0.0	0.0
Ensuring Certainty for Kurri Kurri	-3.5	-11.0	18.6	53.0
New Energy Skills Program	-5.4	-5.3	0.0	0.0
New Energy Apprenticeships	-5.4	-10.5	-15.5	-20.6
Powering Australia - Community Batteries for Household Solar	-52.5	-51.3	-51.3	-51.3
Powering Australia - Commonwealth fleet leases	-1.3	-3.1	-5.2	-6.3
Powering Australia - Development of Australia's Seaweed Farming	-4.0	-4.0	0.0	0.0
Powering Australia - Electric Car Discount	-54.3	-81.2	-104.7	-148.1
Powering Australia - Real World Vehicle Testing	-0.2	-0.3	-3.5	-3.5
Powering Australia - Rewiring the Nation	-7.0	-34.0	-92.0	-174.0
Powering Australia - Solar Banks	-25.0	-25.0	-25.0	-25.0
Townsville Hydrogen Hub	-17.5	-17.5	-17.5	-17.5

Communications and the Arts

	2022-23 (\$m)	2023-24 (\$m)	2024-25 (\$m)	2025-26 (\$m)
A Better Funded ABC	-20.9	-20.9	-20.9	-20.9
ABC/Double J Radio - feasibility study	-0.5	0.0	0.0	0.0
Abolish the Australian 5G Innovation Initiative	8.9	8.6	4.5	0.0
Better Connectivity for Rural and Regional Australia Plan ^(a)	0.0	0.0	0.0	0.0
Boost Fibre and Fast-Track the NBN Repair Job ^(b)	0.0	0.0	0.0	0.0
Five-year funding terms for National Broadcasters	0.0	0.0	0.0	0.0
Improving Mobile Coverage	-15.0	-15.0	-10.0	0.0
SBS Relocation Feasibility Study ^(c)	0.0	0.0	0.0	0.0
Supporting Community Broadcasting	0.0	-4.0	-4.0	-4.0
Supporting Regional and Local Newspapers	-12.5	-2.5	0.0	0.0

(a) funding reprioritised from existing government measure

(b) financing mechanism to be developed in consultation with NBNCos

(c) funded from within existing resources

Families, Social Services, NDIS and Government Services

	2022-23 (\$m)	2023-24 (\$m)	2024-25 (\$m)	2025-26 (\$m)
Abolish the Cashless Debit Card ^(a)	0.0	0.0	0.0	0.0
Assistance Dogs Australia	-2.0	0.0	0.0	0.0
Freezing Deeming Rates for Two Years	0.0	0.0	0.0	0.0
Incentivising Pensioners to Downsize	-9.3	-17.9	-16.7	-17.6
Lifting the income threshold for the Commonwealth Seniors Health Card	-16.4	-16.7	-18.1	-19.3
National Autism Strategy	-5.3	0.0	0.0	0.0
Plan for the NDIS	-8.3	-8.3	-8.3	-8.3
Robodebt Royal Commission	-30.0	0.0	0.0	0.0
Save Our Centrelink	-0.6	-0.6	-0.6	-0.6
Women's Safety - 500 new community workers	-19.3	-38.3	-49.4	-50.8

(a) no financial implications due to commercial-in-confidence sensitivities



First Nations

	2022-23 (\$m)	2023-24 (\$m)	2024-25 (\$m)	2025-26 (\$m)
Doubling Indigenous Rangers and increasing funding for Indigenous Protected Areas	0.0	-10.0	-10.0	-10.0
First Nations Foreign Policy ^(a)	0.0	0.0	0.0	0.0
First Nations Justice	-15.0	-28.1	-28.1	-28.1
Implementing the Uluru Statement from the Heart	-7.1	-13.7	-6.9	0.0
Restoring Funding for Homelands	-100.0	0.0	0.0	0.0
Strengthening First Nations Health	-22.9	-23.4	-25.4	-27.7
Teaching First Nations Languages in Schools	-2.0	-6.0	-6.0	0.0

(a) funded from within existing resources

Foreign Affairs and Trade

	2022-23 (\$m)	2023-24 (\$m)	2024-25 (\$m)	2025-26 (\$m)
Australia Pacific Defence School ^(a)	0.0	0.0	0.0	0.0
Boosting Australian Development Assistance to the Pacific	-96.4	-115.8	-153.8	-172.2
Boosting Support for Pacific Maritime Security ^(a)	0.0	0.0	0.0	0.0
Boosting the Australian NGO Cooperation Program	-7.4	-7.4	-8.4	-8.4
Deepening Australia’s Engagement with Southeast Asia	-84.1	-102.5	-138.4	-156.8
Expanding the Pacific Labour Scheme	0.4	6.0	9.8	13.4
Indo-Pacific Broadcasting ^(a)	0.0	0.0	0.0	0.0
Reforming the Seasonal Worker Program ^(b)	0.0	0.0	0.0	0.0
Supporting Australian Tourism and Travel	-24.0	-24.0	0.0	0.0
Trade Diversification Plan ^(a)	0.0	0.0	0.0	0.0

