



# Budget

## 2019-20

### **Portfolio Budget Statements 2019-20** **Budget Related Paper No. 1.13**

#### Jobs and Small Business Portfolio

Budget Initiatives and Explanations of  
Appropriations Specified by Outcomes  
and Programs by Entity

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**Minister for Jobs and Industrial Relations**

**Minister for Women**

The Hon Kelly O'Dwyer MP

President of the Senate  
Australian Senate  
Parliament House  
CANBERRA ACT 2600

Speaker  
House of Representatives  
Parliament House  
CANBERRA ACT 2600

Dear Mr President  
Dear Mr Speaker

I hereby submit these Portfolio Budget Statements in support of the 2019–20 Budget for the Jobs and Small Business portfolio.

These statements have been developed, and are submitted to the Parliament, as a statement on the outcomes for the Portfolio.

I present these statements to provide accountability to the Parliament and, through it, the public.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Kelly O'Dwyer', written over a printed name.

**Kelly O'Dwyer**

## Abbreviations and conventions

The following notation may be used:

NEC/nec	not elsewhere classified
-	nil
..	not zero, but rounded to zero
na	not applicable (unless otherwise specified)
nfp	not for publication
\$m	\$ million
\$b	\$ billion

Figures in tables and in the text may be rounded. Figures in text are generally rounded to one decimal place, whereas figures in tables are generally rounded to the nearest thousand. Discrepancies in tables between totals and sums of components are due to rounding.

## Enquiries

Should you have any enquiries regarding this publication please contact the Chief Financial Officer at the Department of Jobs and Small Business on 1300 488 064.

Links to Portfolio Budget Statements (including Portfolio Additional Estimates Statements and Portfolio Supplementary Additional Statements) can be located on the Australian Government Budget website at: [www.budget.gov.au](http://www.budget.gov.au).

**USER GUIDE  
TO THE  
PORTFOLIO BUDGET STATEMENTS**



## USER GUIDE

The purpose of the *2019–20 Portfolio Budget Statements* (PB Statements) is to inform Senators and Members of Parliament of the proposed allocation of resources to government outcomes by entities within the portfolio. Entities receive resources from the annual appropriations acts, special appropriations (including standing appropriations and special accounts), and revenue from other sources.

A key role of the PB Statements is to facilitate the understanding of proposed annual appropriations in Appropriation Bills (No. 1 and No. 2) 2019–20 (or Appropriation (Parliamentary Departments) Bill (No. 1) 2019–20 for the parliamentary departments). In this sense, the PB Statements are Budget related papers and are declared by the Appropriation Acts to be ‘relevant documents’ to the interpretation of the Acts according to section 15AB of the *Acts Interpretation Act 1901*.

The PB Statements provide information, explanation and justification to enable Parliament to understand the purpose of each outcome proposed in the Bills.

As required under section 12 of the *Charter of Budget Honesty Act 1998*, only entities within the general government sector are included as part of the Commonwealth general government sector fiscal estimates and produce PB Statements where they receive funding (either directly or via portfolio departments) through the annual appropriation acts.

### The Enhanced Commonwealth Performance Framework

The following diagram outlines the key components of the enhanced Commonwealth Performance Framework. The diagram identifies the content of each of the publications and the relationship between them. Links to the publications for each entity within the portfolio can be found in the introduction to Section 2: Outcomes and planned performance.

## Enhanced Commonwealth Performance Framework

### Key components of relevant publications

#### Portfolio Budget Statements (April) *Portfolio based*

Supports Annual Appropriations. Informs Senators and Members of Parliament of the proposed allocation of other resources to **government outcomes and programs**.

Provides links to **relevant programs** undertaken by other Commonwealth entities.

Provides high level performance information for current, ongoing programs, particularly a **forecast of performance for the current year**.

Provides **detailed** prospective performance information for proposed new budget measures that require a **new program** or **significantly change an existing program**.

#### Corporate Plan (August) *Entity based*

**Primary planning document** of a Commonwealth entity.

Sets out the **purposes** of the entity, the **activities** it will undertake to achieve its purposes and the **results** it expects to achieve over a minimum four year period.

Describes the **environment** in which the entity **operates**, the **capability** it requires to undertake **activities** and a discussion of **risk**.

Explains how the entity's **performance** will be **measured** and **assessed**.



#### Annual Performance Statement (October following year) *Entity based*

Included in the Commonwealth entity's Annual Report. Focuses on **recent performance**.

Reports on the **actual performance results** for the year against the **forecasts** made in the **corporate plan** and **Portfolio Budget Statements**, and provides other performance information relevant to the entity.

Provides an **analysis** of the factors that **contributed** to the **entity's performance results**.



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# **PORTFOLIO OVERVIEW**



# JOBS AND SMALL BUSINESS PORTFOLIO OVERVIEW

## Ministers and portfolio responsibilities

The Jobs and Small Business Portfolio provides advice, support, programs and services to the Australian Government and wider community. It works with other Australian Government agencies, state and territory governments, and a range of service providers to connect people with jobs, facilitate growth of small and family businesses, build business productivity and support workplace safety. The ministers responsible for the Jobs and Small Business Portfolio are:

- The Hon Kelly O'Dwyer MP, Minister for Jobs and Industrial Relations, Minister for Women
- Senator the Hon Michaelia Cash, Minister for Small and Family Business, Skills and Vocational Education.

The **Department of Jobs and Small Business** is responsible for national policies and programs that help Australians find and keep employment, facilitate the growth of small business, and work in safe, fair and productive workplaces.

The **Asbestos Safety and Eradication Agency** is dedicated to working with jurisdictions and affected parties to facilitate a national approach to the eradication, handling and awareness of asbestos.

The **Australian Building and Construction Commission** is responsible for ensuring compliance with workplace laws in building and construction workplaces and delivering impartial advice to the building and construction industry.

**Comcare, the Safety, Rehabilitation and Compensation Commission, and the Seafarers Safety, Rehabilitation and Compensation Authority** contribute to a safer, fairer and more productive Australia. Comcare partners with workers, their employers and unions to keep workers healthy and safe, and reduce the incidence and cost of workplace injury and disease.

The **Fair Work Commission** is Australia's national workplace relations tribunal. It is responsible for administering provisions of the *Fair Work Act 2009* as well as a range of other functions.

The **Fair Work Ombudsman** promotes harmonious, productive and cooperative workplace relations and ensures compliance with Commonwealth workplace laws. The **Registered Organisations Commission** promotes the efficient management and accountability of registered organisations.

**Safe Work Australia** is leading the development of policy to improve work health and safety and workers' compensation arrangements across Australia.

*Portfolio overview*

**Coal Mining Industry (Long Service Leave Funding) Corporation** (Coal LSL) is responsible for the Coal Mining Industry Long Service Leave Fund, connecting employers and employees with long service leave for the good of Australia's black coal mining industry.

As a Public Financial Corporation, Coal LSL is not required to prepare budget statements and therefore is not included in this document.

For information on resourcing across the portfolio, please refer to Part 1: Agency Financial Resourcing in *Budget Paper No. 4: Agency Resourcing*.

A full outline of the Jobs and Small Business portfolio can be found at Figure 1.

**Figure 1: Jobs and Small Business portfolio structure and outcomes**

<p>The Hon Kelly O'Dwyer MP, Minister for Jobs and Industrial Relations, Minister for Women</p> <p>Senator the Hon Michaelia Cash, Minister for Small and Family Business, Skills and Vocational Education</p>
<p><b>Department of Jobs and Small Business</b></p> <p>Kerri Hartland, Secretary</p> <p><b>Outcome 1</b> Foster a productive and competitive labour market through employment policies and programs that assist job seekers into work, meet employer needs and increase Australia's workforce participation.</p> <p><b>Outcome 2</b> Facilitate jobs growth through policies and programs that promote fair, productive and safe workplaces, and facilitate the growth of small business.</p>
<p><b>Asbestos Safety and Eradication Agency</b></p> <p>Justine Ross, Chief Executive Officer</p> <p><b>Outcome</b> Assist in the prevention of exposure to asbestos fibres and the elimination of asbestos-related disease in Australia through implementing the National Strategic Plan for Asbestos Awareness and Management in Australia.</p>
<p><b>Australian Building and Construction Commission</b></p> <p>Stephen McBurney, Commissioner</p> <p><b>Outcome</b> Enforce workplace relations laws in the building and construction industry and ensure compliance with those laws by all participants in the building and construction industry through the provision of education, assistance and advice.</p>
<p><b>Comcare, the Safety, Rehabilitation and Compensation Commission, and the Seafarers Safety, Rehabilitation and Compensation Authority</b></p> <p>Lynette MacLean, A/g Chief Executive Officer</p> <p><b>Outcome</b> Supporting participation and productivity through healthy and safe workplaces that minimise the impact of harm in workplaces covered by Comcare.</p>

**Figure 1: Jobs and Small Business portfolio structure and outcomes (continued)**

<p style="text-align: center;"><b>Fair Work Commission</b> Bernadette O’Neill, General Manager</p> <p><b>Outcome</b> Simple, fair and flexible workplace relations for employees and employers through the exercise of powers to set and vary minimum wages and modern staff awards, facilitate collective bargaining, approve agreements and deal with disputes.</p>
<p style="text-align: center;"><b>Fair Work Ombudsman and the Registered Organisations Commission</b> Sandra Parker PSM, Ombudsman Mark Bielecki, Registered Organisations Commissioner</p> <p><b>Outcome 1</b> Compliance with workplace relations legislation by employees and employers through advice, education and, where necessary enforcement.</p> <p><b>Outcome 2</b> Effective governance and financial transparency of registered employee and employer organisations, through regulation, investigation and appropriate enforcement action.</p>
<p style="text-align: center;"><b>Safe Work Australia</b> Michelle Baxter, Chief Executive Officer</p> <p><b>Outcome</b> Healthier, safer and more productive workplaces through improvements to Australian work health and safety and workers’ compensation arrangements.</p>
<p style="text-align: center;"><b>Coal Mining Industry (Long Service Leave Funding) Corporation</b> Darlene Perks, Chief Executive Officer</p> <p><b>Outcome</b> Responsible for the Coal Mining Industry Long Service Leave Fund, Coal LSL connects employers and employees with long service leave for the good of Australia’s black coal mining industry.</p>



## **ENTITY RESOURCES AND PLANNED PERFORMANCE**

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**DEPARTMENT OF JOBS AND SMALL  
BUSINESS**

**ENTITY RESOURCES AND PLANNED  
PERFORMANCE**



# DEPARTMENT OF JOBS AND SMALL BUSINESS

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## **DEPARTMENT OF JOBS AND SMALL BUSINESS**

### **Section 1: Entity overview and resources**

#### **1.1 STRATEGIC DIRECTION STATEMENT**

Employment is central to a strong economy. By providing advice and delivering programs to improve the performance of labour markets, the Department of Jobs and Small Business stimulates stronger job growth, helps job seekers into work, promotes safe, fair and productive workplaces, and supports small and family businesses.

The Department has two Outcomes:

- Foster a productive and competitive labour market through employment policies and programs that assist job seekers into work, meet employer needs and increase Australia's workforce participation.
- Facilitate jobs growth through policies and programs that promote fair, productive and safe workplaces, and facilitate the growth of small business.

To achieve these Outcomes, the major priorities for 2019–20 include:

- implementing transformative change to the delivery of employment services, including a digital platform to help job-ready job seekers self-service, and reinvesting in the system to provide more intensive, targeted and tailored support for those who need extra help. The new model introduces a new licensing system and an enhanced payment and performance framework. Elements of the new model will be piloted in Adelaide South and New South Wales' Mid-North Coast from 1 July 2019 ahead of a national roll-out in July 2022
- continuing to deliver efficient and effective employment services through jobactive and complementary programs ahead of the national roll-out of a new employment services system
- implementing initiatives to support Australians, particularly in regional areas or areas experiencing unique challenges due to large-scale industry changes, and provide them with a better chance of securing future job opportunities as technological transformation impacts the economy
- providing mature age Australians with opportunities to contribute to the workforce, share their skills and insights with younger workers and continue to benefit from the economic and social wellbeing of having a job

*Department of Jobs and Small Business Budget Statements*

- supporting local solutions for jobs creation in regional areas through a targeted grant program to help stimulate communities to deliver tailored local employment solutions
- increasing the proportion of seasonal work taken up by Australian job seekers and encouraging more smaller farmers to participate in the Seasonal Worker Programme
- delivering the Government's commitment to protecting vulnerable workers and ensuring that migration policies and practices are in line with the workplace relations framework
- encouraging entrepreneurship and self-employment, particularly to support opportunities for mature age Australians, and providing nationally-accredited training, mentoring and business advice
- administering payments and recovery activities under the Fair Entitlements Guarantee which assists workers who have unpaid employment entitlements when they are made redundant by the liquidation or bankruptcy of their employer
- working cooperatively with our portfolio agencies to ensure a fair, productive, flexible and safe national workplace relations system
- supporting small and family business and enterprise development, and ensuring that small business interests are considered in national economic reform
- promoting safer workplaces in the building and construction industry through the Australian Government Building and Construction WHS Accreditation Scheme which provides mandated accreditation requirements for companies to undertake most Commonwealth-funded building and construction projects
- contributing to higher productivity through implementation of national approaches to workplace health and safety and workers' compensation laws
- engaging with relevant international forums and advising on policies and programs to promote Australia's national interests and inform domestic policies, and
- contributing to the government's deregulation agenda by reducing unnecessary compliance burdens.

Further information about the activities of the Department of Jobs and Small Business can be found at [www.jobs.gov.au](http://www.jobs.gov.au) and in the Department of Jobs and Small Business Corporate Plan.

Budget measures for 2019–20 for the Department are presented in Table 1.2.



## **1.2 ENTITY RESOURCE STATEMENT**

Table 1.1 shows the total funding from all sources available to the entity for its operations and to deliver programs and services on behalf of the Government.

The table summarises how resources will be applied by outcome (government strategic policy objectives) and by administered (on behalf of the Government or the public) and departmental (for the entity's operations) classification.

For more detailed information on special accounts and special appropriations, please refer to *Budget Paper No. 4 – Agency Resourcing*.

Information in this table is presented on a resourcing (that is, appropriations/cash available) basis, whilst the 'Budgeted expenses by Outcome' tables in Section 2 and the financial statements in Section 3 are presented on an accrual basis.

**Table 1.1: Department of Jobs and Small Business resource statement — Budget estimates for 2019–20 as at Budget April 2019**

	2018–19 (a) Estimated actual \$'000	2019–20 Estimate \$'000
<b>Departmental</b>		
Annual appropriations — ordinary annual services (b)		
Prior year appropriations available	140,178	139,122
Departmental appropriation (c)	318,215	339,062
s74 Retained revenue receipts (d)	53,533	53,834
Departmental capital budget (e)	23,517	26,370
Annual appropriations — other services — non-operating (f)		
Equity injection	16,390	30,179
Total departmental annual appropriations	<u>551,833</u>	<u>588,567</u>
<b>Total departmental resourcing</b>	<b>551,833</b>	<b>588,567</b>
<b>Administered</b>		
Annual appropriations — ordinary annual services (b)		
Prior year appropriations available	9,782	9,782
Outcome 1	1,623,942	1,523,366
Outcome 2	38,884	36,340
Payments to corporate entities (g)	5,989	5,989
Total administered annual appropriations	<u>1,678,597</u>	<u>1,575,477</u>
<b>Special Appropriations</b>		
<b>Special Appropriations limited by criteria/entitlement</b>		
Public Governance, Performance and Accountability Act 2013 — s77	30	30
Coal Mining Industry (Long Service Leave) Administration Act 1992	125,859	124,992
Safety, Rehabilitation and Compensation Act 1988	29,387	28,302
Asbestos-related Claims (Management of Commonwealth Liabilities) Act 2005	30,695	26,884
Fair Entitlements Guarantee Act 2012	190,578	219,320
Total administered annual appropriations	<u>376,549</u>	<u>399,528</u>
less payments to corporate entities from annual/special appropriations	5,989	5,989
<b>Total administered resourcing</b>	<b>2,049,157</b>	<b>1,969,016</b>
<b>Total resourcing for Department of Jobs and Small Business</b>	<b>2,600,990</b>	<b>2,557,583</b>
	<u>2018-19</u>	<u>2019-20</u>
<b>Average staffing level (number)</b>	<b>1,983</b>	<b>1,999</b>

Prepared on a resourcing (i.e. appropriations available) basis.

Please note: All figures shown above are GST exclusive—these may not match figures in the cash flow statement.

- (a) Annual appropriation amounts appearing for 2018–19 do not include the Appropriation Bills (No. 3) and (No. 4) 2018–2019, as they had not been enacted at the time of publication.
- (b) Appropriation Bill (No. 1) 2019–20.
- (c) Excludes Departmental Capital Budget (DCB). There is a difference of \$0.8m between the appropriation revenue recognised in Table 3.1 and the appropriation shown in the agency resource table. 2018–19 Supplementary appropriation was not included in the appropriation bills due to timing.
- (d) Estimated retained revenue receipts under section 74 of the PGPA Act.
- (e) DCBs are not separately identified in Appropriation Bill (No.1) and form part of ordinary annual services items. Please refer to Table 3.5 for further details. For accounting purposes, this amount has been designated as a 'contribution by owner'. Excludes \$0.933 million in 2018–19 withheld under section 51 of the PGPA Act.
- (f) Appropriation Bill (No. 2) 2019–20.
- (g) 'Corporate entities' are corporate Commonwealth entities and Commonwealth companies as defined under the PGPA Act.

**Table 1.1: Department of Jobs and Small Business resource statement — Budget estimates for 2019–20 as at Budget, April 2019 (continued)**

**Third party payments from and on behalf of other entities**

	<i>2018–19 Estimated actual \$'000</i>	2019–20 Estimate \$'000
Payments made by other entities on behalf of Department of Jobs and Small Business (disclosed above)	30,000	30,000
Receipts received from other entities for the provision of services (disclosed above in s74 Retained revenue receipts section above)	53,533	53,834
Payments made to corporate entities within the Portfolio Comcare (Annual Appropriation Bill 1)	5,989	5,989

### 1.3 BUDGET MEASURES

Budget measures in Part 1 relating to the Department of Jobs and Small Business are detailed in Budget Paper No. 2 and are summarised below.

