



Federal Financial Relations (National Specific Purpose Payments for 2018-19) Determination 2019

I, Michael Sukkar, Assistant Treasurer, make the following determination.

Dated 4 September 2019

Michael Sukkar
Assistant Treasurer

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Part 1—Preliminary

1 Name

This instrument is the *Federal Financial Relations (National Specific Purpose Payments for 2018-19) Determination 2019*.

2 Commencement

- (1) Each provision of this instrument specified in column 1 of the table commences, or is taken to have commenced, in accordance with column 2 of the table. Any other statement in column 2 has effect according to its terms.

| Commencement information | | |
|---------------------------------|--|--------------|
| Column 1 | Column 2 | Column 3 |
| Provisions | Commencement | Date/Details |
| 1. The whole of this instrument | The day after this instrument is registered. | |

Note: This table relates only to the provisions of this instrument as originally made. It will not be amended to deal with any later amendments of this instrument.

- (2) Any information in column 3 of the table is not part of this instrument. Information may be inserted in this column, or information in it may be edited, in any published version of this instrument.

3 Authority

This instrument is made under the *Federal Financial Relations Act 2009*.

4 Definitions

Note: Paragraph 13(1)(b) of the *Legislation Act 2003* has the effect that expressions have the same meaning in this instrument as in the *Federal Financial Relations Act 2009* as in force from time to time.

In this instrument:

NDIS means the National Disability Insurance Scheme.

the Act means the *Federal Financial Relations Act 2009*.

Section 5

Part 2—Determination of national specific purpose payments for 2018-19

5 National specific purpose payments for skills and workforce development for 2018-19

- (1) For the purposes of subsection 12(4) of the Act, the total amount under paragraph 12(2)(c) of the Act is to be indexed for the 2018-19 financial year in the manner set out in paragraph D27 in Schedule D to the Intergovernmental Agreement using the estimates published in the 2019-20 *Budget Paper No. 3*. The result of the determined manner of indexation for the 2018-19 financial year is that the total amount is to be indexed by applying a growth rate of 1.43 per cent.

Note 1: Paragraph D27 in Schedule D to the Intergovernmental Agreement provides that the growth factor for national skills and workforce development specific purpose payments is calculated according to the following formula:

$$\text{growth factor} = (0.85 \times \text{Wage Cost Index 1}) + (0.25 \times \text{Wage Cost Index 6})$$

Note 2: The Wage Cost Indices are weighted averages of movements in a wage component and the All Groups Consumer Price Index published by the Australian Statistician, to reflect movements in labour and supplier costs respectively. The wage component is calculated from dollar increases in the national minimum wage determined by the Fair Work Commission, expressed as a percentage of the latest available Average Weekly Ordinary Time Earnings figures published by the Australian Statistician.

- (2) Under paragraph 12(2)(c) of the Act, the total amount of all financial assistance payable under subsection 12(1) of the Act to the States for the 2018-19 financial year is \$1,516,875,055.65.
- (3) For the purposes of subsection 12(5) of the Act, the manner in which the total amount stated in subsection (2) of this section is to be divided between the States is the manner set out in the Intergovernmental Agreement. Each item of the following table specifies the resulting amount that is to be paid to the State specified in the item, for the purpose of making a grant of financial assistance for the 2018-19 financial year, for the purpose of expenditure on skills and workforce development:

| Item | For this State: | The amount of financial assistance for the 2018-19 financial year is: |
|------|------------------------------|---|
| 1 | New South Wales | \$484,790,418.73 |
| 2 | Victoria | \$393,228,307.88 |
| 3 | Queensland | \$304,442,058.94 |
| 4 | Western Australia | \$157,036,626.63 |
| 5 | South Australia | \$105,003,510.23 |
| 6 | Tasmania | \$32,025,593.42 |
| 7 | Australian Capital Territory | \$25,535,387.11 |
| 8 | Northern Territory | \$14,813,152.71 |

Section 6

| Item | For this State: | The amount of financial assistance for the 2018-19 financial year is: |
|-------------|------------------------|--|
| | Total | \$1,516,875,055.65 |

6 National specific purpose payments for disability services for 2018-19

- (1) For the purposes of subsection 13(4) of the Act, the total amount under paragraph 13(2)(c) of the Act is to be adjusted for the 2018-19 financial year by:
- excluding from that total amount financial assistance relating to States that have fully transitioned to the NDIS; and
 - indexing the amount remaining in the manner set out in paragraph D28 in Schedule D to the Intergovernmental Agreement, using the estimates published in the 2019-20 *Budget Paper No. 3* (resulting in the amount remaining being indexed using a growth rate of 4.17 per cent).

Note 1: Paragraph D28 in Schedule D to the Intergovernmental Agreement provides that the growth factor for national disability specific purpose payments as the rolling five-year average of year-on-year growth in nominal gross domestic product.

- (2) Under paragraph 13(2)(c) of the Act, the total amount of all financial assistance payable under subsection 13(1) of the Act to the States for the 2018-19 financial year is \$958,146,484.83.
- (3) For the purposes of subsection 13(5) of the Act, the manner in which the total amount stated in subsection (2) of this section is to be divided between the States is the manner set out in the Intergovernmental Agreement, as affected by any agreement between the Commonwealth and one or more States relating to the NDIS. Each item of the following table specifies the resulting amount that is to be paid to the State specified in the item, for the purpose of making a grant of financial assistance for the 2018-19 financial year, for the purpose of expenditure on disability services:

| Item | For this State: | The amount of financial assistance for the 2018-19 financial year is: |
|-------------|------------------------------|--|
| 1 | New South Wales | Nil |
| 2 | Victoria | \$417,915,924.16 |
| 3 | Queensland | \$323,555,506.73 |
| 4 | Western Australia | \$166,895,682.81 |
| 5 | South Australia | Nil |
| 6 | Tasmania | \$34,036,220.70 |
| 7 | Australian Capital Territory | Nil |
| 8 | Northern Territory | \$15,743,150.43 |
| | Total | \$958,146,484.83 |