(a) funded from within existing resources

(b) cost neutral policy

Health and Aged Care

	2022-23 (\$m)	2023-24 (\$m)	2024-25 (\$m)	2025-26 (\$m)
Assistance for IVF	-13.3	-13.3	-13.3	-13.3
Australian Centre for Disease Control ^(a)	0.0	0.0	0.0	0.0
Bentley Surgicentre	0.0	-0.6	-15.0	-17.5
Comprehensive Cancer Centre in Adelaide	-20.0	-15.0	-15.0	-13.5
Comprehensive Cancer Centre in Brisbane	-2.0	-13.0	-80.0	-90.0
Cutting the PBS General Co-payment to \$30	-104.3	-212.0	-220.0	-229.0
Expanding Newborn Screening	-8.6	-9.3	-9.5	-9.8
Expansion of the Continuous Glucose Monitoring initiative for people with Type 1 Diabetes	-57.8	-64.7	-71.8	-78.9
Fixing the Aged Care Crisis	-11.4	-160.8	-982.2	-1,344.4
Flinders Medical Centre	-3.0	-7.5	-20.0	-50.0
Local Health Investments	-10.6	-8.0	-10.8	-5.8
More access to MRIs	-3.5	-3.5	-3.5	-3.5
National Melanoma Nurse Network	-1.7	-3.3	-4.7	-5.2
National Nurse and Midwife Health Support Service	-3.1	-6.4	-6.6	-6.8
Renewing Australia's efforts to end the HIV pandemic	-2.6	-1.4	-1.4	-1.4
Restoring Regional Mental Telehealth Services	-6.9	-7.5	-8.3	-9.1
Rural and Regional Health	-19.5	-39.8	-44.1	-44.7
Rural Health and Medical Training for Far North Queensland	-3.4	-6.3	-7.1	-8.2
Shepherd Centres	-3.9	-1.9	-0.8	0.0
Sport4All	-3.4	-2.7	-2.3	-1.9
Stay Afloat	-0.8	-0.8	0.0	0.0
Strengthening Medicare Fund	0.0	-250.0	-250.0	-250.0
Strengthening Medicare GP Grants	-198.0	-22.0	0.0	0.0
Surf Life Saving Clubs	-1.6	-1.6	-1.6	0.0
Telehealth Nurse Program - Patient Pathways	-0.8	-0.8	-0.8	0.0
Urgent Care Clinics	0.0	-54.2	-40.7	-40.7

(a) design to be determined in consultation with States and Territories



Infrastructure				
	2022-23 (\$m)	2023-24 (\$m)	2024-25 (\$m)	2025-26 (\$m)
Infrastructure Projects	-6.2	-8.4	-116.1	-236.5
Local Community, Sport and Infrastructure Projects	-86.6	-104.8	-75.0	0.0
National Rail Manufacturing Plan	-2.0	-4.0	-4.0	-4.0
Reduce uncommitted funding in the Community Development Grants Program	25.0	240.0	85.0	0.0
Regionalisation Fund - abolish	50.0	100.0	120.0	130.0

Secure Jobs and Industry				
	2022-23 (\$m)	2023-24 (\$m)	2024-25 (\$m)	2025-26 (\$m)
Abolish the ABCC	28.0	35.9	36.2	36.6
Australian Jobs Summit and White Paper on the Labour Market ^(a)	0.0	0.0	0.0	0.0
Australian Made Batteries Plan	-3.1	-6.9	-2.1	-2.2
Closing the Gender Pay Gap - Fair Pay for Working Women	-2.1	-2.1	-2.1	-2.1
Entrepreneurs Program - reduce uncommitted funding	0.0	0.0	96.0	101.7
Jobs and Skills Australia ^(b)	0.0	0.0	0.0	0.0
Local Industry Grants	-87.1	-41.5	-10.0	-10.0
National Reconstruction Fund	6.8	26.2	49.5	73.4
Paid Domestic Violence Leave ^(a)	0.0	0.0	0.0	0.0
Reprioritising unallocated funding from the Modern Manufacturing Initiative	75.3	73.3	0.0	0.0
Supporting Australia's Textile, Clothing and Footwear Industry	-2.0	-2.0	-2.0	-2.0
Transfer functions of the ROC to the FWC ^(c)	0.0	0.0	0.0	0.0

(a) funded from within existing resources
(b) funded from National Skills Commission
(c) cost neutral policy

Treasury, Finance, Housing and the Public Service

	2022-23 (\$m)	2023-24 (\$m)	2024-25 (\$m)	2025-26 (\$m)
Buy Australian Plan ^(a)	0.0	0.0	0.0	0.0
Extend and boost existing ATO programs	90.0	584.3	1,017.9	1,390.5
Fighting Online Scams	-2.0	0.0	0.0	0.0
Help to Buy	-20.9	-54.9	-101.9	-151.0
Housing Australia and the National Housing Supply and Affordability Council ^(a)	0.0	0.0	0.0	0.0
Housing Australia Future Fund	-0.3	-0.7	0.0	1.0
Increasing FIRB Fees and Penalties	71.6	121.3	125.0	127.6
Plan to ensure Multinationals Pay Their Fair Share of Tax	0.0	461.0	769.0	666.0
Reinvestment in the Australian Public Service	-67.2	-135.1	-135.9	-136.6
Savings from Advertising, Travel and Legal Expenses	142.5	142.5	142.5	142.5
Savings from External Labour	500.0	666.7	833.3	1,000.0
Strengthening Competition to Ease Cost of Living Pressures	139.4	139.4	139.4	139.5
Waste and Rorts Audit ^(a)	0.0	0.0	0.0	0.0

(a) funded from within existing resources



A Better Future.