**Table 1.2: Entity 2019–20 Budget measures  
Part 1: Measures announced since the 2018–19 Mid-Year Economic and Fiscal  
Outlook (MYEFO)**

	Program	2018–19 \$'000	2019–20 \$'000	2020–21 \$'000	2021–22 \$'000	2022–23 \$'000
<b>Expense measures</b>						
Better Targeting of Support for Refugees	1.1					
Administered expenses		-	(8,517)	(21,647)	(22,916)	(25,359)
Departmental expenses		-	16	-	-	-
<b>Total</b>		-	<b>(8,501)</b>	<b>(21,647)</b>	<b>(22,916)</b>	<b>(25,359)</b>
Harvest Labour Services — reforms to encourage Australian jobseekers to take up seasonal work	1.1					
Administered expenses		-	-	5,737	6,873	6,044
Departmental expenses		-	1,165	1,383	1,377	737
<b>Total</b>		-	<b>1,165</b>	<b>7,120</b>	<b>8,250</b>	<b>6,781</b>
New Employment Services Model — pilot and transitional arrangements	1.1					
Administered expenses		-	(35,347)	(25,870)	(65,286)	(7,462)
Departmental expenses		389	14,553	15,796	14,814	-
<b>Total</b>		<b>389</b>	<b>(20,794)</b>	<b>(10,074)</b>	<b>(50,472)</b>	<b>(7,462)</b>
Protecting your Super Package — amendment (a)	1.1					
Administered expenses		-	(378)	(1,366)	(1,684)	(1,829)
Departmental expenses		-	-	-	-	-
<b>Total</b>		-	<b>(378)</b>	<b>(1,366)</b>	<b>(1,684)</b>	<b>(1,829)</b>
Protecting Your Super Package — putting members' interests first (a)	1.1					
Administered expenses		-	10	71	34	30
Departmental expenses		-	-	-	-	-
<b>Total</b>		-	<b>10</b>	<b>71</b>	<b>34</b>	<b>30</b>
Skills Package — delivering skills for today and tomorrow (b)	1.1					
Administered expenses		-	-	-	-	-
Departmental expenses		-	29	-	-	-
<b>Total</b>		-	<b>29</b>	-	-	-
Seasonal Worker Programme — pilot to address regional workforce shortages	2.1					
Administered expenses		-	-	-	-	-
Departmental expenses		363	919	-	-	-
<b>Total</b>		<b>363</b>	<b>919</b>	-	-	-
Australian Small Business Advisory Services Northern Australia	2.3					
Tourism Initiative — extension						
Administered expenses		-	600	-	-	-
Departmental expenses		-	153	-	-	-
<b>Total</b>		-	<b>753</b>	-	-	-

**Table 1.2: Entity 2019–20 Budget measures**  
**Part 1: Measures announced since the 2018–19 Mid-Year Economic and Fiscal Outlook (MYEFO) (continued)**

	Program	2018–19 \$'000	2019–20 \$'000	2020–21 \$'000	2021–22 \$'000	2022–23 \$'000
Helping Small Business Grow — supporting small businesses with tax disputes (a, c)	2.3					
Administered expenses		-	-	-	-	-
Departmental expenses		-	-	-	-	-
<b>Total</b>		-	-	-	-	-
<b>Total expense measures</b>						
Administered		-	(43,632)	(43,075)	(82,979)	(28,576)
Departmental		752	16,835	17,179	16,191	737
<b>Total</b>		<b>752</b>	<b>(26,797)</b>	<b>(25,896)</b>	<b>(66,788)</b>	<b>(27,839)</b>
<b>Capital measures</b>						
Better Targeting of Support for Refugees	1.1					
Administered capital		-	-	-	-	-
Departmental capital		-	138	-	-	-
<b>Total</b>		-	<b>138</b>	-	-	-
Harvest Labour Services — reforms to encourage Australian jobseekers to take up seasonal work	1.1					
Administered capital		-	-	-	-	-
Departmental capital		-	737	-	-	-
<b>Total</b>		-	<b>737</b>	-	-	-
New Employment Services Model — pilot and transitional arrangements	1.1					
Administered capital		-	-	-	-	-
Departmental capital		754	19,265	5,233	412	-
<b>Total</b>		<b>754</b>	<b>19,265</b>	<b>5,233</b>	<b>412</b>	-
Skills Package — delivering skills for today and tomorrow (b)	1.1					
Administered capital		-	-	-	-	-
Departmental capital		-	250	-	-	-
<b>Total</b>		-	<b>250</b>	-	-	-
<b>Total capital measures</b>						
Administered		-	-	-	-	-
Departmental		754	20,390	5,233	412	-
<b>Total</b>		<b>754</b>	<b>20,390</b>	<b>5,233</b>	<b>412</b>	-

Prepared on a Government Finance Statistics (fiscal) basis. Figures displayed as a negative (-) represent a decrease in funds and a positive (+) represent an increase in funds.

- (a) The lead entity for this measure is the Department of the Treasury. The full measure description and package details appear in Budget Paper No. 2 under the Treasury portfolio.
- (b) The lead entity for this measure is the Department of Education and Training. The full measure description and package details appear in Budget Paper No. 2 under the Education and Training portfolio.
- (c) Measure relates to decision made post MYEFO and published in Table 1.2 of the Jobs and Small Business 2018–19 Portfolio Additional Estimates Statements as measure title Small Business Package – supporting small businesses with tax disputes.

**Part 2: Other measures not previously reported in a portfolio statement**

The Department has no other measures not previously reported in a portfolio statement. For this reason Part 2 of Table 1.2 is not presented.

## Section 2: Outcomes and planned performance

Government outcomes are the intended results, impacts or consequences of actions by the Government on the Australian community. Commonwealth programs are the primary vehicle by which government entities achieve the intended results of their outcome statements. Entities are required to identify the programs which contribute to government outcomes over the Budget and forward years.

Each outcome is described below together with its related programs. The following provides detailed information on expenses for each outcome and program, further broken down by funding source.

**Note:**

Performance reporting requirements in the Portfolio Budget Statements are part of the enhanced Commonwealth performance framework established by the *Public Governance, Performance and Accountability Act 2013*. It is anticipated that the performance criteria described in Portfolio Budget Statements will be read with broader information provided in an entity's corporate plans and annual performance statements – included in Annual Reports – to provide an entity's complete performance story.

The most recent corporate plan for the Department of Jobs and Small Business can be found at: <https://docs.jobs.gov.au/documents/2018-19-department-jobs-and-small-business-corporate-plan>.

The most recent annual performance statement can be found at: [www.jobs.gov.au/annual-report-2017-18/part-2-annual-performance-statement](http://www.jobs.gov.au/annual-report-2017-18/part-2-annual-performance-statement).

## 2.1 BUDGETED EXPENSES AND PERFORMANCE FOR OUTCOME 1

**Outcome 1: Foster a productive and competitive labour market through employment policies and programs that assist job seekers into work, meet employer needs and increase Australia's workforce participation.**

### Linked programs

<b>Department of Human Services</b>
<b>Programs</b> <ul style="list-style-type: none"><li>• Program 1.1 – Services to the Community – Social Security and Welfare</li></ul>
<b>Contribution to Outcome 1 made by linked program</b> <p>The Department of Human Services makes payments on behalf of the Department of Jobs and Small Business.</p>
<b>Department of Social Services</b>
<b>Programs</b> <ul style="list-style-type: none"><li>• Program 1.10 – Working Age Payments</li></ul>
<b>Contribution to Outcome 1 made by linked program</b> <p>The jobactive program is closely linked to the Social Services portfolio through providing means in which job seekers receiving working age income support can meet their mutual obligation requirements and also providing services to help those job seekers to find work.</p>

**Budgeted expenses for Outcome 1**

This table shows how much the entity intends to spend (on an accrual basis) on achieving the outcome, broken down by program, as well as by Administered and Departmental funding sources.

**Table 2.1.1: Budgeted expenses for Outcome 1**

<b>Outcome 1: Foster a productive and competitive labour market through employment policies and programs that assist job seekers into work, meet employer needs and increase Australia's workforce participation.</b>					
	2018–19 Estimated actual \$'000	2019–20 Budget \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000	2022–23 Forward estimate \$'000
<b>Program 1.1: Employment Services</b>					
Administered expenses					
jobactive	1,439,470	1,269,401	1,273,688	1,258,924	1,317,367
Career Revive	-	500	500	500	-
Empowering YOUth Initiatives	5,050	50	-	-	-
Entrepreneurship Facilitators	2,733	5,027	5,027	4,927	-
Jobs Communication Campaign	15,000	7,810	-	-	-
ParentsNext	84,702	86,206	90,131	89,977	89,977
Regional Employment Trials	6,472	6,871	-	-	-
Skills and Training Incentive	3,598	6,535	3,190	-	-
Time to Work	3,257	3,257	3,401	-	-
Transition to Work	135,048	138,301	144,778	144,818	144,818
<b>Administered total</b>	<b>1,695,330</b>	<b>1,523,958</b>	<b>1,520,715</b>	<b>1,499,146</b>	<b>1,552,162</b>
<b>Total expenses for Program 1.1</b>	<b>1,695,330</b>	<b>1,523,958</b>	<b>1,520,715</b>	<b>1,499,146</b>	<b>1,552,162</b>
<b>Outcome 1 Totals by appropriation type</b>					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	1,695,330	1,523,958	1,520,715	1,499,146	1,552,162
<b>Administered total</b>	<b>1,695,330</b>	<b>1,523,958</b>	<b>1,520,715</b>	<b>1,499,146</b>	<b>1,552,162</b>
Departmental expenses					
Departmental appropriation	245,880	248,561	237,612	235,754	221,207
s74 retained revenue receipts (a)	40,170	40,374	40,374	40,374	40,374
Expenses not requiring appropriation in the Budget year (b)	57,144	46,975	28,033	30,444	29,857
<b>Departmental total</b>	<b>343,194</b>	<b>335,910</b>	<b>306,019</b>	<b>306,572</b>	<b>291,438</b>
<b>Total expenses for Outcome 1</b>	<b>2,038,524</b>	<b>1,859,868</b>	<b>1,826,734</b>	<b>1,805,718</b>	<b>1,843,600</b>
<b>Average staffing level (number)</b>					
	2018-19	2019-20			
	1,480	1,481			

(a) Estimated expenses incurred in relation to receipts retained under section 74 of the *PGPA Act 2013*.

(b) Expenses not requiring appropriation in the Budget year are made up of depreciation expenses, amortisation expenses, make good expenses and audit fees.

Note: Departmental appropriation splits and totals are indicative estimates and may change in the course of the budget year as government priorities change.



**Table 2.1.2: Performance criteria for Outcome 1**

Table 2.1.2 below details the performance criteria for each program associated with Outcome 1. It also summarises how each program is delivered and where 2019–20 Budget measures have created new programs or materially changed existing programs.

<b>Outcome 1 — Foster a productive and competitive labour market through employment policies and programs that assist job seekers into work, meet employer needs and increase Australia’s workforce participation.</b>	
<b>Program 1.1 — Employment Services</b> The Employment Services system has the following key objectives: to help job seekers find and keep a job; to help job seekers move from welfare to work; to help job seekers meet their mutual obligations; that jobactive providers deliver quality services; to help young people move into work or education; and to support parents to build their work readiness to help them on a pathway to education or work.	
<b>Purpose</b>	Our role is to deliver policies and programs that foster safe, fair and productive workplaces of all sizes, assisting job seekers to find work and small businesses to grow.
<b>Delivery</b>	<p>From July 2019, the New Employment Services Model will be piloted in two regions – Adelaide South in South Australia and the Mid-North Coast in New South Wales. The Pilot will test key elements of the new model, including the Digital First, Digital Plus and Enhanced Services streams for job seekers, a flexible activation framework for job seekers, an improved assessment process for providers and a new provider payment and performance management framework.</p> <p>jobactive services include:</p> <ul style="list-style-type: none"> <li>• assisting job seekers to find and keep a job and ensuring employers are provided with job seekers who meet their business needs</li> <li>• Work for the Dole and the National Work Experience Programme which provide work-like activities for job seekers to help build skills, confidence and experience to improve their job prospects and develop their employability skills</li> <li>• New Business Assistance with NEIS<sup>1</sup> which helps people start their own business by providing accredited small business training, mentoring and business advice in the first year of their new business, and</li> <li>• Harvest Labour Services and the National Harvest Labour Information Service which connect workers with employers in harvesting areas across Australia.</li> </ul> <p>ParentsNext helps eligible parents to plan and prepare for employment by the time their children go to school. ParentsNext providers work with parents to help them identify their individual education and employment goals and develop a pathway linking them to services and activities in the local community to assist them to achieve their goals. Since 2 July 2018 ParentsNext has been operating in all non-remote areas of Australia.</p> <p>Transition to Work provides intensive, pre-employment support to improve the work-readiness of young people and help them into work (including apprenticeships and traineeships) or education.</p> <p>The Time to Work Employment Service provides in-prison employment services to eligible Aboriginal and Torres Strait Islander prisoners. The service assists participants to access the support they need upon release to better prepare them to find employment and reintegrate back into the community.</p>

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<sup>1</sup> New Enterprise Incentive Scheme.

**Outcome 1 — Foster a productive and competitive labour market through employment policies and programs that assist job seekers into work, meet employer needs and increase Australia’s workforce participation.**

**Program 1.1 — Employment Services**

The Employment Services system has the following key objectives: to help job seekers find and keep a job; to help job seekers move from welfare to work; to help job seekers meet their mutual obligations; that jobactive providers deliver quality services; to help young people move into work or education; and to support parents to build their work readiness to help them on a pathway to education or work.

The Youth Jobs PaTH for young job seekers under 25 years of age supports them to gain the skills and work experience they need to get and keep a job. This pathway has three elements:

- Prepare: Employability Skills Training helps young people understand what employers expect in the workplace and supports them to get job ready
- Trial – PaTH internships enable businesses to trial young people to see if they are the right fit for the business, before they hire. Young people gain valuable work experience and can demonstrate their skills to businesses looking to hire, and
- Hire – Youth Bonus Wage Subsidies of up to \$10,000 may be available to businesses that hire eligible young people in ongoing work.

The legislatively required review of Youth Jobs PaTH will be completed in May 2019, providing insight into the operation of the program.

Career Transition Assistance helps mature age job seekers become more competitive in their local labour market. Trialed since 2018, the national rollout of Career Transition Assistance is being brought forward by one year to 1 July 2019, when eligibility for the program will be extended to 45 to 49 year-olds, beyond the current age bracket of 50 years and over.

Pathway to Work is a small, targeted initiative focusing on job seekers 45 years of age and over who are facing barriers to employment. Up to ten pilot projects will run over three years (July 2018 to June 2021), to trial a variety of activities aimed at stimulating demand for mature age workers. Pathway to Work also aims to demonstrate models of how existing funding and programs can be packaged together to prepare mature age job seekers for identified jobs.

In addition to the early rollout of Career Transition Assistance, the More Choices for a Longer Life Package includes the Skills and Training Incentive, 20 additional Entrepreneurship Facilitators in selected locations, a range of Job Change initiatives to help older Australians facing retrenchment, ensuring Restart wage subsidy continues to be available to employers to encourage them to hire older Australians, and a Collaborative Partnership on Mature Age Employment.

The Launch into Work Program trials pre-employment projects that provide training, mentoring, work experience and guaranteed employment to all participants who successfully complete the project. Projects are intended to train job seekers for specific roles within the organisation, and may be conducted in a variety of industries. The project recruitment process involves identifying job seekers with the values and attributes required for the role and then developing their skills and experience for the role through a pre-employment project. The program is focused on creating long-term employment pathways for women, however men may also participate in some instances.

The Regional Employment Trials program supports local stakeholders to develop and implement tailored projects across ten disadvantaged regions to address local employment issues. The trial is being run for 21 months from October 2018 until 30 June 2020.

The Career Revive initiative supports regional employers to develop action plans to attract and retain women returning to work after a career break.

The Stronger Transitions package supports workers who are facing retrenchment, or have been retrenched, to transition into new jobs. The package is operating in Adelaide, Mandurah, North Queensland, North/North-West Tasmania and North/West Melbourne.

<b>Outcome 1 — Foster a productive and competitive labour market through employment policies and programs that assist job seekers into work, meet employer needs and increase Australia’s workforce participation.</b>		
<b>Program 1.1 — Employment Services</b>		
The Employment Services system has the following key objectives: to help job seekers find and keep a job; to help job seekers move from welfare to work; to help job seekers meet their mutual obligations; that jobactive providers deliver quality services; to help young people move into work or education; and to support parents to build their work readiness to help them on a pathway to education or work.		
<b>Performance information</b>		
<b>Year</b>	<b>Performance criteria</b>	<b>Targets</b>
2018–19	Help job seekers find and keep a job.	Proportion of job placements sustained to 26 weeks (overall): 30%. <b>Assessment:</b> Forecast performance is on track.  Proportion of job placements sustained to 26 weeks (Indigenous job seekers): 30%. <b>Assessment:</b> Forecast performance is on track.  Proportion of job seekers employed three months following participation in employment services. Stream A: 55%. Stream B: 40%. Stream C: 25%. Overall: 45%. <b>Assessment:</b> Forecast performance is on track.
	Help job seekers move from welfare to work.	Proportion of job seekers moving off income support, or with reduced reliance on income support, six months after participation in jobactive: 40%. <b>Assessment:</b> Forecast performance is on track.
	Help job seekers meet their mutual obligation requirements.	Proportion of Work for the Dole participants who report increased motivation to find a job: 75%. <b>Assessment:</b> Forecast performance is on track.

<p><b>Outcome 1 — Foster a productive and competitive labour market through employment policies and programs that assist job seekers into work, meet employer needs and increase Australia’s workforce participation.</b></p>		
<p><b>Program 1.1 — Employment Services</b></p> <p>The Employment Services system has the following key objectives: to help job seekers find and keep a job; to help job seekers move from welfare to work; to help job seekers meet their mutual obligations; that jobactive providers deliver quality services; to help young people move into work or education; and to support parents to build their work readiness to help them on a pathway to education or work.</p>		
		<p>Proportion of provider appointments attended by activity-tested job seekers: 90%.  <b>Assessment:</b> Forecast performance is not on track<sup>1</sup>.                      Proportion of job seekers (with Mutual Obligation requirements) who are actively looking for work: 98%.  <b>Assessment:</b> Forecast performance is not on track<sup>2</sup>.</p>
	jobactive organisations deliver quality services.	<p>Proportion of employers satisfied with the assistance provided by a jobactive organisation: 80%.  <b>Assessment:</b> Forecast performance is on track.</p> <p>Proportion of assessed commitments met by jobactive providers: 80%.  <b>Assessment:</b> Forecast performance is on track<sup>3</sup>.</p>
	jobactive — overall program measure.	<p>Cost per employment outcome: \$2,500  <b>Assessment:</b> Forecast performance is on track.</p>
	New Enterprise Incentive Scheme (NEIS) — help people to create their own job through self-employment.	<p>Proportion of NEIS participants off income support or working 20 hours per week three months after participating in and then exiting NEIS: 68%.  <b>Assessment:</b> Forecast performance is on track.</p>

<sup>1</sup> The target was designed to be aspirational and the attendance rate has steadily increased since jobactive was introduced in July 2015.

<sup>2</sup> Significant system and reporting changes were introduced to job search as part of the implementation of the Targeted Compliance Framework on 1 July 2018, which has impacted on achieving the target. The figure is improving as job seekers and providers become accustomed to their obligations.

<sup>3</sup> This measure is calculated as the proportion of jobactive providers which meet at least 80 per cent of their assessed commitments (in their service delivery plan and service offer commitments).

<p><b>Outcome 1 — Foster a productive and competitive labour market through employment policies and programs that assist job seekers into work, meet employer needs and increase Australia’s workforce participation.</b></p>		
<p><b>Program 1.1 — Employment Services</b></p> <p>The Employment Services system has the following key objectives: to help job seekers find and keep a job; to help job seekers move from welfare to work; to help job seekers meet their mutual obligations; that jobactive providers deliver quality services; to help young people move into work or education; and to support parents to build their work readiness to help them on a pathway to education or work.</p>		
	<p>ParentsNext — Support parents to build their work readiness.</p>	<p>Proportion of ParentsNext participants who are in a current activity: 80%.</p> <p><b>Assessment:</b> Forecast achievement is unknown as data is not yet available.</p>
	<p>Time to Work Employment Service — Support Indigenous prisoners prepare to find employment and reintegrate back into the community.</p>	<p>Proportion of eligible prisoners that participate in the service: 50%.</p> <p><b>Assessment:</b> Forecast achievement is unknown as data is not yet available.</p> <p>Proportion of participants that complete a facilitated transfer from their in-prison service provider to their post-release employment service provider: 60%.</p> <p><b>Assessment:</b> Forecast achievement is unknown as data is not yet available.</p>
	<p>Transition to Work — Help young people move into work or education.</p>	<p>Proportion of placements sustained to a 12 week employment outcome or hybrid outcome, or a 26-week education outcome: 65%.</p> <p><b>Assessment:</b> Forecast performance is on track.</p> <p>Proportion of placements that are converted to sustainability outcomes: 40%.</p> <p><b>Assessment:</b> Forecast performance is on track.</p> <p>Proportion of Transition to Work participants moving off income support, reducing their reliance on income support, or moving on to Youth Allowance (student) six months after participating in the service: 30%.</p> <p><b>Assessment:</b> Forecast performance is on track.</p>

<p><b>Outcome 1 — Foster a productive and competitive labour market through employment policies and programs that assist job seekers into work, meet employer needs and increase Australia’s workforce participation.</b></p>		
<p><b>Program 1.1 — Employment Services</b></p> <p>The Employment Services system has the following key objectives: to help job seekers find and keep a job; to help job seekers move from welfare to work; to help job seekers meet their mutual obligations; that jobactive providers deliver quality services; to help young people move into work or education; and to support parents to build their work readiness to help them on a pathway to education or work.</p>		
2019–20	Help job seekers find and keep a job.	<p>Proportion of job placements sustained to 26 weeks (overall): 30%.</p> <p>Proportion of job placements sustained to 26 weeks (Indigenous): 30%.</p> <p>Proportion of job seekers employed three months following participation in employment services.</p> <p>Stream A: 55%.</p> <p>Stream B: 40%.</p> <p>Stream C: 25%.</p> <p>Overall: 45%.</p>
	Help job seekers move from welfare to work.	Proportion of job seekers moving off income support, or with reduced reliance on income support, six months after participation in jobactive: 40%.
	Help job seekers meet their mutual obligation requirements.	<p>Proportion of Work for the Dole participants who report increased motivation to find a job: 75%.</p> <p>Proportion of provider appointments attended by activity-tested job seekers: 90%.</p> <p>Proportion of job seekers (with Mutual Obligation requirements) who are actively looking for work: 90%.</p>
	jobactive organisations deliver quality services.	<p>Proportion of employers satisfied with the assistance provided by a jobactive organisation: 80%.</p> <p>Proportion of jobactive organisations that meet their service delivery commitments: 80%.</p>
	jobactive — overall program measure.	Cost per employment outcome: \$2,500.

<p><b>Outcome 1 — Foster a productive and competitive labour market through employment policies and programs that assist job seekers into work, meet employer needs and increase Australia’s workforce participation.</b></p>		
<p><b>Program 1.1 — Employment Services</b></p> <p>The Employment Services system has the following key objectives: to help job seekers find and keep a job; to help job seekers move from welfare to work; to help job seekers meet their mutual obligations; that jobactive providers deliver quality services; to help young people move into work or education; and to support parents to build their work readiness to help them on a pathway to education or work.</p>		
	<p>New Enterprise Incentive Scheme (NEIS) — help people to create their own job through self-employment.</p>	<p>Proportion of NEIS participants off income support or working 20 hours per week three months after participating in and then exiting NEIS: 68%.</p>
	<p>ParentsNext — Support parents to build their work readiness.</p>	<p>Proportion of ParentsNext participants who increase their work readiness (overall): 80%.</p> <p>Proportion of ParentsNext participants who increase their work readiness (Indigenous participants): 80%.</p>
	<p>ParentsNext — Support parents on a pathway to education or work.</p>	<p>Number of participants who improve their education (completion of an accredited Education course higher than the participant’s previous education level) or find employment (overall): 5,000.</p> <p>Number of participants who improve their education (completion of an accredited Education course higher than the participant’s previous education level) or find employment (Indigenous Participants): 1,000.</p> <p>Proportion of early school leavers who are in or have completed education or training: 25%.</p>
	<p>Time to Work Employment Service — Support Indigenous prisoners prepare to find employment and reintegrate back into the community.</p>	<p>Proportion of eligible prisoners that participate in the service: 50%.</p> <p>Proportion of participants that complete the service with an approved transition plan: 25%.</p>
	<p>Transition to Work — Help young people move into work or education.</p>	<p>Proportion of placements sustained to a 12-week employment outcome or hybrid outcome, or a 26-week education outcome: 65%.</p>

<p><b>Outcome 1 — Foster a productive and competitive labour market through employment policies and programs that assist job seekers into work, meet employer needs and increase Australia’s workforce participation.</b></p>		
<p><b>Program 1.1 — Employment Services</b></p> <p>The Employment Services system has the following key objectives: to help job seekers find and keep a job; to help job seekers move from welfare to work; to help job seekers meet their mutual obligations; that jobactive providers deliver quality services; to help young people move into work or education; and to support parents to build their work readiness to help them on a pathway to education or work.</p>		
		<p>Proportion of placements that are converted to sustainability outcomes: 40%.</p> <p>Proportion of Transition to Work participants moving off income support, reducing their reliance on income support, or moving on to Youth Allowance (student) six months after participating in the service: 30%.</p>
2020–21 and beyond	As per 2019–20.	As per 2019–20.
<p><b>Material changes to Program 1.1 resulting from the following measures:</b></p> <ul style="list-style-type: none"> <li>• Harvest Labour Services — reforms to encourage Australian jobseekers to take up seasonal work</li> <li>• New Employment Services Model — pilot and transitional arrangements</li> <li>• Better Targeting of Support for Refugees</li> </ul>		

Note: On track means that the department is either meeting the year to date benchmark or within 5 per cent of meeting it.



## 2.2 BUDGETED EXPENSES AND PERFORMANCE FOR OUTCOME 2

**Outcome 2: Facilitate jobs growth through policies and programs that promote fair, productive and safe workplaces, and facilitate the growth of small business.**

### Linked programs

<p><b>Department of Foreign Affairs and Trade</b></p> <hr/> <p><b>Programs</b></p> <ul style="list-style-type: none"> <li>• Program 1.2 – Official Development Assistance</li> </ul>
<p><b>Contribution to Outcome 2 made by linked programs</b></p> <p>The Department of Jobs and Small Business leads the Seasonal Worker Programme in partnership with the Department of Foreign Affairs and Trade. The program has two key objectives: contribute to the economic development of participating Pacific Island countries and Timor-Leste and assist Australian producers and employers who are unable to source enough local Australian workers to meet their seasonal labour needs by providing access to a reliable seasonal workforce.</p>
<p><b>Department of Home Affairs</b></p> <hr/> <p><b>Programs</b></p> <ul style="list-style-type: none"> <li>• Program 2.3 – Visas</li> </ul>
<p><b>Contribution to Outcome 2 made by linked programs</b></p> <p>The Department of Home Affairs seeks to advance Australia’s economic interests and respond to Australia’s changing security, economic, cultural and social needs through the effective management and delivery of temporary entry programs. The Seasonal Worker Programme, administered by the Department of Jobs and Small Business, has links to the temporary entry programs.</p>
<p><b>Department of Industry, Innovation and Science</b></p> <hr/> <p><b>Programs</b></p> <ul style="list-style-type: none"> <li>• Program 2 – Growing Business Investment and Improving Business Capability</li> </ul>
<p><b>Contribution to Outcome 2 made by linked programs</b></p> <p>The Department of Industry, Innovation and Science works with the Department of Jobs and Small Business to deliver support for small businesses and help them improve their digital capabilities. This activity contributes to the achievement of Program 2.3 – Small Business Support.</p>

**Budgeted expenses for Outcome 2**

This table shows how much the entity intends to spend (on an accrual basis) on achieving the outcome, broken down by program, as well as by Administered and Departmental funding sources.

**Table 2.2.1: Budgeted expenses for Outcome 2**

<b>Outcome 2: Facilitate jobs growth through policies that promote fair, productive and safe workplaces, and facilitate the growth of small business.</b>					
	2018–19 Estimated actual \$'000	2019–20 Budget \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000	2022–23 Forward estimate \$'000
<b>Program 2.1: Workplace Support</b>					
Administered expenses					
Fair Entitlements Guarantee	19,222	11,802	11,963	12,126	12,313
International Labour Organization Subscription	12,131	11,770	12,046	12,245	12,649
Protected Action Ballots Scheme	1,600	1,600	1,600	1,600	1,600
Special appropriations					
<i>Coal Mining Industry (Long Service Leave) Administrative Act 1992</i>	125,859	124,992	124,992	124,992	124,992
<i>Fair Entitlements Guarantee Act 2012</i>	190,628	219,370	216,642	218,401	220,160
<b>Administered total</b>	<b>349,440</b>	<b>369,534</b>	<b>367,243</b>	<b>369,364</b>	<b>371,714</b>
<b>Total expenses for Program 2.1</b>	<b>349,440</b>	<b>369,534</b>	<b>367,243</b>	<b>369,364</b>	<b>371,714</b>
<b>Program 2.2: Workers' Compensation Payments</b>					
Administered expenses					
Comcare	5,989	5,989	6,028	6,069	6,110
Special appropriations					
<i>Asbestos-related Claims Act 2005</i>	30,695	26,884	27,900	28,696	28,978
<i>Safety, Rehabilitation &amp; Compensation Act 1998</i>	29,387	28,302	26,985	25,936	24,841
<b>Administered total</b>	<b>66,071</b>	<b>61,175</b>	<b>60,913</b>	<b>60,701</b>	<b>59,929</b>
<b>Total expenses for Program 2.2</b>	<b>66,071</b>	<b>61,175</b>	<b>60,913</b>	<b>60,701</b>	<b>59,929</b>
<b>Program 2.3: Small Business Support</b>					
Administered expenses					
Small Business Support	23,067	10,891	7,387	7,691	7,691
<b>Administered total</b>	<b>23,067</b>	<b>10,891</b>	<b>7,387</b>	<b>7,691</b>	<b>7,691</b>
<b>Total expenses for Program 2.3</b>	<b>23,067</b>	<b>10,891</b>	<b>7,387</b>	<b>7,691</b>	<b>7,691</b>

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**Table 2.2.1: Budgeted expenses for Outcome 2 (continued)**

	2018–19 Estimated actual \$'000	2019–20 Budget \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000	2022–23 Forward estimate \$'000
<b>Outcome 2 Totals by appropriation type</b>					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	62,009	42,052	39,024	39,731	40,363
Special appropriations	376,569	399,548	396,519	398,025	398,971
<b>Administered total</b>	<b>438,578</b>	<b>441,600</b>	<b>435,543</b>	<b>437,756</b>	<b>439,334</b>
Departmental expenses					
Departmental appropriation	88,887	89,749	88,859	89,024	89,630
s74 Retained revenue receipts (a)	13,390	13,458	13,458	13,458	13,458
Expenses not requiring appropriation in the Budget year (b)	7,965	6,789	4,842	5,235	5,235
<b>Departmental total</b>	<b>110,242</b>	<b>109,996</b>	<b>107,159</b>	<b>107,717</b>	<b>108,323</b>
<b>Total expenses for Outcome 2</b>	<b>548,820</b>	<b>551,596</b>	<b>542,702</b>	<b>545,473</b>	<b>547,657</b>
<hr/>					
	2018–19	2019–20			
<b>Average staffing level (number)</b>	503	518			

(a) Estimated expenses incurred in relation to receipts retained under section 74 of the *PGPA Act 2013*.

(b) Expenses not requiring appropriation in the Budget year are made up of depreciation expenses, amortisation expenses, make good expenses and audit fees.

Note: Departmental appropriation splits and totals are indicative estimates and may change in the course of the budget year as government priorities change.

**Table 2.2.2: Performance criteria for Outcome 2**

Table 2.2.2 below details the performance criteria for each program associated with Outcome 2. It also summarises how each program is delivered and where 2019–20 Budget measures have created new programs or materially changed existing programs.

<b>Outcome 2 — Facilitate jobs growth through policies and programs that promote fair, productive and safe workplaces, and facilitate the growth of small business.</b>	
<b>Program 2.1 — Workplace Support</b> Contributes to Outcome 2 through:	
<ul style="list-style-type: none"> <li>the promotion of fair workplaces by ensuring the protection of employee entitlements in certain circumstances, and</li> <li>ensuring the efficient operation of the workplace relations system through initiatives designed to encourage employers and employees to adopt fair, productive, flexible and safe workplace relations.</li> </ul>	
<b>Purpose</b>	Our role is to deliver policies and programs that foster safe, fair and productive workplaces of all sizes, assisting job seekers to find work and small businesses to grow.
<b>Delivery</b>	<p>Program 2.1 delivers two services to promote fair workplaces by ensuring the protection of employee entitlements in certain circumstances:</p> <ul style="list-style-type: none"> <li><i>Fair Entitlements Guarantee</i> — established under the <i>Fair Entitlements Guarantee Act 2012</i> to provide financial assistance for certain unpaid employment entitlements when an employee loses their job through the liquidation or bankruptcy of their employer.</li> <li><i>Coal Mining Industry (Long Service Leave) Administration Act 1992</i> financing arrangements — under this Act the cost of portable long service leave entitlements is managed through a central fund administered by the Coal Mining Industry (Long Service Leave Funding) Corporation. Monthly levy collection transfers are made from the consolidated revenue fund to the central fund<sup>1</sup>.</li> </ul> <p>The Program contributes to the Government's productivity agenda by ensuring the operation of the workplace relations system through initiatives designed to encourage employers and employees to adopt fair, flexible and safe workplace relations, including the:</p> <ul style="list-style-type: none"> <li>Protected Action Ballots Scheme — costs incurred by the Australian Electoral Commission in relation to protected action ballots. A protected action ballot is a statutory prerequisite to protected industrial action under the <i>Fair Work Act 2009</i><sup>2</sup>, and</li> <li>International Labour Organization (ILO) — the Australian Government's annual membership subscription to the ILO. The government works with other member states and representatives from employer and employee organisations to: participate in international policy discussions on labour issues; contribute to technical cooperation in the Indo-Pacific region; report on standards at the national level; and, participate as a member of the ILO Governing Body<sup>3</sup>.</li> </ul>

<sup>1</sup> The department holds funding for the Coal Mining Long Service Leave, however management is through the Government appointed Coal Mining Long Service Leave Corporation. As such, performance information is not included for Coal Mining Long Service Leave.

<sup>2</sup> The department holds funding for the Protected Action Ballots Scheme, however management is through the Australian Electoral Commission. As such, performance information is not included for the Protected Action Ballots Scheme.

<sup>3</sup> The ILO measure is for Australia's contribution to the operation of the international agency. As such, performance information is not included on the ILO.

<p><b>Outcome 2 — Facilitate jobs growth through policies and programs that promote fair, productive and safe workplaces, and facilitate the growth of small business.</b></p>		
<p><b>Program 2.1 — Workplace Support</b>                  Contributes to Outcome 2 through:</p> <ul style="list-style-type: none"> <li>the promotion of fair workplaces by ensuring the protection of employee entitlements in certain circumstances, and</li> <li>ensuring the efficient operation of the workplace relations system through initiatives designed to encourage employers and employees to adopt fair, productive, flexible and safe workplace relations.</li> </ul>		
	<ul style="list-style-type: none"> <li>Office of the Federal Safety Commissioner (OFSC) — administers the compliance of building and construction companies to the requirements of the Australian Government building and construction Work Health and Safety Accreditation Scheme including through regular on-site audits.</li> </ul>	
<p><b>Performance information</b></p>		
Year	Performance criteria	Targets
2018–19	<p>Fair Entitlements Guarantee program functions effectively.</p> <p>Percentage of accreditation applications assessed and applicants contacted within 10 working days.</p>	<ul style="list-style-type: none"> <li>Fair Entitlements Guarantee — percentage of claims processed within 16 weeks of receipt of an effective claim: 80%.  <b>Assessment:</b> Forecast Achievement is on track.</li> <li>Fair Entitlements Guarantee — average processing time for all claims: 14 weeks.  <b>Assessment:</b> Forecast Achievement is on track.</li> <li>Fair Entitlements Guarantee — claim payments are correct: 95%.  <b>Assessment:</b> Forecast Achievement is on track.</li> <li>Fair Entitlements Guarantee — claimants satisfied with the department's administration of Fair Entitlements Guarantee: 80%.  <b>Assessment:</b> Forecast Achievement is on track.</li> <li>Fair Entitlements Guarantee — insolvency Practitioners satisfied with the administration of Fair Entitlements Guarantee: 80%.  <b>Assessment:</b> Forecast achievement is unknown because data is not yet available.</li> <li>90%.  <b>Assessment:</b> Forecast Achievement is on track.</li> </ul>

<p><b>Outcome 2 — Facilitate jobs growth through policies and programs that promote fair, productive and safe workplaces, and facilitate the growth of small business.</b></p>		
<p><b>Program 2.1 — Workplace Support</b></p> <p>Contributes to Outcome 2 through:</p> <ul style="list-style-type: none"> <li>the promotion of fair workplaces by ensuring the protection of employee entitlements in certain circumstances, and</li> <li>ensuring the efficient operation of the workplace relations system through initiatives designed to encourage employers and employees to adopt fair, productive, flexible and safe workplace relations.</li> </ul>		
	<p>Level of satisfaction of accredited companies with the service provided by the Office of the Federal Safety Commissioner.</p> <p>Number of companies that consider accreditation to have improved their workplace safety performance.</p>	<ul style="list-style-type: none"> <li>90% <b>Assessment:</b> Forecast achievement is unknown because data is not yet available.</li> <li>75% <b>Assessment:</b> Forecast achievement is unknown because data is not yet available.</li> </ul>
2019–20	Fair Entitlements Guarantee program functions effectively.	<ul style="list-style-type: none"> <li>Fair Entitlements Guarantee — percentage of claims processed within 16 weeks of receipt of an effective claim: 80%.</li> <li>Fair Entitlements Guarantee — average processing time for all claims: 14 weeks.</li> <li>Fair Entitlements Guarantee — claim payments are correct: 95%.</li> <li>Fair Entitlements Guarantee — claimants satisfied with the department's administration of Fair Entitlements Guarantee: 80%.</li> <li>Fair Entitlements Guarantee — insolvency Practitioners satisfied with the administration of Fair Entitlements Guarantee: 80%.</li> </ul>
2020–21 and beyond	As per 2019–20.	As per 2019–20.
<p><b>Material changes to Program 2.1 resulting from the following measures: Nil</b></p>		

<p><b>Outcome 2 — Facilitate jobs growth through policies and programs that promote fair, productive and safe workplaces, and facilitate the growth of small business</b></p>
<p><b>Program 2.2 — Workers' compensation payments</b></p> <p>Managed by Comcare and contributes to Outcome 2 by managing the Comcare Workers' Compensation Scheme.</p> <p>Further information can be found in the Comcare, the Safety, Rehabilitation and Compensation Commission and the Seafarers Safety, Rehabilitation and Compensation Authority section of this document.</p>

<p><b>Outcome 2 — Facilitate jobs growth through policies and programs that promote fair, productive and safe workplaces, and facilitate the growth of small business.</b></p>				
<p><b>Program 2.3 — Small Business Support</b></p> <p>The Australian Small Business Advisory Services (ASBAS) program aims to enhance the capabilities of business advisory service providers to provide low cost, high quality advice to small businesses to build sustainable and productive businesses. The objectives of Program 2.3 contribute to Outcome 2 by facilitating job growth and contributing to the Australian economy.</p> <p>The department is also implementing a number of measures under the broader Small Business Policy Package to support the growth of small business.</p>				
<table border="1"> <tr> <td style="width: 20%;"><b>Purpose</b></td> <td>Our role is to deliver policies and programs that foster safe, fair and productive workplaces of all sizes, assisting job seekers to find work and small businesses to grow.</td> </tr> <tr> <td><b>Delivery</b></td> <td> <p>The ASBAS Digital Solutions program provides grants to business advisory service providers to enhance their capabilities to deliver low cost, high quality digital advisory services to Australian small businesses in metropolitan and regional areas across four priority digital capabilities:</p> <ul style="list-style-type: none"> <li>• Websites and selling online</li> <li>• Social media and digital marketing</li> <li>• Using small business software</li> <li>• Online security and data privacy.</li> </ul> <p>Service delivery began on 2 July 2018 and will end on 30 June 2021. Services are delivered through a combination of delivery formats, including face-to-face, video calls online, web-chats, interactive webinars and phone calls. Providers are required to offer services proportionately to the number of small businesses across the metropolitan and regional areas of the states/territories in their coverage areas.</p> <p>Measures being implemented under the Small Business Policy Package include:</p> <ul style="list-style-type: none"> <li>• The Small Business Digital Champions Project, which will provide 100 small businesses across Australia with a digital transformation valued at up to \$20,000. The experiences of these small businesses will be used to create relatable, real-time case studies about how small business can go digital. Industry associations will also receive funding to engage a 'Trusted Digital Adviser' to provide sector specific advice to their membership.</li> <li>• The Small Business Mental Health Package, expanding the Everymind's 'Ahead for Business' trial, targeted at supporting the mental health of small and family business operators.</li> <li>• A reporting framework requiring large businesses with over \$100 million turnover to publish information on how quickly they pay small businesses.</li> <li>• A Small Business Advertising Campaign to raise awareness and engagement with small business and the support available.</li> <li>• A national series of Small Business Fairs, covering 23 locations over eight weeks to promote new and existing Government funded services, financial support and tools.</li> </ul> </td> </tr> </table>	<b>Purpose</b>	Our role is to deliver policies and programs that foster safe, fair and productive workplaces of all sizes, assisting job seekers to find work and small businesses to grow.	<b>Delivery</b>	<p>The ASBAS Digital Solutions program provides grants to business advisory service providers to enhance their capabilities to deliver low cost, high quality digital advisory services to Australian small businesses in metropolitan and regional areas across four priority digital capabilities:</p> <ul style="list-style-type: none"> <li>• Websites and selling online</li> <li>• Social media and digital marketing</li> <li>• Using small business software</li> <li>• Online security and data privacy.</li> </ul> <p>Service delivery began on 2 July 2018 and will end on 30 June 2021. Services are delivered through a combination of delivery formats, including face-to-face, video calls online, web-chats, interactive webinars and phone calls. Providers are required to offer services proportionately to the number of small businesses across the metropolitan and regional areas of the states/territories in their coverage areas.</p> <p>Measures being implemented under the Small Business Policy Package include:</p> <ul style="list-style-type: none"> <li>• The Small Business Digital Champions Project, which will provide 100 small businesses across Australia with a digital transformation valued at up to \$20,000. The experiences of these small businesses will be used to create relatable, real-time case studies about how small business can go digital. Industry associations will also receive funding to engage a 'Trusted Digital Adviser' to provide sector specific advice to their membership.</li> <li>• The Small Business Mental Health Package, expanding the Everymind's 'Ahead for Business' trial, targeted at supporting the mental health of small and family business operators.</li> <li>• A reporting framework requiring large businesses with over \$100 million turnover to publish information on how quickly they pay small businesses.</li> <li>• A Small Business Advertising Campaign to raise awareness and engagement with small business and the support available.</li> <li>• A national series of Small Business Fairs, covering 23 locations over eight weeks to promote new and existing Government funded services, financial support and tools.</li> </ul>
<b>Purpose</b>	Our role is to deliver policies and programs that foster safe, fair and productive workplaces of all sizes, assisting job seekers to find work and small businesses to grow.			
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<b>Outcome 2 — Facilitate jobs growth through policies and programs that promote fair, productive and safe workplaces, and facilitate the growth of small business.</b>		
<b>Program 2.3 — Small Business Support</b>		
<p>The Australian Small Business Advisory Services (ASBAS) program aims to enhance the capabilities of business advisory service providers to provide low cost, high quality advice to small businesses to build sustainable and productive businesses. The objectives of Program 2.3 contribute to Outcome 2 by facilitating job growth and contributing to the Australian economy.</p> <p>The department is also implementing a number of measures under the broader Small Business Policy Package to support the growth of small business.</p>		
<b>Performance information</b>		
<b>Year</b>	<b>Performance criteria</b>	<b>Targets</b>
2018–19	Increased access by small businesses to advisory services that support and enhance their digital capabilities.	Digital competency for small businesses increases. <b>Assessment:</b> Forecast Achievement is on track.
2019–20	Increased access by small businesses to advisory services that support and enhance their digital capabilities.	Digital competency for small businesses increases.
	Increased awareness of the benefits of digital engagement by small business operators.	Business performance improves through implementation of effective digital strategies.
	Increased awareness of support available to promote good mental health for small business operators.	Small business operators experience fewer adverse impacts caused by mental ill health.
	Improved payment practices by larger businesses to reduce the incidence of late payments to small businesses.	Small business cash flow is improved.
	Increased awareness by small businesses of the Australian Government support available.	Australian Government services assist more small businesses.
2020–21	As per 2019–20.	As per 2019–20.
<b>Material changes to Program 2.3 resulting from the following measures: Nil</b>		



## Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2019–20 budget year, including the impact of budget measures and resourcing on financial statements.

### **3.1 BUDGETED FINANCIAL STATEMENTS**

#### **3.1.1 Differences between entity resourcing and financial statements**

There is a difference of \$0.8 million between the appropriation revenue recognised in Table 3.1 and the appropriation shown in the agency resource table.

The Agency Resource Statement (Table 1.1) details the total appropriation available to an agency from all sources. For departmental operating appropriations (outputs) this includes carry-forward amounts as well as amounts appropriated at Budget. As agencies incur and are funded for future liabilities and employee entitlements, the total amount of departmental operating appropriation available to an agency is unlikely to be fully utilised in the Budget year. The difference between the agency resource statement and the sum of all payments made at the departmental outputs level is the expected carry-forward amount of resources for the 2019–20 Budget year, including amounts related to meeting future employee entitlement obligations.

#### **3.1.2 Explanatory notes and analysis of budgeted financial statements**

##### **Departmental**

The Department of Jobs and Small Business is budgeting for an operating loss equal to the unappropriated depreciation and amortisation expense of \$53.4 million for the 2019–20 financial year.

Total revenues are estimated to be \$392.6 million and total expenses \$445.9 million.

Total assets at the end of the 2019–20 year are estimated to be \$331.8 million.

Total liabilities for 2019–20 are estimated at \$129.4 million. The largest liability item is accrued employee entitlements.

##### **Administered**

Administered revenues for the 2019–20 budget year are estimated to be \$204.3 million, consistent with the 2018–19 estimated actual.

Administered expenses in 2019–20 are estimated to be \$2.0 billion, a decrease of \$168.4 million from the 2018–19 estimated actual. This decrease is attributable to revised program parameters and impacts from measures.

### 3.2. BUDGETED FINANCIAL STATEMENTS TABLES

**Table 3.1: Comprehensive income statement (showing net cost of services) for the period ended 30 June**

	2018–19 Estimated actual \$'000	2019–20 Budget \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000	2022–23 Forward estimate \$'000
<b>EXPENSES</b>					
Employee benefits	237,033	242,299	247,369	246,868	248,334
Suppliers	151,704	150,255	133,344	132,152	116,745
Depreciation and amortisation (a)	64,699	53,352	32,465	35,269	34,682
<b>Total expenses</b>	<b>453,436</b>	<b>445,906</b>	<b>413,178</b>	<b>414,289</b>	<b>399,761</b>
<b>LESS:</b>					
<b>OWN-SOURCE INCOME</b>					
<b>Own-source revenue</b>					
Sale of goods and rendering of services	52,675	53,369	53,367	53,367	53,367
Rental Income	885	465	465	465	465
External Audit	410	410	410	410	410
<b>Total own-source revenue</b>	<b>53,970</b>	<b>54,244</b>	<b>54,242</b>	<b>54,242</b>	<b>54,242</b>
<b>Gains</b>					
Other	-	-	-	-	-
<b>Total gains</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total own-source income</b>	<b>53,970</b>	<b>54,244</b>	<b>54,242</b>	<b>54,242</b>	<b>54,242</b>
<b>Net (cost of)/contribution by services</b>	<b>(399,466)</b>	<b>(391,662)</b>	<b>(358,936)</b>	<b>(360,047)</b>	<b>(345,519)</b>
Revenue from Government	334,767	338,310	326,471	324,778	310,837
<b>Surplus/(deficit) attributable to the Australian Government</b>	<b>(64,699)</b>	<b>(53,352)</b>	<b>(32,465)</b>	<b>(35,269)</b>	<b>(34,682)</b>
<b>OTHER COMPREHENSIVE INCOME</b>					
Changes in asset revaluation surplus	-	-	-	-	-
<b>Total other comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income/(loss)</b>	<b>(64,699)</b>	<b>(53,352)</b>	<b>(32,465)</b>	<b>(35,269)</b>	<b>(34,682)</b>
<b>Total comprehensive income/(loss) attributable to the Australian Government</b>	<b>(64,699)</b>	<b>(53,352)</b>	<b>(32,465)</b>	<b>(35,269)</b>	<b>(34,682)</b>

**Note: Impact of net cash appropriation arrangements**

	2018-19 \$'000	2019-20 \$'000	2020-21 \$'000	2021-22 \$'000	2022-23 \$'000
<b>Total comprehensive income/(loss) excluding depreciation/amortisation expenses previously funded through revenue appropriations</b>	-	-	-	-	-
less depreciation/amortisation expenses previously funded through revenue appropriations (a)	64,699	53,352	32,465	35,269	34,682
<b>Total comprehensive income/(loss) — as per the statement of comprehensive income</b>	<b>(64,699)</b>	<b>(53,352)</b>	<b>(32,465)</b>	<b>(35,269)</b>	<b>(34,682)</b>

(a) From 2010–11, the Government introduced net cash appropriation arrangements. This involved Bill 1 revenue appropriations for the depreciation/amortisation expenses of non-corporate Commonwealth entities (and select corporate Commonwealth entities) being replaced with a separate capital budget (the Departmental Capital Budget, or DCB) provided through Bill 1 equity appropriations. For information regarding DCBs, please refer to Table 3.5 Departmental Capital Budget Statement.

Prepared on Australian Accounting Standards basis.

**Table 3.2: Budgeted departmental balance sheet (as at 30 June)**

	2018–19 Estimated actual \$'000	2019–20 Budget \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000	2022–23 Forward estimate \$'000
<b>ASSETS</b>					
<b>Financial assets</b>					
Cash and cash equivalents	494	2,000	2,000	2,000	2,000
Trade and other receivables	145,523	143,354	143,477	143,536	143,669
Other financial assets	2,582	2,582	2,582	2,582	2,582
<b>Total financial assets</b>	<b>148,599</b>	<b>147,936</b>	<b>148,059</b>	<b>148,118</b>	<b>148,251</b>
<b>Non-financial assets</b>					
Leasehold improvements	28,613	29,047	28,268	25,648	24,269
Property, plant and equipment	29,637	24,381	22,318	21,494	27,804
Intangibles	109,163	108,583	114,456	112,991	110,922
Other non-financial assets	21,843	21,843	21,843	21,843	21,843
<b>Total non-financial assets</b>	<b>189,256</b>	<b>183,854</b>	<b>186,885</b>	<b>181,976</b>	<b>184,838</b>
<b>Total assets</b>	<b>337,855</b>	<b>331,790</b>	<b>334,944</b>	<b>330,094</b>	<b>333,089</b>
<b>LIABILITIES</b>					
<b>Payables</b>					
Suppliers	39,377	39,659	39,908	40,153	40,403
Other payables	15,671	13,869	13,632	13,387	13,214
<b>Total payables</b>	<b>55,048</b>	<b>53,528</b>	<b>53,540</b>	<b>53,540</b>	<b>53,617</b>
<b>Provisions</b>					
Employee provisions	75,726	75,829	75,942	76,001	76,058
Other provisions	91	91	89	89	88
<b>Total provisions</b>	<b>75,817</b>	<b>75,920</b>	<b>76,031</b>	<b>76,090</b>	<b>76,146</b>
<b>Total liabilities</b>	<b>130,865</b>	<b>129,448</b>	<b>129,571</b>	<b>129,630</b>	<b>129,763</b>
<b>Net assets</b>	<b>206,990</b>	<b>202,342</b>	<b>205,373</b>	<b>200,464</b>	<b>203,326</b>
<b>EQUITY*</b>					
<b>Parent entity interest</b>					
Contributed equity	392,811	441,515	477,011	507,371	544,915
Reserves	10,252	10,252	10,252	10,252	10,252
Retained surplus (accumulated deficit)	(196,073)	(249,425)	(281,890)	(317,159)	(351,841)
<b>Total parent entity interest</b>	<b>206,990</b>	<b>202,342</b>	<b>205,373</b>	<b>200,464</b>	<b>203,326</b>
<b>Total equity</b>	<b>206,990</b>	<b>202,342</b>	<b>205,373</b>	<b>200,464</b>	<b>203,326</b>

\*'Equity' is the residual interest in assets after deduction of liabilities.

Prepared on Australian Accounting Standards basis.

**Table 3.3: Departmental statement of changes in equity — summary of movement (Budget year 2019–20)**

	Retained earnings	Asset revaluation reserve	Contributed equity/capital	Total equity
	\$'000	\$'000	\$'000	\$'000
<b>Opening balance as at 1 July 2019</b>				
Balance carried forward from previous period	(196,073)	10,252	392,811	206,990
Adjustment for changes in accounting policies	-	-	-	-
<b>Adjusted opening balance</b>	<b>(196,073)</b>	<b>10,252</b>	<b>392,811</b>	<b>206,990</b>
<b>Comprehensive income</b>				
Other comprehensive income	-	-	-	-
Surplus/(deficit) for the period	(53,352)	-	-	(53,352)
<b>Total comprehensive income</b>	<b>(53,352)</b>	<b>-</b>	<b>-</b>	<b>(53,352)</b>
of which:				
Attributable to the Australian Government	(53,352)	-	-	(53,352)
<b>Transactions with owners</b>				
<b>Contributions by owners</b>				
Equity injection — Appropriation	-	-	30,179	30,179
Departmental Capital Budget (DCB)	-	-	26,370	26,370
Other	-	-	(7,845)	(7,845)
<b>Sub-total transactions with owners</b>	<b>-</b>	<b>-</b>	<b>48,704</b>	<b>48,704</b>
Transfers between equity components	-	-	-	-
<b>Estimated closing balance as at 30 June 2020</b>	<b>(249,425)</b>	<b>10,252</b>	<b>441,515</b>	<b>202,342</b>
Less: non-controlling interests	-	-	-	-
<b>Closing balance attributable to the Australian Government</b>	<b>(249,425)</b>	<b>10,252</b>	<b>441,515</b>	<b>202,342</b>

Prepared on Australian Accounting Standards basis.

**Table 3.4: Budgeted departmental statement of cash flows (for the period ended 30 June)**

	2018–19 Estimated actual \$'000	2019–20 Budget \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000	2022–23 Forward estimate \$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Appropriations	333,921	340,477	326,345	324,719	310,779
Sale of goods and rendering of services	53,533	53,834	53,833	53,832	53,756
Net GST received	15,147	15,001	13,310	13,191	11,649
<b>Total cash received</b>	<b>402,601</b>	<b>409,312</b>	<b>393,488</b>	<b>391,742</b>	<b>376,184</b>
<b>Cash used</b>					
Employees	236,744	242,170	247,243	246,809	248,276
Suppliers	114,330	113,023	92,878	91,566	74,541
s74 Retained revenue receipts transferred to OPA	52,675	53,367	53,367	53,367	53,367
<b>Total cash used</b>	<b>403,749</b>	<b>408,560</b>	<b>393,488</b>	<b>391,742</b>	<b>376,184</b>
<b>Net cash from/(used by) operating activities</b>	<b>(1,148)</b>	<b>752</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>INVESTING ACTIVITIES</b>					
<b>Cash received</b>					
Proceeds from sales of property, plant and equipment	-	-	-	-	-
<b>Total cash received</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cash used</b>					
Purchase of property, plant and equipment and intangibles	53,284	55,795	35,496	30,360	30,152
<b>Total cash used</b>	<b>53,284</b>	<b>55,795</b>	<b>35,496</b>	<b>30,360</b>	<b>30,152</b>
<b>Net cash from/(used by) investing activities</b>	<b>(53,284)</b>	<b>(55,795)</b>	<b>(35,496)</b>	<b>(30,360)</b>	<b>(30,152)</b>
<b>FINANCING ACTIVITIES</b>					
<b>Cash received</b>					
Contributed equity	52,530	56,549	35,496	30,360	30,152
<b>Total cash received</b>	<b>52,530</b>	<b>56,549</b>	<b>35,496</b>	<b>30,360</b>	<b>30,152</b>
<b>Cash used</b>					
Other	-	-	-	-	-
<b>Total cash used</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net cash from/(used by) financing activities</b>	<b>52,530</b>	<b>56,549</b>	<b>35,496</b>	<b>30,360</b>	<b>30,152</b>
<b>Net increase/(decrease) in cash held</b>	<b>(1,902)</b>	<b>1,506</b>	<b>-</b>	<b>-</b>	<b>-</b>
Cash and cash equivalents at the beginning of the reporting period	2,396	494	2,000	2,000	2,000
<b>Cash and cash equivalents at the end of the reporting period</b>	<b>494</b>	<b>2,000</b>	<b>2,000</b>	<b>2,000</b>	<b>2,000</b>

Prepared on Australian Accounting Standards basis.

**Table 3.5: Departmental capital budget statement (for the period ended 30 June)**

	2018–19 Estimated actual \$'000	2019–20 Budget \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000	2022–23 Forward estimate \$'000
<b>NEW CAPITAL APPROPRIATIONS</b>					
Capital budget — Bill 1 (DCB) (a)	30,434	26,370	29,745	29,948	30,152
Equity injections — Bill 2	22,096	30,179	5,751	412	-
<b>Total new capital appropriations</b>	<b>52,530</b>	<b>56,549</b>	<b>35,496</b>	<b>30,360</b>	<b>30,152</b>
<i>Provided for:</i>					
<i>Purchase of non-financial assets</i>	<i>52,530</i>	<i>56,549</i>	<i>35,496</i>	<i>30,360</i>	<i>30,152</i>
<b>Total items</b>	<b>52,530</b>	<b>56,549</b>	<b>35,496</b>	<b>30,360</b>	<b>30,152</b>
<b>PURCHASE OF NON-FINANCIAL ASSETS</b>					
Funded by capital appropriations (b)	22,850	29,425	5,751	412	-
Funded by capital appropriation — DCB (c)	30,434	26,370	29,745	29,948	30,152
<b>TOTAL</b>	<b>53,284</b>	<b>55,795</b>	<b>35,496</b>	<b>30,360</b>	<b>30,152</b>
<b>RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE</b>					
Total purchases	53,284	55,795	35,496	30,360	30,152
<b>Total cash used to acquire assets</b>	<b>53,284</b>	<b>55,795</b>	<b>35,496</b>	<b>30,360</b>	<b>30,152</b>

(a) 2018-19 Capital Budget (DCB) excludes \$0.933m withheld under section 51 of the *PGPA Act 2013*.

(b) Includes both current Bill 2 and prior Act 2/4/6 appropriations and special capital appropriations.

(c) Does not include annual finance lease costs. Includes purchases from current and previous years' Departmental Capital budgets (DCBs).

Prepared on Australian Accounting Standards basis.

**Table 3.6: Statement of asset movements (Budget year 2019–20)**

	Leasehold improvements \$'000	Other property, plant and equipment \$'000	Computer software and intangibles \$'000	Total \$'000
<b>As at 1 July 2019</b>				
Gross book value	38,105	51,594	212,300	301,999
Accumulated depreciation/ amortisation and impairment	(9,492)	(21,957)	(103,137)	(134,586)
<b>Opening net book balance</b>	<b>28,613</b>	<b>29,637</b>	<b>109,163</b>	<b>167,413</b>
<b>Capital asset additions</b>				
<b>Estimated expenditure on new or replacement assets</b>				
By purchase—appropriation equity (a)	4,843	4,124	46,828	55,795
<b>Total additions</b>	<b>4,843</b>	<b>4,124</b>	<b>46,828</b>	<b>55,795</b>
<b>Other movements</b>				
Other Movements	-	-	(7,845)	(7,845)
Depreciation/amortisation expense	(4,409)	(9,380)	(39,563)	(53,352)
<b>Total other movements</b>	<b>(4,409)</b>	<b>(9,380)</b>	<b>(47,408)</b>	<b>(61,197)</b>
<b>As at 30 June 2020</b>				
Gross book value	42,948	55,718	251,283	349,949
Accumulated depreciation/ amortisation and impairment	(13,901)	(31,337)	(142,700)	(187,938)
<b>Closing net book balance</b>	<b>29,047</b>	<b>24,381</b>	<b>108,583</b>	<b>162,011</b>

(a) 'Appropriation equity' refers to equity injections appropriations provided through Appropriation Bill (No. 2) 2019–20, including Collection Development Acquisition Budget (CDAB) funding.

Prepared on Australian Accounting Standards basis.

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**Table 3.7: Schedule of budgeted income and expenses administered on behalf of Government (for the period ended 30 June)**

	2018–19 Estimated actual \$'000	2019–20 Budget \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000	2022–23 Forward estimate \$'000
<b>EXPENSES</b>					
Suppliers	1,503,500	1,351,230	1,351,833	1,298,618	1,357,668
Subsidies	257,993	225,714	220,026	252,017	252,574
Personal benefits	290,243	319,567	317,031	318,790	314,549
Grants	75,541	62,416	60,698	60,766	59,953
Write-down and impairment of assets	642	642	642	642	642
Payments to corporate entities	5,989	5,989	6,028	6,069	6,110
<b>Total expenses administered on behalf of Government</b>	<b>2,133,908</b>	<b>1,965,558</b>	<b>1,956,258</b>	<b>1,936,902</b>	<b>1,991,496</b>
<b>LESS:</b>					
<b>OWN-SOURCE INCOME</b>					
<b>Own-source revenue</b>					
<b>Taxation revenue</b>					
Other taxes	125,859	124,992	124,992	124,992	124,992
<b>Total taxation revenue</b>	<b>125,859</b>	<b>124,992</b>	<b>124,992</b>	<b>124,992</b>	<b>124,992</b>
<b>Non-taxation revenue</b>					
Recoveries	74,126	76,100	78,156	78,156	78,156
Other revenue	3,190	3,190	3,190	3,190	3,190
<b>Total non-taxation revenue</b>	<b>77,316</b>	<b>79,290</b>	<b>81,346</b>	<b>81,346</b>	<b>81,346</b>
<b>Total own-source revenue administered on behalf of Government</b>	<b>203,175</b>	<b>204,282</b>	<b>206,338</b>	<b>206,338</b>	<b>206,338</b>
<b>Total own-sourced income administered on behalf of Government</b>	<b>203,175</b>	<b>204,282</b>	<b>206,338</b>	<b>206,338</b>	<b>206,338</b>
<b>Net cost of/contribution by services</b>	<b>1,930,733</b>	<b>1,761,276</b>	<b>1,749,920</b>	<b>1,730,564</b>	<b>1,785,158</b>
<b>Surplus/(deficit) before income tax</b>	<b>(1,930,733)</b>	<b>(1,761,276)</b>	<b>(1,749,920)</b>	<b>(1,730,564)</b>	<b>(1,785,158)</b>
Income tax expense	-	-	-	-	-
<b>Surplus/(deficit) after income tax</b>	<b>(1,930,733)</b>	<b>(1,761,276)</b>	<b>(1,749,920)</b>	<b>(1,730,564)</b>	<b>(1,785,158)</b>
<b>OTHER COMPREHENSIVE INCOME</b>					
<b>Items not subject of subsequent reclassification to net cost of services</b>					
Changes in asset revaluation surplus	-	-	-	-	-
<b>Total other comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income/(loss)</b>	<b>(1,930,733)</b>	<b>(1,761,276)</b>	<b>(1,749,920)</b>	<b>(1,730,564)</b>	<b>(1,785,158)</b>

Prepared on Australian Accounting Standards basis.

**Table 3.8: Schedule of budgeted assets and liabilities administered on behalf of Government (as at 30 June)**

	2018-19 Estimated actual \$'000	2019-20 Budget \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000	2022-23 Forward estimate \$'000
<b>ASSETS</b>					
<b>Financial assets</b>					
Taxation receivables	13,338	13,338	13,338	13,338	13,338
Trade and other receivables	30,014	30,014	30,014	29,372	28,730
Other investments	410,418	410,418	410,418	410,418	410,418
<b>Total financial assets</b>	<b>453,770</b>	<b>453,770</b>	<b>453,770</b>	<b>453,128</b>	<b>452,486</b>
<b>Non-financial assets</b>					
Other non-financial assets	6,605	6,882	6,882	7,080	7,286
<b>Total non-financial assets</b>	<b>6,605</b>	<b>6,882</b>	<b>6,882</b>	<b>7,080</b>	<b>7,286</b>
Assets held for sale	-	-	-	-	-
<b>Total assets administered on behalf of Government</b>	<b>460,375</b>	<b>460,652</b>	<b>460,652</b>	<b>460,208</b>	<b>459,772</b>
<b>LIABILITIES</b>					
<b>Payables</b>					
Suppliers	82,383	82,383	82,383	82,383	82,383
Subsidies	73,171	73,171	73,171	73,171	73,171
Personal benefits	1,422	1,422	1,422	1,422	1,422
Grants	2,085,606	2,070,709	2,043,780	2,023,334	2,009,217
Other payables	11,477	11,477	11,477	11,477	11,477
<b>Total payables</b>	<b>2,254,059</b>	<b>2,239,162</b>	<b>2,212,233</b>	<b>2,191,787</b>	<b>2,177,670</b>
<b>Total liabilities administered on behalf of Government</b>	<b>2,254,059</b>	<b>2,239,162</b>	<b>2,212,233</b>	<b>2,191,787</b>	<b>2,177,670</b>
<b>Net assets/(liabilities)</b>	<b>(1,793,684)</b>	<b>(1,778,510)</b>	<b>(1,751,581)</b>	<b>(1,731,579)</b>	<b>(1,717,898)</b>

Prepared on Australian Accounting Standards basis.



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**Table 3.9: Schedule of budgeted administered cash flows (for the period ended 30 June)**

	2018–19 Estimated actual \$'000	2019–20 Budget \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000	2022–23 Forward estimate \$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Taxes	125,859	124,992	124,992	124,992	124,992
Net GST received	147,612	137,276	136,615	135,560	135,989
Other	77,316	79,290	81,346	81,346	81,346
<b>Total cash received</b>	<b>350,787</b>	<b>341,558</b>	<b>342,953</b>	<b>341,898</b>	<b>342,327</b>
<b>Cash used</b>					
Grant	75,541	62,416	60,698	60,766	59,953
Subsidies paid	257,993	225,714	220,026	252,017	252,574
Personal benefits	290,243	319,567	317,031	318,790	314,549
Suppliers	1,503,831	1,351,507	1,351,833	1,298,816	1,357,874
Net GST paid	147,612	137,276	136,615	135,560	135,989
Payments to corporate entities	5,989	5,989	6,028	6,069	6,110
<b>Total cash used</b>	<b>2,281,209</b>	<b>2,102,469</b>	<b>2,092,231</b>	<b>2,072,018</b>	<b>2,127,049</b>
<b>Net cash from/(used by) operating activities</b>	<b>(1,930,422)</b>	<b>(1,760,911)</b>	<b>(1,749,278)</b>	<b>(1,730,120)</b>	<b>(1,784,722)</b>
<b>Net increase/(decrease) in cash held</b>	<b>(1,930,422)</b>	<b>(1,760,911)</b>	<b>(1,749,278)</b>	<b>(1,730,120)</b>	<b>(1,784,722)</b>
Cash and cash equivalents at beginning of reporting period	40	-	-	-	-
Cash from Official Public Account for:					
– Appropriations	2,133,587	1,965,223	1,955,646	1,936,488	1,991,090
– GST appropriations	147,612	137,276	136,615	135,560	135,989
<b>Total cash from Official Public Account</b>	<b>2,281,199</b>	<b>2,102,499</b>	<b>2,092,261</b>	<b>2,072,048</b>	<b>2,127,079</b>
Cash to Official Public Account for:					
– Appropriations	(203,205)	(204,312)	(206,368)	(206,368)	(206,368)
– Return of GST appropriations	(147,612)	(137,276)	(136,615)	(135,560)	(135,989)
<b>Total cash to Official Public Account</b>	<b>(350,817)</b>	<b>(341,588)</b>	<b>(342,983)</b>	<b>(341,928)</b>	<b>(342,357)</b>
<b>Cash and cash equivalents at end of reporting period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Prepared on Australian Accounting Standards basis.

**Table 3.10: Administered capital budget statement (for the period ended 30 June)**

The Department has no administered capital purchases to report. For this reason, Table 3.10 is not presented.

**Table 3.11: Statement of administered asset movements (Budget year 2019–20)**

The Department has no administered asset movements to report. For this reason, Table 3.11 is not presented.



**ASBESTOS SAFETY AND  
ERADICATION AGENCY**

**ENTITY RESOURCES AND PLANNED  
PERFORMANCE**



# ASBESTOS SAFETY AND ERADICATION AGENCY

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# ASBESTOS SAFETY AND ERADICATION AGENCY

## Section 1: Entity overview and resources

### 1.1 STRATEGIC DIRECTION STATEMENT

The Asbestos Safety and Eradication Agency (ASEA) is established by the *Asbestos Safety and Eradication Agency Act 2013* (the Act) to provide national focus and national coordination of asbestos policy and regulation.

ASEA's key functions relate to administering the National Strategic Plan for Asbestos Awareness and Management (NSP) which aims to prevent exposure to asbestos fibres in order to eliminate asbestos-related diseases.

ASEA's other functions include liaising with Commonwealth, state, territory, local and other governments, agencies or bodies about asbestos safety and commissioning, monitoring and promoting research about asbestos safety.

ASEA's strategic direction is driven by the NSP. Phase one of the NSP released in June 2015 went from 2014–2018 (NSP 2014–2018) with phase two going from 2019–2023 (NSP 2019–2023).

Key priorities of ASEA are:

- coordinating implementation of NSP 2019–2023
- supporting the whole-of-government strategy to prevent imported goods containing asbestos entering Australia, and
- commissioning research on asbestos safety and undertaking work on emerging issues.

## 1.2 ENTITY RESOURCE STATEMENT

Table 1.1 shows the total funding from all sources available to the entity for its operations and to deliver programs and services on behalf of the Government.

The table summarises how resources will be applied by outcome (government strategic policy objectives) and by administered (on behalf of the Government or the public) and departmental (for the entity's operations) classification.

For more detailed information on special accounts and special appropriations, please refer to *Budget Paper No. 4 – Agency Resourcing*.

Information in this table is presented on a resourcing (that is, appropriations/cash available) basis, whilst the 'Budgeted expenses by Outcome' tables in Section 2 and the financial statements in Section 3 are presented on an accrual basis.

**Table 1.1: Asbestos Safety and Eradication Agency resource statement - Budget estimates for 2019–20 as at Budget April 2019**

	<i>2018–19 (a)</i> <i>Estimated</i> <i>actual</i> <i>\$'000</i>	2019–20 Estimate \$'000
<b>Departmental</b>		
Annual appropriations - ordinary annual services (b)		
Prior year appropriations available	4,172	4,172
Departmental appropriation (c)	3,318	3,313
s74 External Revenue (d)	225	225
Departmental capital budget (e)	59	59
Total departmental annual appropriations	<u>7,774</u>	<u>7,769</u>
<b>Total departmental resourcing</b>	<b>7,774</b>	<b>7,769</b>
<b>Total resourcing for Asbestos Safety and Eradication Agency</b>	<b>7,774</b>	<b>7,769</b>
	<i>2018–19</i>	2019–20
<b>Average staffing level (number)</b>	<u>12</u>	<u>12</u>

Prepared on a resourcing (i.e. appropriations available) basis.

Please note: All figures shown above are GST exclusive — these may not match figures in the cash flow statement.

- (a) Annual appropriation amounts appearing for 2018–19 do not include the Appropriation Bills (No. 3) and (No. 4) 2018–2019, as they had not been enacted at the time of publication.
- (b) Appropriation Bill (No. 1) 2019–20.
- (c) Excludes Departmental Capital Budget (DCB).
- (d) Estimated retained revenue receipts under section 74 of the PGPA Act.
- (e) DCBs are not separately identified in Appropriation Bill (No.1) and form part of ordinary annual services items. Please refer to Table 3.5 for further details. For accounting purposes, this amount has been designated as a 'contribution by owner'.



### **1.3 BUDGET MEASURES**

Budget measures in Part 1 relating to the Asbestos Safety and Eradication are detailed in Budget Paper No. 2 and are summarised below.

#### **Table 1.2: Entity 2019–20 Budget measures**

The Asbestos Safety and Eradication Agency does not have any new measures since the 2018-19 MYEFO. For this reason, Part 1 of table 1.2 is not presented.

#### **Part 2: Other measures not previously reported in a portfolio statement**

The Asbestos Safety and Eradication Agency does not have any other measures not previously reported. For this reason, Part 2 of table 1.2 is not presented.

## Section 2: Outcomes and planned performance

Government outcomes are the intended results, impacts or consequences of actions by the Government on the Australian community. Commonwealth programs are the primary vehicle by which government entities achieve the intended results of their outcome statements. Entities are required to identify the programs which contribute to government outcomes over the Budget and forward years.

Each outcome is described below together with its related programs. The following provides detailed information on expenses for each outcome and program, further broken down by funding source.

**Note:**

Performance reporting requirements in the Portfolio Budget Statements are part of the enhanced Commonwealth performance framework established by the *Public Governance, Performance and Accountability Act 2013*. It is anticipated that the performance criteria described in Portfolio Budget Statements will be read with broader information provided in an entity's corporate plans and annual performance statements – included in Annual Reports – to provide an entity's complete performance story.

The most recent corporate plan for Asbestos Safety and Eradication Agency can be found at: <https://www.asbestossafety.gov.au/research-publications/national-strategic-plan-asbestos-management-and-awareness>.

The most recent annual performance statement can be found at: <https://www.asbestossafety.gov.au/research-publications/annual-report-2017-18>.

## 2.1 BUDGETED EXPENSES AND PERFORMANCE FOR OUTCOME 1

**Outcome 1: Assist the prevention of exposure to asbestos fibres and the elimination of asbestos-related disease in Australia through implementing the National Strategic Plan for Asbestos Awareness and Management in Australia.**

### Budgeted expenses for Outcome 1

This table shows how much the entity intends to spend (on an accrual basis) on achieving the outcome, broken down by program, as well as by Administered and Departmental funding sources.

**Table 2.1.1: Budgeted expenses for Outcome 1**

**Outcome 1: Assist in the prevention of exposure to asbestos fibres and the elimination of asbestos-related disease in Australia through implementing the National Strategic Plan for Asbestos Awareness and Management in Australia.**

	2018–19 Estimated actual \$'000	2019–20 Budget \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000	2022–23 Forward estimate \$'000
<b>Program 1.1: Asbestos Safety and Eradication Agency</b>					
Departmental expenses					
Departmental appropriation	3,318	3,313	3,327	3,340	3,359
s74 External Revenue (a)	225	225	225	200	-
Expenses not requiring appropriation in the Budget year (b)	120	132	137	126	136
<b>Departmental total</b>	<b>3,663</b>	<b>3,670</b>	<b>3,689</b>	<b>3,666</b>	<b>3,495</b>
<b>Total expenses for program 1.1</b>	<b>3,663</b>	<b>3,670</b>	<b>3,689</b>	<b>3,666</b>	<b>3,495</b>
<b>Outcome 1 Totals by appropriation type</b>					
Departmental expenses					
Departmental appropriation	3,318	3,313	3,327	3,340	3,359
s74 External Revenue (a)	225	225	225	200	-
Expenses not requiring appropriation in the Budget year (b)	120	132	137	126	136
<b>Departmental total</b>	<b>3,663</b>	<b>3,670</b>	<b>3,689</b>	<b>3,666</b>	<b>3,495</b>
<b>Total expenses for Outcome 1</b>	<b>3,663</b>	<b>3,670</b>	<b>3,689</b>	<b>3,666</b>	<b>3,495</b>
	2018–19	2019–20			
<b>Average staffing level (number)</b>	12	12			

(a) Estimated expenses incurred in relation to receipts retained under section 74 of the PGPA Act 2013.

(b) Expenses not requiring appropriation in the Budget year are made up of depreciation expenses, amortisation expenses, make good expenses, and audit fees.

Note: Departmental appropriation splits and totals are indicative estimates and may change in the course of the budget year as government priorities change.

**Table 2.1.2: Performance criteria for Outcome 1**

Table 2.1.2 below details the performance criteria for each program associated with Outcome 1. It also summarises how each program is delivered and where 2019–20 Budget measures have created new programs or materially changed existing programs.

<b>Outcome 1</b> — Assist the prevention of exposure to asbestos fibres and the elimination of asbestos-related disease in Australia through implementing the National Strategic Plan for Asbestos Awareness and Management in Australia.		
<b>Program 1.1</b> — The Asbestos Safety and Eradication Agency delivers Outcome 1 by encouraging, coordinating, monitoring and reporting on the implementation of the National Strategic Plan. It also collaborates with Commonwealth, state and territory and local government agencies about asbestos safety and commissions and promotes research about asbestos safety.		
<b>Purpose</b>	The Asbestos Safety and Eradication Agency's purpose is to encourage, coordinate, monitor and report on the implementation of the National Strategic Plan for Asbestos Awareness and Management.	
<b>Delivery</b>	The deliverables for the Asbestos Safety and Eradication Agency are developed with reference to the Act and consistent with its operational plan and include: <ul style="list-style-type: none"> <li>• review and evaluate NSP 2014–2018</li> <li>• develop and seek approval of NSP 2019–2023</li> <li>• work with other national and international bodies to share information and knowledge on asbestos safety</li> <li>• develop and implement communication strategies and initiatives to build awareness and knowledge of asbestos safety, and</li> <li>• identify and share best practice in asbestos awareness, management and removal.</li> </ul>	
<b>Performance information</b>		
<b>Year</b>	<b>Performance criteria (a)</b>	<b>Targets</b>
2018–19	Activities in the Operational Plan are delivered to the expected quality, on time and within budget.	Finalised and incorporated by 31 March 2019. <b>Assessment:</b> On Track.
	Review and evaluation of NSP 2014–18 informs the development of NSP 2019–2023.	
	NSP 2019–2023 developed and approved.	Finalised and launched by 30 June 2019. <b>Assessment:</b> On Track.
	A sustained high level of satisfaction and engagement with Asbestos Safety and Eradication Council members and other stakeholders.	80% satisfaction with the agency's achievements. <b>Assessment:</b> On Track.
	Increased public awareness about asbestos safety.	Increased awareness of the health risks of ACMs <sup>1</sup> and where to source information. <b>Assessment:</b> On Track.

<sup>1</sup> Asbestos-containing materials

<p><b>Outcome 1</b> — Assist the prevention of exposure to asbestos fibres and the elimination of asbestos-related disease in Australia through implementing the National Strategic Plan for Asbestos Awareness and Management in Australia.</p>		
<p><b>Program 1.1</b> — The Asbestos Safety and Eradication Agency delivers Outcome 1 by encouraging, coordinating, monitoring and reporting on the implementation of the National Strategic Plan. It also collaborates with Commonwealth, state and territory and local government agencies about asbestos safety and commissions and promotes research about asbestos safety.</p>		
	<p>Best practice awareness, management and removal practices identified and distributed.</p>	<p>Increased awareness of the health risks of ACMs and where to source information  <b>Assessment:</b> On Track</p>
<p>2019–20</p>	<p>Coordinate, monitor and report on the implementation of NSP 2019–2023.</p>	<p>ASEA effectively supports NSP 2019–2023 with research, reporting, evaluation and advice.</p>
<p>2020–21 and beyond</p>	<p>As per 2019–20.</p>	<p>As per 2019–20.</p>
<p><b>Material changes to Program 1.1 resulting from the following measures:</b> Nil</p>		

## Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2019–20 budget year, including the impact of budget measures and resourcing on financial statements.

### **3.1 BUDGETED FINANCIAL STATEMENTS**

#### **3.1.1 Differences between entity resourcing and financial statements**

The Asbestos Safety and Eradication Agency has nil difference to report.

The Agency Resource Statement (Table 1.1) details the total appropriation available to an agency from all sources. For departmental operating appropriations (outputs) this includes carry-forward amounts as well as amounts appropriated at Budget. As agencies incur and are funded for future liabilities and employee entitlements, the total amount of departmental operating appropriation available to an agency is unlikely to be fully utilised in the Budget year. The difference between the agency resource statement and the sum of all payments made at the departmental outputs level is the expected carry-forward amount of resources for the 2019–20 Budget year, including amounts related to meeting future employee entitlement obligations.

#### **3.1.2 Explanatory notes and analysis of budgeted financial statements**

The Asbestos Safety and Eradication Agency is budgeting for an operational loss equal to the unappropriated depreciation and amortisation expense of \$0.06 million for the 2019–20 financial year.

Total revenues are estimated to be \$3.6 million and total expenses \$3.7 million.

Total assets at the end of 2019–20 financial year are estimated to be \$4.4 million. The majority of the assets represent appropriations receivable.

### 3.2. BUDGETED FINANCIAL STATEMENTS TABLES

**Table 3.1: Comprehensive income statement (showing net cost of services) for the period ended 30 June**

	2018–19 Estimated actual \$'000	2019–20 Budget \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000	2022–23 Forward estimate \$'000
<b>EXPENSES</b>					
Employee benefits	1,643	1,648	1,691	1,691	1,702
Suppliers	1,973	1,963	1,934	1,917	1,725
Depreciation and amortisation (a)	47	59	64	58	68
<b>Total expenses</b>	<b>3,663</b>	<b>3,670</b>	<b>3,689</b>	<b>3,666</b>	<b>3,495</b>
<b>LESS:</b>					
<b>OWN-SOURCE INCOME</b>					
<b>Own-source revenue</b>					
Sale of goods and rendering of services	225	225	225	200	-
<b>Total own-source revenue</b>	<b>225</b>	<b>225</b>	<b>225</b>	<b>200</b>	<b>-</b>
<b>Gains</b>					
Other	73	73	73	68	68
<b>Total gains</b>	<b>73</b>	<b>73</b>	<b>73</b>	<b>68</b>	<b>68</b>
<b>Total own-source income</b>	<b>298</b>	<b>298</b>	<b>298</b>	<b>268</b>	<b>68</b>
<b>Net (cost of)/contribution by services</b>	<b>(3,365)</b>	<b>(3,372)</b>	<b>(3,391)</b>	<b>(3,398)</b>	<b>(3,427)</b>
Revenue from Government	3,318	3,313	3,327	3,340	3,359
<b>Surplus/(deficit) attributable to the Australian Government</b>	<b>(47)</b>	<b>(59)</b>	<b>(64)</b>	<b>(58)</b>	<b>(68)</b>
<b>Total comprehensive income/(loss)</b>	<b>(47)</b>	<b>(59)</b>	<b>(64)</b>	<b>(58)</b>	<b>(68)</b>
<b>Total comprehensive income/(loss) attributable to the Australian Government</b>	<b>(47)</b>	<b>(59)</b>	<b>(64)</b>	<b>(58)</b>	<b>(68)</b>

**Note: Impact of net cash appropriation arrangements**

	2018–19 \$'000	2019–20 \$'000	2020–21 \$'000	2021–22 \$'000	2022–23 \$'000
<b>Total comprehensive income/(loss) excluding depreciation/amortisation expenses previously funded through revenue appropriations</b>	-	-	-	-	-
less depreciation/amortisation expenses previously funded through revenue appropriations (a)	47	59	64	58	68
<b>Total comprehensive income/(loss) — as per the statement of comprehensive income</b>	<b>(47)</b>	<b>(59)</b>	<b>(64)</b>	<b>(58)</b>	<b>(68)</b>

(a) From 2010–11, the Government introduced net cash appropriation arrangements. This involved Bill 1 revenue appropriations for the depreciation/amortisation expenses of non-corporate Commonwealth entities (and select corporate Commonwealth entities) were replaced with a separate capital budget (the Departmental Capital Budget, or DCB) provided through Bill 1 equity appropriations. For information regarding DCBs, please refer to Table 3.5 Departmental Capital Budget Statement.

Prepared on Australian Accounting Standards basis.

**Table 3.2: Budgeted departmental balance sheet (as at 30 June)**

	2018–19 Estimated actual \$'000	2019–20 Budget \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000	2022–23 Forward estimate \$'000
<b>ASSETS</b>					
<b>Financial assets</b>					
Cash and cash equivalents	64	64	64	64	64
Trade and other receivables	4,192	4,192	4,192	4,192	4,192
<b>Total financial assets</b>	<b>4,256</b>	<b>4,256</b>	<b>4,256</b>	<b>4,256</b>	<b>4,256</b>
<b>Non-financial assets</b>					
Land and buildings	40	40	40	40	40
Property, plant and equipment	88	88	82	83	143
Other non-financial assets	64	64	64	64	64
<b>Total non-financial assets</b>	<b>192</b>	<b>192</b>	<b>186</b>	<b>187</b>	<b>247</b>
Assets held for sale					
<b>Total assets</b>	<b>4,448</b>	<b>4,448</b>	<b>4,442</b>	<b>4,443</b>	<b>4,503</b>
<b>LIABILITIES</b>					
<b>Payables</b>					
Suppliers	519	519	519	519	519
Other payables	122	122	122	122	122
<b>Total payables</b>	<b>641</b>	<b>641</b>	<b>641</b>	<b>641</b>	<b>641</b>
<b>Provisions</b>					
Employee provisions	230	230	230	230	230
Other provisions					
<b>Total provisions</b>	<b>230</b>	<b>230</b>	<b>230</b>	<b>230</b>	<b>230</b>
<b>Total liabilities</b>	<b>871</b>	<b>871</b>	<b>871</b>	<b>871</b>	<b>871</b>
<b>Net assets</b>	<b>3,577</b>	<b>3,577</b>	<b>3,571</b>	<b>3,572</b>	<b>3,632</b>
<b>EQUITY*</b>					
<b>Parent entity interest</b>					
Contributed equity	337	396	454	513	573
Retained surplus (accumulated deficit)	3,240	3,181	3,117	3,059	3,059
<b>Total parent entity interest</b>	<b>3,577</b>	<b>3,577</b>	<b>3,571</b>	<b>3,572</b>	<b>3,632</b>
<b>Total equity</b>	<b>3,577</b>	<b>3,577</b>	<b>3,571</b>	<b>3,572</b>	<b>3,632</b>

Prepared on Australian Accounting Standards basis.

\*Equity is the residual interest in assets after deduction of liabilities.



**Table 3.3: Departmental statement of changes in equity—summary of movement  
(Budget year 2019–20)**

	Retained earnings	Contributed equity/ capital	Total equity
	\$'000	\$'000	\$'000
<b>Opening balance as at 1 July 2019</b>			
Balance carried forward from previous period	3,240	337	3,577
<b>Adjusted opening balance</b>	<b>3,240</b>	<b>337</b>	<b>3,577</b>
<b>Comprehensive income</b>			
Other comprehensive income	-	-	-
Surplus/(deficit) for the period	(59)	-	(59)
<b>Total comprehensive income</b>	<b>(59)</b>	<b>-</b>	<b>(59)</b>
of which:			
Attributable to the Australian Government	(59)	-	(59)
<b>Transactions with owners</b>			
<b>Contributions by owners</b>			
Departmental Capital Budget (DCB)	-	59	59
<b>Sub-total transactions with owners</b>	<b>-</b>	<b>59</b>	<b>59</b>
Transfers between equity			
Transfers between equity components	-	-	-
<b>Estimated closing balance as at 30 June 2020</b>	<b>3,181</b>	<b>396</b>	<b>3,577</b>
<b>Closing balance attributable to the Australian Government</b>	<b>3,181</b>	<b>396</b>	<b>3,577</b>

Prepared on Australian Accounting Standards basis.

\*The non-controlling interest disclosure is not required if an entity does not have non-controlling interests.

**Table 3.4: Budgeted departmental statement of cash flows (for the period ended 30 June)**

	2018–19 Estimated actual \$'000	2019–20 Budget \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000	2022–23 Forward estimate \$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Appropriations	3,318	3,313	3,327	3,340	3,359
Sale of goods and rendering of services	225	225	225	200	-
<b>Total cash received</b>	<b>3,543</b>	<b>3,538</b>	<b>3,552</b>	<b>3,540</b>	<b>3,359</b>
<b>Cash used</b>					
Employees	1,643	1,648	1,691	1,691	1,702
Suppliers	1,900	1,890	1,861	1,849	1,657
<b>Total cash used</b>	<b>3,543</b>	<b>3,538</b>	<b>3,552</b>	<b>3,540</b>	<b>3,359</b>
<b>Net cash from/(used by) operating activities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>INVESTING ACTIVITIES</b>					
<b>Cash received</b>					
Other	-	-	-	-	-
<b>Total cash received</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cash used</b>					
Purchase of property, plant and equipment and intangibles	59	59	58	59	60
<b>Total cash used</b>	<b>59</b>	<b>59</b>	<b>58</b>	<b>59</b>	<b>60</b>
<b>Net cash from/(used by) investing activities</b>	<b>(59)</b>	<b>(59)</b>	<b>(58)</b>	<b>(59)</b>	<b>(60)</b>
<b>FINANCING ACTIVITIES</b>					
<b>Cash received</b>					
Contributed equity	59	59	58	59	60
<b>Total cash received</b>	<b>59</b>	<b>59</b>	<b>58</b>	<b>59</b>	<b>60</b>
<b>Cash used</b>					
Other	-	-	-	-	-
<b>Total cash used</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net cash from/(used by) financing activities</b>	<b>59</b>	<b>59</b>	<b>58</b>	<b>59</b>	<b>60</b>
<b>Net increase/(decrease) in cash held</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Cash and cash equivalents at the beginning of the reporting period	64	64	64	64	64
<b>Cash and cash equivalents at the end of the reporting period</b>	<b>64</b>	<b>64</b>	<b>64</b>	<b>64</b>	<b>64</b>

Prepared on Australian Accounting Standards basis.

**Table 3.5: Departmental capital budget statement (for the period ended 30 June)**

	2018–19 Estimated actual \$'000	2019–20 Budget \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000	2022–23 Forward estimate \$'000
<b>NEW CAPITAL APPROPRIATIONS</b>					
Capital budget - Bill 1 (DCB)	59	59	58	59	60
<b>Total new capital appropriations</b>	<b>59</b>	<b>59</b>	<b>58</b>	<b>59</b>	<b>60</b>
<i>Provided for:</i>					
<i>Purchase of non-financial assets</i>	59	59	58	59	60
<b>Total items</b>	<b>59</b>	<b>59</b>	<b>58</b>	<b>59</b>	<b>60</b>
<b>PURCHASE OF NON-FINANCIAL ASSETS</b>					
Funded by capital appropriation — DCB (a)	59	59	58	59	60
<b>TOTAL</b>	<b>59</b>	<b>59</b>	<b>58</b>	<b>59</b>	<b>60</b>
<b>RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE</b>					
Total purchases	59	59	58	59	60
<b>Total cash used to acquire assets</b>	<b>59</b>	<b>59</b>	<b>58</b>	<b>59</b>	<b>60</b>

(a) Does not include annual finance lease costs. Includes purchases from current and previous years' Departmental capital budgets (DCBs).

Prepared on Australian Accounting Standards basis.

**Table 3.6: Statement of asset movements (Budget year 2019–20)**

	Buildings	Other property, plant and equipment	Total
	\$'000	\$'000	\$'000
<b>As at 1 July 2019</b>			
Gross book value	74	162	236
Accumulated depreciation/amortisation and impairment	(34)	(74)	(108)
<b>Opening net book balance</b>	<b>40</b>	<b>88</b>	<b>128</b>
<b>Capital asset additions</b>			
<b>Estimated expenditure on new or replacement assets</b>			
By purchase - appropriation equity (a)	-	59	59
<b>Total additions</b>	<b>-</b>	<b>59</b>	<b>59</b>
<b>Other movements</b>			
Depreciation/amortisation expense	-	(59)	(59)
<b>Total other movements</b>	<b>-</b>	<b>(59)</b>	<b>(59)</b>
<b>As at 30 June 2020</b>			
Gross book value	74	221	295
Accumulated depreciation/amortisation and impairment	(34)	(133)	(167)
<b>Closing net book balance</b>	<b>40</b>	<b>88</b>	<b>128</b>

(a) 'Appropriation ordinary annual services' refers to funding provided through Appropriation Bill (No.1) 2019–20 for depreciation/amortisation expenses, DCBs or other operational expenses.

Prepared on Australian Accounting Standards basis.

**Table 3.7: Schedule of budgeted income and expenses administered on behalf of Government (for the period ended 30 June)**

The Asbestos Safety and Eradication Agency has no income and expenses administered on behalf of government. For this reason, Table 3.7 is not presented.

**Table 3.8: Schedule of budgeted assets and liabilities administered on behalf of Government (as at 30 June)**

The Asbestos Safety and Eradication Agency has no administered assets or liabilities. For this reason, Table 3.8 is not presented.

**Table 3.9: Schedule of budgeted administered cash flows (for the period ended 30 June)**

The Asbestos Safety and Eradication Agency has no administered cash flows. For this reason, Table 3.9 is not presented.

**Table 3.10: Administered capital budget statement (for the period ended 30 June)**

The Asbestos Safety and Eradication Agency has no administered capital budget. For this reason, Table 3.10 is not presented.

**Table 3.11: Statement of administered asset movements (Budget year 2019–20)**

The Asbestos Safety and Eradication Agency has no administered non-financial assets. For this reason, Table 3.11 is not presented.



**AUSTRALIAN BUILDING AND  
CONSTRUCTION COMMISSION**

**ENTITY RESOURCES AND PLANNED  
PERFORMANCE**





# AUSTRALIAN BUILDING AND CONSTRUCTION COMMISSION

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# AUSTRALIAN BUILDING AND CONSTRUCTION COMMISSION

## Section 1: Entity overview and resources

### 1.1 STRATEGIC DIRECTION STATEMENT

The Australian Building and Construction Commission (ABCC) was re-established by the *Building and Construction Industry (Improving Productivity) Act 2016* (BCIIP Act) and commenced operations on 2 December 2016.

The purpose of the ABCC is to promote understanding and enforce compliance with Australia's workplace laws in the building and construction industry.

This purpose is in accordance with the agency's responsibilities under the BCIIP Act to ensure that building work is fair, efficient and productive, for the benefit of the industry and the economy as a whole.

The ABCC's main functions are to:

- provide information and resources that promote understanding and compliance
- advise and assist everyone to understand their rights and obligations
- impartially monitor and assess compliance
- use the full range of enforcement options to address non-compliance, and
- promote an impartial, flexible and high achieving agency that is focused on positive outcomes in the industry.

## 1.2 ENTITY RESOURCE STATEMENT

Table 1.1 shows the total funding from all sources available to the entity for its operations and to deliver programs and services on behalf of the Government.

The table summarises how resources will be applied by outcome (government strategic policy objectives) and by administered (on behalf of the Government or the public) and departmental (for the entity's operations) classification.

For more detailed information on special accounts and special appropriations, please refer to *Budget Paper No. 4 – Agency Resourcing*.

Information in this table is presented on a resourcing (that is, appropriations/cash available) basis, whilst the 'Budgeted expenses by Outcome' tables in Section 2 and the financial statements in Section 3 are presented on an accrual basis.

**Table 1.1: Australian Building and Construction Commission resource statement — Budget estimates for 2019–20 as at Budget April 2019**

	<i>2018–19 (a)</i> <i>Estimated</i> <i>actual</i> \$'000	2019–20 Estimate \$'000
<b>Departmental</b>		
Annual appropriations—ordinary annual services (b)		
Prior year appropriations available	43,602	43,083
Departmental appropriation (c)	32,280	33,162
s74 Retained revenue receipts (d)	370	370
Departmental capital budget (e)	441	440
Total departmental annual appropriations	<u>76,693</u>	<u>77,055</u>
<b>Total departmental resourcing</b>	<b>76,693</b>	<b>77,055</b>
<b>Total resourcing for Australian Building and Construction Commission</b>	<b>76,693</b>	<b>77,055</b>
	<u>2018–19</u>	<u>2019–20</u>
<b>Average staffing level (number)</b>	155	162

Prepared on a resourcing (that is, appropriations available) basis.

Please note: All figures shown above are GST exclusive — these may not match figures in the cash flow statement.

- (a) Annual appropriation amounts appearing for 2018–19 do not include the Appropriation Bills (No. 3) and (No. 4) 2018–2019, as they had not been enacted at the time of publication.
- (b) Appropriation Bill (No. 1) 2019–20.
- (c) Excludes departmental capital budget (DCB).
- (d) Estimated retained revenue receipts under section 74 of the PGPA Act.
- (e) Departmental capital budgets are not separately identified in Appropriation Bill (No.1) and form part of ordinary annual services items. Please refer to Table 3.5 for further details. For accounting purposes, this amount has been designated as a 'contribution by owner'.

### 1.3 BUDGET MEASURES

Budget measures in Part 1 relating to the Australian Building and Construction Commission are detailed in Budget Paper No. 2 and are summarised below.

**Table 1.2: Entity 2019–20 Budget measures**

ABCC has no measures announced since the 2018–19 MYEFO. For this reason, Part 1 of Table 1.2 is not presented.

**Part 2: Other measures not previously reported in a portfolio statement**

	Program	2018–19 \$'000	2019–20 \$'000	2020–21 \$'000	2021–22 \$'000	2022–23 \$'000
<b>Expense measures (if applicable)</b>						
Australian Building and Construction Commission — additional resources	1.1					
Departmental expenses		-	902	910	917	924
<b>Total</b>		-	<b>902</b>	<b>910</b>	<b>917</b>	<b>924</b>
<b>Total expense measures</b>						
Departmental		-	902	910	917	924
<b>Total</b>		-	<b>902</b>	<b>910</b>	<b>917</b>	<b>924</b>

Prepared on a Government Finance Statistics (fiscal) basis. Figures displayed as a negative (-) represent a decrease in funds and a positive (+) represent an increase in funds.

## Section 2: Outcomes and planned performance

Government outcomes are the intended results, impacts or consequences of actions by the Government on the Australian community. Commonwealth programs are the primary vehicle by which government entities achieve the intended results of their outcome statements. Entities are required to identify the programs which contribute to government outcomes over the Budget and forward years.

Each outcome is described below together with its related programs. The following provides detailed information on expenses for each outcome and program, further broken down by funding source.

**Note:**

Performance reporting requirements in the Portfolio Budget Statements are part of the enhanced Commonwealth performance framework established by the *Public Governance, Performance and Accountability Act 2013*. It is anticipated that the performance criteria described in Portfolio Budget Statements will be read with broader information provided in an entity's corporate plans and annual performance statements – included in Annual Reports – to provide an entity's complete performance story.

The most recent corporate plan for Australian Building and Construction Commission can be found at: <https://www.abcc.gov.au/about/plans-and-reports/our-corporate-plan>.

The most recent annual performance statement can be found at: <https://www.abcc.gov.au/about/plans-and-reports/annual-reports/abcc-annual-report-2017-18>.

## 2.1 BUDGETED EXPENSES AND PERFORMANCE FOR OUTCOME

**Outcome 1: Enforce workplace relations law in the building and construction industry and ensure compliance with those laws by all participants in the building and construction industry through the provision of education, assistance and advice.**

### Budgeted expenses for Outcome 1

This table shows how much the entity intends to spend (on an accrual basis) on achieving the outcome, broken down by program, as well as by Administered and Departmental funding sources.

**Table 2.1.1: Budgeted expenses for Outcome 1**

	2018–19 Estimated actual \$'000	2019–20 Budget \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000	2022–23 Forward estimate \$'000
<b>Program 1.1: Education, compliance and enforcement</b>					
Departmental expenses					
Departmental appropriation	32,280	33,162	33,903	34,725	35,249
s74 Retained revenue receipts (a)	370	370	370	370	370
Expenses not requiring appropriation in the Budget year (b)	1,340	1,340	1,219	1,099	1,099
<b>Departmental total</b>	<b>33,990</b>	<b>34,872</b>	<b>35,492</b>	<b>36,194</b>	<b>36,718</b>
<b>Total expenses for program 1.1</b>	<b>33,990</b>	<b>34,872</b>	<b>35,492</b>	<b>36,194</b>	<b>36,718</b>
<b>Outcome 1 Totals by appropriation type</b>					
Departmental expenses					
Departmental appropriation	32,280	33,162	33,903	34,725	35,249
s74 Retained revenue receipts (a)	370	370	370	370	370
Expenses not requiring appropriation in the Budget year (b)	1,340	1,340	1,219	1,099	1,099
<b>Departmental total</b>	<b>33,990</b>	<b>34,872</b>	<b>35,492</b>	<b>36,194</b>	<b>36,718</b>
<b>Total expenses for Outcome 1</b>	<b>33,990</b>	<b>34,872</b>	<b>35,492</b>	<b>36,194</b>	<b>36,718</b>
<b>Average staffing level (number)</b>					
	2018–19	2019–20			
	155	162			

- (a) Estimated expenses incurred in relation to receipts retained under section 74 of the PGPA Act.  
 (b) Expenses not requiring appropriation in the Budget year are made up of depreciation expenses, amortisation expenses, make good expenses, audit fees.

Note: Departmental appropriation splits and totals are indicative estimates and may change in the course of the budget year as government priorities change.

**Table 2.1.2: Performance criteria for Outcome 1**

Table 2.1.2 below details the performance criteria for each program associated with Outcome 1. It also summarises how each program is delivered and where 2019–20 Budget measures have created new programs or materially changed existing programs.

<b>Outcome 1 — Enforce workplace relations laws in the building and construction industry and ensure compliance with those laws by all participants in the building and construction industry through the provision of education, assistance and advice.</b>		
<b>Program 1.1 — Education, compliance and enforcement</b> To educate building industry participants in order to promote compliance with workplace laws.		
<b>Purposes</b>	The purpose of the ABCC is to promote understanding and enforce compliance with Australia's workplace laws in the building and construction industry. This purpose is in accordance with its responsibilities under the <i>Building and Construction Industry (Improving Productivity) Act 2016</i> , to ensure that building work is fair, efficient and productive, for the benefit of the industry and the economy as a whole.	
<b>Delivery</b>	<ul style="list-style-type: none"> <li>• Provide information and resources that promote understanding and compliance.</li> <li>• Advise and assist everyone to understand their rights and obligations.</li> <li>• Impartially monitor and assess compliance.</li> <li>• Use the full range of enforcement options to address non-compliance.</li> <li>• Promote an impartial, flexible and high achieving agency that is focused on positive outcomes in the industry.</li> </ul>	
<b>Performance information</b>		
<b>Year</b>	<b>Performance criteria (a)</b>	<b>Targets</b>
2018–19	Surveyed stakeholders indicate that tools and resources provided by ABCC have improved their understanding of workplace rights and responsibilities.	75% <b>Assessment:</b> On track.
	Number of formal presentations delivered to stakeholders.	150 <b>Assessment:</b> On track.
	Surveyed stakeholders are satisfied or highly satisfied with the quality and timeliness of advice and assistance provided.	80% <b>Assessment:</b> On track.
	Number of activities to improve compliance with designated building laws and the Building Codes.	450 <b>Assessment:</b> On track.
	Average time taken to commence civil penalty proceeding.	<12 months <b>Assessment:</b> On track.
2019–20	Surveyed stakeholders indicate that tools and resources provided by ABCC have improved their understanding of workplace rights and responsibilities.	80%
	Number of formal presentations delivered to stakeholders.	175



<b>Outcome 1 — Enforce workplace relations laws in the building and construction industry and ensure compliance with those laws by all participants in the building and construction industry through the provision of education, assistance and advice.</b>		
<b>Program 1.1 — Education, compliance and enforcement</b>		
To educate building industry participants in order to promote compliance with workplace laws.		
	Surveyed stakeholders are satisfied or highly satisfied with the quality and timeliness of advice and assistance provided.	80%
	Number of activities to improve compliance with designated building laws and the Building Codes.	450
	Average time taken to commence civil penalty proceeding.	<12 months
2020–21 and beyond	As per 2019–20.	As per 2019–20.
<b>Material changes to Program 1.1 resulting from the following measures: Nil</b>		

## Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2019–20 budget year, including the impact of budget measures and resourcing on financial statements.

### **3.1 BUDGETED FINANCIAL STATEMENTS**

#### **3.1.1 Differences between entity resourcing and financial statements**

The ABCC has nil difference to report.

The Agency Resource Statement (Table 1.1) details the total appropriation available to an agency from all sources. For departmental operating appropriations (outputs) this includes carry-forward amounts as well as amounts appropriated at Budget. As agencies incur and are funded for future liabilities and employee entitlements, the total amount of departmental operating appropriation available to an agency is unlikely to be fully utilised in the Budget year. The difference between the agency resource statement and the sum of all payments made at the departmental outputs level is the expected carry-forward amount of resources for the 2019–20 Budget year, including amounts related to meeting future employee entitlement obligations.

#### **3.1.2 Explanatory notes and analysis of budgeted financial statements**

The Australian Building and Construction Commission is budgeting for an operating loss equal to the unappropriated depreciation and amortisation expense of \$1.3 million for the 2019–20 financial year.

Total revenues are estimated to be \$33.6 million and total expenses \$34.9 million.

Total assets at the end of the 2019–20 financial year are estimated to be \$48.6 million. The majority of the assets represent receivables (appropriations receivable) and property fit outs. Asset acquisitions are planned in Information Technology equipment and systems.

Total liabilities for 2019–20 are estimated at \$5.6 million. The largest liability item is accrued employee entitlements.

### 3.2. BUDGETED FINANCIAL STATEMENTS TABLES

**Table 3.1: Comprehensive income statement (showing net cost of services) for the period ended 30 June**

	2018–19 Estimated actual \$'000	2019–20 Budget \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000	2022–23 Forward estimate \$'000
<b>EXPENSES</b>					
Employee benefits	18,936	19,981	20,147	20,667	20,674
Suppliers	13,749	13,586	14,161	14,463	14,980
Depreciation and amortisation (a)	1,305	1,305	1,184	1,064	1,064
<b>Total expenses</b>	<b>33,990</b>	<b>34,872</b>	<b>35,492</b>	<b>36,194</b>	<b>36,718</b>
<b>LESS:</b>					
<b>OWN-SOURCE INCOME</b>					
<b>Own-source revenue</b>					
Other	405	405	405	405	405
<b>Total own-source revenue</b>	<b>405</b>	<b>405</b>	<b>405</b>	<b>405</b>	<b>405</b>
<b>Total own-source income</b>	<b>405</b>	<b>405</b>	<b>405</b>	<b>405</b>	<b>405</b>
<b>Net (cost of)/contribution by services</b>	<b>(33,585)</b>	<b>(34,467)</b>	<b>(35,087)</b>	<b>(35,789)</b>	<b>(36,313)</b>
Revenue from Government	32,280	33,162	33,903	34,725	35,249
<b>Surplus/(deficit) attributable to the Australian Government</b>	<b>(1,305)</b>	<b>(1,305)</b>	<b>(1,184)</b>	<b>(1,064)</b>	<b>(1,064)</b>
<b>OTHER COMPREHENSIVE INCOME</b>					
Changes in asset revaluation surplus	-	-	-	-	-
<b>Total other comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income/(loss)</b>	<b>(1,305)</b>	<b>(1,305)</b>	<b>(1,184)</b>	<b>(1,064)</b>	<b>(1,064)</b>
<b>Total comprehensive income/(loss) attributable to the Australian Government</b>	<b>(1,305)</b>	<b>(1,305)</b>	<b>(1,184)</b>	<b>(1,064)</b>	<b>(1,064)</b>
<b>Note: Impact of net cash appropriation arrangements</b>					
	2018–19 \$'000	2019–20 \$'000	2020–21 \$'000	2021–22 \$'000	2022–23 \$'000
<b>Total comprehensive income/(loss) excluding depreciation/amortisation expenses previously funded through revenue appropriations</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
less depreciation/amortisation expenses previously funded through revenue appropriations (a)	1,305	1,305	1,184	1,064	1,064
<b>Total comprehensive income/(loss) —as per the statement of comprehensive income</b>	<b>(1,305)</b>	<b>(1,305)</b>	<b>(1,184)</b>	<b>(1,064)</b>	<b>(1,064)</b>

(a) From 2010–11, the Government introduced net cash appropriation arrangements where Bill 1 revenue appropriations for the depreciation/amortisation expenses of non-corporate Commonwealth entities (and select corporate Commonwealth entities) were replaced with a separate capital budget (the Departmental Capital Budget, or DCB) provided through Bill 1 equity appropriations. For information regarding DCBs, please refer to Table 3.5 Departmental Capital Budget Statement.

Prepared on Australian Accounting Standards basis.

**Table 3.2: Budgeted departmental balance sheet (as at 30 June)**

	2018–19 Estimated actual \$'000	2019–20 Budget \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000	2022–23 Forward estimate \$'000
<b>ASSETS</b>					
<b>Financial assets</b>					
Cash and cash equivalents	301	301	301	301	301
Trade and other receivables	42,952	42,642	41,935	41,717	41,617
<b>Total financial assets</b>	<b>43,253</b>	<b>42,943</b>	<b>42,236</b>	<b>42,018</b>	<b>41,918</b>
<b>Non-financial assets</b>					
Land and buildings	4,558	3,402	3,360	3,051	2,142
Property, plant and equipment	556	482	518	458	884
Intangibles	825	1,500	1,472	1,441	1,410
Other non-financial assets	288	288	288	288	288
<b>Total non-financial assets</b>	<b>6,227</b>	<b>5,672</b>	<b>5,638</b>	<b>5,238</b>	<b>4,724</b>
<b>Total assets</b>	<b>49,480</b>	<b>48,615</b>	<b>47,874</b>	<b>47,256</b>	<b>46,642</b>
<b>LIABILITIES</b>					
<b>Payables</b>					
Suppliers	803	803	803	803	803
Other payables	849	849	849	849	849
<b>Total payables</b>	<b>1,652</b>	<b>1,652</b>	<b>1,652</b>	<b>1,652</b>	<b>1,652</b>
<b>Provisions</b>					
Employee provisions	3,831	3,831	3,831	3,831	3,831
Other provisions	69	69	69	69	69
<b>Total provisions</b>	<b>3,900</b>	<b>3,900</b>	<b>3,900</b>	<b>3,900</b>	<b>3,900</b>
<b>Total liabilities</b>	<b>5,552</b>	<b>5,552</b>	<b>5,552</b>	<b>5,552</b>	<b>5,552</b>
<b>Net assets</b>	<b>43,928</b>	<b>43,063</b>	<b>42,322</b>	<b>41,704</b>	<b>41,090</b>
<b>EQUITY*</b>					
<b>Parent entity interest</b>					
Contributed equity	5,964	6,404	6,847	7,293	7,743
Reserves	-	-	-	-	-
Retained surplus (accumulated deficit)	37,964	36,659	35,475	34,411	33,347
<b>Total parent entity interest</b>	<b>43,928</b>	<b>43,063</b>	<b>42,322</b>	<b>41,704</b>	<b>41,090</b>
<b>Total equity</b>	<b>43,928</b>	<b>43,063</b>	<b>42,322</b>	<b>41,704</b>	<b>41,090</b>

\*Equity is the residual interest in assets after deduction of liabilities.

Prepared on Australian Accounting Standards basis.

**Table 3.3: Departmental statement of changes in equity—summary of movement  
(Budget year 2019–20)**

	Retained earnings	Contributed equity/ capital	Total equity
	\$'000	\$'000	\$'000
<b>Opening balance as at 1 July 2019</b>			
Balance carried forward from previous period	37,964	5,964	43,928
<b>Adjusted opening balance</b>	<b>37,964</b>	<b>5,964</b>	<b>43,928</b>
<b>Comprehensive income</b>			
Surplus/(deficit) for the period	(1,305)		(1,305)
<b>Total comprehensive income</b>	<b>(1,305)</b>	<b>-</b>	<b>(1,305)</b>
of which:			
Attributable to the Australian Government	(1,305)	-	(1,305)
<b>Transactions with owners</b>			
<b>Contributions by owners</b>			
Departmental Capital Budget (DCB)	-	440	440
<b>Sub-total transactions with owners</b>	<b>-</b>	<b>440</b>	<b>440</b>
<b>Estimated closing balance as at 30 June 2020</b>	<b>36,659</b>	<b>6,404</b>	<b>43,063</b>
Less: non-controlling interests			-
<b>Closing balance attributable to the Australian Government</b>	<b>36,659</b>	<b>6,404</b>	<b>43,063</b>

Prepared on Australian Accounting Standards basis.

**Table 3.4: Budgeted departmental statement of cash flows (for the period ended 30 June)**

	2018–19 Estimated actual \$'000	2019–20 Budget \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000	2022–23 Forward estimate \$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Appropriations	32,799	33,472	34,610	34,943	35,349
Net GST received	1,371	1,355	1,413	1,443	1,495
Other	370	370	370	370	370
<b>Total cash received</b>	<b>34,540</b>	<b>35,197</b>	<b>36,393</b>	<b>36,756</b>	<b>37,214</b>
<b>Cash used</b>					
Employees	18,936	19,981	20,147	20,667	20,674
Suppliers	13,714	13,551	14,126	14,428	14,945
Net GST paid	1,371	1,355	1,413	1,443	1,495
<b>Total cash used</b>	<b>34,021</b>	<b>34,887</b>	<b>35,686</b>	<b>36,538</b>	<b>37,114</b>
<b>Net cash from/(used by) operating activities</b>	<b>519</b>	<b>310</b>	<b>707</b>	<b>218</b>	<b>100</b>
<b>INVESTING ACTIVITIES</b>					
<b>Cash received</b>					
Other	-	-	-	-	-
<b>Total cash received</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cash used</b>					
Purchase of property, plant and equipment and intangibles	960	750	1,150	664	550
<b>Total cash used</b>	<b>960</b>	<b>750</b>	<b>1,150</b>	<b>664</b>	<b>550</b>
<b>Net cash from/(used by) investing activities</b>	<b>(960)</b>	<b>(750)</b>	<b>(1,150)</b>	<b>(664)</b>	<b>(550)</b>
<b>FINANCING ACTIVITIES</b>					
<b>Cash received</b>					
Contributed equity	441	440	443	446	450
<b>Total cash received</b>	<b>441</b>	<b>440</b>	<b>443</b>	<b>446</b>	<b>450</b>
<b>Cash used</b>					
Other	-	-	-	-	-
<b>Total cash used</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net cash from/(used by) financing activities</b>	<b>441</b>	<b>440</b>	<b>443</b>	<b>446</b>	<b>450</b>
<b>Net increase/(decrease) in cash held</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Cash and cash equivalents at the beginning of the reporting period	301	301	301	301	301
<b>Cash and cash equivalents at the end of the reporting period</b>	<b>301</b>	<b>301</b>	<b>301</b>	<b>301</b>	<b>301</b>

Prepared on Australian Accounting Standards basis.

**Table 3.5: Departmental capital budget statement (for the period ended 30 June)**

	2018–19 Estimated actual \$'000	2019–20 Budget \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000	2022–23 Forward estimate \$'000
<b>NEW CAPITAL APPROPRIATIONS</b>					
Capital budget—Bill 1 (DCB)	441	440	443	446	450
<b>Total new capital appropriations</b>	<b>441</b>	<b>440</b>	<b>443</b>	<b>446</b>	<b>450</b>
<i>Provided for:</i>					
Purchase of non-financial assets	441	440	443	446	450
<b>Total items</b>	<b>441</b>	<b>440</b>	<b>443</b>	<b>446</b>	<b>450</b>
<b>PURCHASE OF NON-FINANCIAL ASSETS</b>					
Funded by capital appropriation — DCB (a)	441	440	443	446	450
Funded internally from departmental resources (b)	519	310	707	218	100
<b>TOTAL</b>	<b>960</b>	<b>750</b>	<b>1,150</b>	<b>664</b>	<b>550</b>
<b>RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE</b>					
Total purchases	960	750	1,150	664	550
<b>Total cash used to acquire assets</b>	<b>960</b>	<b>750</b>	<b>1,150</b>	<b>664</b>	<b>550</b>

- (a) Does not include annual finance lease costs. Includes purchases from current and previous years' Departmental capital budgets (DCBs).
- (b) Includes the following sources of funding:
- current Bill 1 and prior year Act 1/3/5 appropriations (excluding amounts from the DCB), and
  - s 74 Retained revenue receipts.

Prepared on Australian Accounting Standards basis.

**Table 3.6: Statement of asset movements (Budget year 2019–20)**

	Buildings	Other property, plant and equipment	Computer software and intangibles	Total
	\$'000	\$'000	\$'000	\$'000
<b>As at 1 July 2019</b>				
Gross book value	8,171	1,296	946	10,413
Accumulated depreciation/amortisation and impairment	(3,613)	(740)	(121)	(4,474)
<b>Opening net book balance</b>	<b>4,558</b>	<b>556</b>	<b>825</b>	<b>5,939</b>
<b>Capital asset additions</b>				
<b>Estimated expenditure on new or replacement assets</b>				
By purchase—appropriation ordinary annual services (a)	-	50	700	750
<b>Total additions</b>	<b>-</b>	<b>50</b>	<b>700</b>	<b>750</b>
<b>Other movements</b>				
Depreciation/amortisation expense	(1,156)	(124)	(25)	(1,305)
<b>Total other movements</b>	<b>(1,156)</b>	<b>(124)</b>	<b>(25)</b>	<b>(1,305)</b>
<b>As at 30 June 2020</b>				
Gross book value	8,171	1,346	1,646	11,163
Accumulated depreciation/ amortisation and impairment	(4,769)	(864)	(146)	(5,779)
<b>Closing net book balance</b>	<b>3,402</b>	<b>482</b>	<b>1,500</b>	<b>5,384</b>

(a) Appropriation ordinary annual services' refers to funding provided through Appropriation Bill (No.1) 2019–20 for depreciation/amortisation expenses, DCBs or other operational expenses.

Prepared on Australian Accounting Standards basis.

**Table 3.7: Schedule of budgeted income and expenses administered on behalf of Government (for the period ended 30 June)**

Australian Building and Construction Commission has no income and expenses administered on behalf of government. For this reason Table 3.7 is not presented.

**Table 3.8: Schedule of budgeted assets and liabilities administered on behalf of Government (as at 30 June)**

Australian Building and Construction Commission has no administered assets and liabilities. For this reason Table 3.8 is not presented.

**Table 3.9: Schedule of budgeted administered cash flows (for the period ended 30 June)**

Australian Building and Construction Commission has no administered cash flows. For this reason Table 3.9 is not presented.

**Table 3.10: Administered capital budget statement (for the period ended 30 June)**

Australian Building and Construction Commission has no administered capital budget. For this reason Table 3.10 is not presented.

**Table 3.11: Statement of administered asset movements (Budget year 2019–20)**

Australian Building and Construction Commission has no administered non-financial assets. For this reason Table 3.11 is not presented.



**COMCARE,  
THE SAFETY, REHABILITATION AND  
COMPENSATION COMMISSION, AND  
THE SEAFARERS SAFETY,  
REHABILITATION AND  
COMPENSATION AUTHORITY**

**ENTITY RESOURCES AND PLANNED  
PERFORMANCE**



**COMCARE,  
THE SAFETY, REHABILITATION AND COMPENSATION  
COMMISSION, AND THE SEAFARERS SAFETY,  
REHABILITATION AND COMPENSATION AUTHORITY**

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# COMCARE, THE SAFETY, REHABILITATION AND COMPENSATION COMMISSION, AND THE SEAFARERS SAFETY, REHABILITATION AND COMPENSATION AUTHORITY

## Section 1: Entity overview and resources

### 1.1 STRATEGIC DIRECTION STATEMENT

Comcare is the national workers' compensation and work health and safety authority. We are committed to supporting participation and productivity through healthy and safe workplaces that minimise the impact of harm.

Comcare administers an integrated, national scheme providing work health and safety regulation, insurance, claims management, self-insurance, policy, guidance, research and innovation. These services are delivered as per the *Work Health and Safety Act 2011* (WHS Act) and the *Safety, Rehabilitation and Compensation Act 1988* (SRC Act). Comcare also manage claims in relation to the *Asbestos-related Claims (Management of Commonwealth Liabilities) Act 2005* (ARC Act).

The Comcare Corporate Plan 2019–2023 outlines our strategic focus in driving innovation to deliver better practice in:

- promoting healthy and safe workplaces
- reducing illness and injury in workplaces
- supporting work participation through improving recovery at and return to work
- reducing premiums and workers' compensation liabilities, and
- sharing what works nationally.

Using our partnerships, research and initiatives Comcare provides expert advice and services to a wide variety of stakeholders including the Safety, Rehabilitation and Compensation Commission and the Seafarers Safety, Rehabilitation and Compensation Authority.

## 1.2 ENTITY RESOURCE STATEMENT

Table 1.1 shows the total funding from all sources available to the entity for its operations and to deliver programs and services on behalf of the Government.

The table summarises how resources will be applied by outcome (government strategic policy objectives) and by administered (on behalf of the Government or the public) and departmental (for the entity's operations) classification.

For more detailed information on special accounts and special appropriations, please refer to *Budget Paper No. 4 – Agency Resourcing*.

Information in this table is presented on a resourcing (that is, appropriations/cash available) basis, whilst the 'Budgeted expenses by Outcome' tables in Section 2 and the financial statements in Section 3 are presented on an accrual basis.

**Table 1.1: Comcare resource statement — Budget estimates for 2019–20 as at Budget April 2019**

	2018–19 (a) Estimated actual \$'000	2019–20 Estimate \$'000
<b>Opening balance/cash reserves at 1 July</b>	<b>1,028,241</b>	<b>979,071</b>
<b>Funds from Government</b>		
Annual appropriations - ordinary annual services (b)		
Outcome 1	5,989	5,989
Total annual appropriations	5,989	5,989
Amounts received from related entities		
Amounts from portfolio department (c)	60,083	55,188
Total amounts received from related entities	60,083	55,188
<b>Total funds from Government</b>	<b>66,072</b>	<b>61,177</b>
<b>Funds from industry sources</b>		
License fees	15,998	16,298
<b>Total funds from industry sources</b>	<b>15,998</b>	<b>16,298</b>
<b>Funds from other sources</b>		
Interest	30,048	25,224
Sale of goods and services	4,170	3,472
Regulatory contributions	19,462	19,706
Workers' Compensation premiums	251,689	160,999
<b>Total funds from other sources</b>	<b>305,369</b>	<b>209,401</b>
<b>Total net resourcing for Comcare</b>	<b>1,415,680</b>	<b>1,265,947</b>
	2018–19	2019–20
<b>Average staffing level (number)</b>	<b>630</b>	<b>630</b>

Prepared on a resourcing (that is, appropriations available) basis.

Note: All figures shown above are GST exclusive - these may not match figures in the cash flow statement.

- (a) Annual appropriation amounts appearing for 2018–19 do not include the Appropriation Bills (No. 3) and (No. 4) 2018–2019, as they had not been enacted at the time of publication.
- (b) Appropriation Bill (No. 1) 2019–20.
- (c) Comcare is not directly appropriated as it is a corporate Commonwealth entity. Grants from its portfolio department include special appropriations under the *Safety, Rehabilitation and Compensation Act 1988* for the payment of pre-premium claims costs and the *Asbestos-related Claims (Management of Commonwealth Liabilities) Act 2005* for asbestos-related claims settlements.

### 1.3 BUDGET MEASURES

Budget measures in Part 1 relating to Comcare are detailed in Budget Paper No. 2 and are summarised below.

#### Table 1.2: Entity 2019–20 Budget measures

##### Part 1: Measures announced since the 2018–19 Mid-Year Economic and Fiscal Outlook (MYEFO)

Comcare have no measures announced since the 2018–19 MYEFO. For this reason, Part 1 of Table 1.2 is not presented.

##### Part 2: Other measures not previously reported in a portfolio statement

	Program	2018–19 \$'000	2019–20 \$'000	2020–21 \$'000	2021–22 \$'000	2022–23 \$'000
<b>Expense measures</b>						
Improved Access to Health Care for Australian Civilian Surgical and Medical Team members who worked in Vietnam between 1964 and 1972 (a)	1.5					
Administered expenses		-	-	-	-	-
Departmental expenses		-	-	-	-	-
<b>Total</b>		-	-	-	-	-
<b>Total expense measures</b>						
Administered		-	-	-	-	-
Departmental		-	-	-	-	-
<b>Total</b>		-	-	-	-	-

Prepared on a Government Finance Statistics (fiscal) basis. Figures displayed as a negative (-) represent a decrease in funds and a positive (+) represent an increase in funds.

(a) Lead entity for this measure is the Department of Veterans' Affairs. Decision taken but not yet announced in the 2018–19 MYEFO.

## Section 2: Outcomes and planned performance

Government outcomes are the intended results, impacts or consequences of actions by the Government on the Australian community. Commonwealth programs are the primary vehicle by which government entities achieve the intended results of their outcome statements. Entities are required to identify the programs which contribute to government outcomes over the Budget and forward years.

Each outcome is described below together with its related programs. The following provides detailed information on expenses for each outcome and program, further broken down by funding source.

**Note:**

Performance reporting requirements in the Portfolio Budget Statements are part of the enhanced Commonwealth performance framework established by the *Public Governance, Performance and Accountability Act 2013*. It is anticipated that the performance criteria described in Portfolio Budget Statements will be read with broader information provided in an entity's corporate plans and annual performance statements – included in Annual Reports – to provide an entity's complete performance story.

The most recent corporate plan for (Comcare) can be found at:

[http://www.comcare.gov.au/Forms\\_and\\_Publications/publications/corporate\\_publications/comcare\\_2018-22\\_corporate\\_plan](http://www.comcare.gov.au/Forms_and_Publications/publications/corporate_publications/comcare_2018-22_corporate_plan).

The most recent annual performance statement can be found at:

[http://www.comcare.gov.au/annual\\_report/performance\\_statements](http://www.comcare.gov.au/annual_report/performance_statements).



## 2.1 BUDGETED EXPENSES AND PERFORMANCE FOR OUTCOME 1

**Outcome 1: Support participation and productivity through healthy and safe workplaces that minimise the impact of harm in the workplaces covered by Comcare.**

### Budgeted expenses for Outcome 1

This table shows how much Comcare intends to spend (on an accrual basis) on achieving the outcome, broken down by program.

**Table 2.1.1: Budgeted expenses for Outcome 1**

<b>Outcome 1: Support participation and productivity through healthy and safe workplaces that minimise the impact of harm in workplaces covered by Comcare.</b>					
	2018–19 Estimated actual \$'000	2019–20 Budget \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000	2022–23 Forward estimate \$'000
<b>Program 1.1: Comcare Departmental</b>					
Revenue from Government					
Ordinary annual services (Appropriation Bill No. 1)	5,989	5,989	6,028	6,069	6,110
Grants received from portfolio department	60,083	55,188	54,885	54,632	53,819
Revenues from industry sources	15,998	16,298	16,955	17,217	17,508
Revenues from independent sources	298,652	204,863	226,680	229,815	236,693
Revenues from other independent sources (a)	(204,452)	(14,899)	(26,929)	(20,447)	(14,117)
<b>Total expenses for Program 1.1</b>	<b>176,270</b>	<b>267,439</b>	<b>277,619</b>	<b>287,286</b>	<b>300,013</b>
<b>Outcome 1 totals by resource type</b>					
Revenue from Government					
Ordinary annual services (Appropriation Bill No. 1)	5,989	5,989	6,028	6,069	6,110
Grants received from portfolio department	60,083	55,188	54,885	54,632	53,819
Revenues from industry sources	15,998	16,298	16,955	17,217	17,508
Revenues from independent sources	298,652	204,863	226,680	229,815	236,693
Revenues from other independent sources (a)	(204,452)	(14,899)	(26,929)	(20,447)	(14,117)
<b>Total expenses for Outcome 1</b>	<b>176,270</b>	<b>267,439</b>	<b>277,619</b>	<b>287,286</b>	<b>300,013</b>
	2018–19	2019–20			
<b>Average staffing level (number)</b>	630	630			

(a) Relating to non-cash movements in workers' compensation claims liabilities and asbestos-related claims liabilities.

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**Table 2.1.2: Program components of Outcome 1**

<b>Program 1.1: Comcare Departmental</b>					
	2018–19 Estimated actual \$'000	2019–20 Budget \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000	2022–23 Forward estimate \$'000
<i>1.1.1 - Work Health, Safety and Rehabilitation Regulation</i>					
Annual departmental expenses:					
Annual Appropriation	718	718	723	728	733
Expenses not requiring appropriation in the Budget year	28,875	29,402	30,034	28,770	29,444
<b>Total component 1.1.1 expenses</b>	<b>29,593</b>	<b>30,120</b>	<b>30,757</b>	<b>29,498</b>	<b>30,177</b>
<i>1.1.2 - Comcare Workers' Compensation Scheme Management</i>					
Annual departmental expenses:					
Expenses not requiring appropriation in the Budget year	7,621	8,383	8,519	8,571	8,762
<b>Total component 1.1.2 expenses</b>	<b>7,621</b>	<b>8,383</b>	<b>8,519</b>	<b>8,571</b>	<b>8,762</b>
<i>1.1.3 - SRCC and Seacare Authority Support</i>					
Annual departmental expenses:					
Annual Appropriation	360	360	362	365	367
Expenses not requiring appropriation in the Budget year	4,962	5,100	5,175	5,250	5,328
<b>Total component 1.1.3 expenses</b>	<b>5,322</b>	<b>5,460</b>	<b>5,537</b>	<b>5,615</b>	<b>5,695</b>
<i>1.1.4 - Premium Claims</i>					
Annual departmental expenses:					
Annual Appropriation	204	204	205	207	208
Expenses not requiring appropriation in the Budget year	128,708	217,653	226,283	235,653	245,553
<b>Total component 1.1.4 expenses</b>	<b>128,912</b>	<b>217,857</b>	<b>226,488</b>	<b>235,860</b>	<b>245,761</b>
<i>1.1.5 - Pre-premium Claims</i>					
Annual departmental expenses:					
Grants received from portfolio department	29,387	28,302	26,986	25,936	24,841
Expenses not requiring appropriation in the Budget year	(25,248)	(25,848)	(24,451)	(22,936)	(20,970)
<b>Total component 1.1.5 expenses</b>	<b>4,139</b>	<b>2,454</b>	<b>2,535</b>	<b>3,000</b>	<b>3,871</b>
<i>1.1.6 - Asbestos Claims</i>					
Annual departmental expenses:					
Annual Appropriation	4,707	4,707	4,737	4,770	4,802
Grants received from portfolio department	30,696	26,886	27,899	28,696	28,978
Expenses not requiring appropriation in the Budget year	(34,720)	(28,428)	(28,853)	(28,724)	(28,033)
<b>Total component 1.1.6 expenses</b>	<b>683</b>	<b>3,165</b>	<b>3,783</b>	<b>4,742</b>	<b>5,747</b>
<b>Total program expenses</b>	<b>176,270</b>	<b>267,439</b>	<b>277,619</b>	<b>287,286</b>	<b>300,013</b>

Note: Departmental appropriation splits and totals are indicative estimates and may change in the course of the budget year as government priorities change.

**Table 2.1.3: Performance criteria for Outcome 1**

Table 2.1.3 below details the performance criteria for each program associated with Outcome 1. It also summarises how each program is delivered and where 2019–20 Budget measures have created new programs or materially changed existing programs.

<b>Outcome 1 — Support participation and productivity through healthy and safe workplaces that minimise the impact of harm in the workplaces covered by Comcare.</b>		
<b>Program Component 1.1 — Work Health, Safety and Rehabilitation Regulation</b>		
Achieving safer and healthier workplaces through promoting continuous improvements in work health, safety and rehabilitation practices and monitoring compliance with the SRC Act, WHS Act and regulations.		
<b>Purposes</b>	<i>Effective national regulator</i> —Increasing duty holders' levels of compliance and commitment to best practice through regulatory oversight of work health and safety and workplace rehabilitation	
<b>Delivery</b>	<ul style="list-style-type: none"> <li>• Increase the proportion of proactive regulatory activities to increase duty holders' levels of compliance and commitment to best practice.</li> <li>• Drive national work health and safety compliance using a targeted, risk-based approach.</li> <li>• Deliver timely and effective regulatory activities by applying the Compliance and Enforcement framework.</li> </ul>	
<b>Performance information</b>		
<b>Year</b>	<b>Performance criteria (a)</b>	<b>Targets</b>
2018–19	Our proactive regulatory reach is extended to all entities in our scheme, to further our breadth of activities both in cities and remote workplaces, and ensure we have increased the number of active relationships with entities.	<b>Assessment:</b> On track.
	Our approach improves WHS outcomes in workplaces, measured by increased knowledge, awareness and compliance to ensure regulatory intervention makes a positive difference.	<b>Assessment:</b> On track.
	A sustained high level of satisfaction and engagement with services provided, measured by survey, to ensure regulatory actions are appropriate, responsive and relevant.	<b>Assessment:</b> On track.
2019–20	Our proactive regulatory approach is refined, and targeted proactive activities delivered increase over time.	Refine targeted proactive regulatory approach and establish a baseline of activity levels.
	Targeted regulatory activities delivered are based on identified regulatory priorities.	Deliver and evaluate at least one programme against identified regulatory priorities.
	Regulated entities report that our regulatory approach improves WHS outcomes.	85% or more evaluated entities report improved WHS outcomes as a result of Comcare's regulatory activities.
	Regulatory activities are delivered within statutory timeframes, where applicable.	100% of WHS activities are delivered within statutory timeframes.

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<b>Outcome 1 — Support participation and productivity through healthy and safe workplaces that minimise the impact of harm in the workplaces covered by Comcare.</b>		
<b>Program Component 1.1 — Work Health, Safety and Rehabilitation Regulation</b>		
Achieving safer and healthier workplaces through promoting continuous improvements in work health, safety and rehabilitation practices and monitoring compliance with the SRC Act, WHS Act and regulations.		
2020–21 and beyond	Our proactive regulatory approach is refined, and targeted proactive activities delivered increase over time.	Increase targeted proactive activities by 5 per cent.
	Targeted regulatory activities delivered are based on identified regulatory priorities.	Deliver and evaluate at least one programme against identified regulatory priorities.
	Regulated entities report that our regulatory approach improves WHS outcomes.	85% or more evaluated entities report improved WHS outcomes as a result of Comcare's regulatory activities.
	Regulatory activities are delivered within statutory timeframes, where applicable.	100% of WHS activities are delivered within statutory timeframes.
<b>Material changes to Program 1.1 resulting from the following measures: Nil</b>		

<b>Outcome 1 — Support participation and productivity through healthy and safe workplaces that minimise the impact of harm in the workplaces covered by Comcare.</b>		
<b>Program Component 1.2 — Comcare Workers' Compensation Scheme Management</b>		
National leader in the design, implementation and management of the national schemes that improves work health, safety and rehabilitation outcomes.		
<b>Purposes</b>	Excellence in scheme design and management—Excellence in scheme design and management to achieve sustainable and better practice national schemes.	
<b>Delivery</b>	<ul style="list-style-type: none"> <li>• Stakeholder engagement: <ul style="list-style-type: none"> <li>○ supporting key stakeholders including the Safety, Rehabilitation and Compensation Commission (SRCC) and the Seacare Authority, and</li> <li>○ advocating and implementing change to deliver better practice and consistency across the schemes.</li> </ul> </li> <li>• Implement holistic employer engagement across Comcare using tailored and targeted service offerings including improved accessibility and digitisation.</li> <li>• Implement a provider framework that assures high quality services from scheme providers.</li> <li>• Improve scheme-wide analytics and reporting products.</li> </ul>	
<b>Performance information</b>		
<b>Year</b>	<b>Performance criteria</b>	<b>Targets</b>
2018–19	Return to work rates developed through the existing biennial Return to Work Survey indicating the rehabilitation outcomes achieved.	<b>Assessment:</b> On track.

<b>Outcome 1 — Support participation and productivity through healthy and safe workplaces that minimise the impact of harm in the workplaces covered by Comcare.</b>		
<b>Program Component 1.2 — Comcare Workers' Compensation Scheme Management</b>		
National leader in the design, implementation and management of the national schemes that improves work health, safety and rehabilitation outcomes.		
	Improve the financial sustainability of the scheme measured by notional premium rate.	<b>Assessment:</b> On track.
	Better practice scheme management assessed through qualitative review.	<b>Assessment:</b> On track.
2019–20	Sustainable schemes evidenced through outcomes achieved by scheme participants and providers (including financial and return to work outcomes).	Improved return to work rates and financial sustainability measured by notional premium rate.
	Schemes identify and adopt better practice as far as possible, measured by benchmarking against better practice.	Improvement in better practice scheme management measured against relevant benchmarks.
	Assurance over scheme operations under licence, approval or delegation achieved (evidence of compliance and required behaviours and practices).	CEO and SRCC satisfaction with assurance levels.
2020–21 and beyond	As per 2019–20.	As per 2019–20.
<b>Material changes to Program 1.2 resulting from the following measures: Nil</b>		

<b>Outcome 1 — Support participation and productivity through healthy and safe workplaces that minimise the impact of harm in the workplaces covered by Comcare.</b>		
<b>Program Component 1.3 — Safety, Rehabilitation and Compensation Commission (SRCC), and Seafarers Safety, Rehabilitation and Compensation Authority (Seacare Authority) support.</b>		
<b>Purposes</b>	Excellence in scheme design and management — Excellence in scheme design and management to achieve sustainable and better national schemes.	
<b>Delivery</b>	<ul style="list-style-type: none"> <li>• Stakeholder engagement:                             <ul style="list-style-type: none"> <li>○ supporting key stakeholders including the Safety, Rehabilitation and Compensation Commission (SRCC) and the Seacare Authority, and</li> <li>○ advocating and implementing change to deliver better practice and consistency across the schemes.</li> </ul> </li> <li>• Improve scheme-wide analytics and reporting products.</li> </ul>	
<b>Performance information</b>		
<b>Year</b>	<b>Performance criteria</b>	<b>Targets</b>
2018–19	SRCC satisfaction of support provided by Comcare.	<b>Assessment:</b> On track.
	Seacare Authority satisfaction of support provided by Comcare.	<b>Assessment:</b> On track.

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<b>Outcome 1 — Support participation and productivity through healthy and safe workplaces that minimise the impact of harm in the workplaces covered by Comcare.</b>		
<b>Program Component 1.3 — Safety, Rehabilitation and Compensation Commission (SRCC), and Seafarers Safety, Rehabilitation and Compensation Authority (Seacare Authority) support.</b>		
2019–20	Satisfaction with support provided to SRCC and Seacare Authority.	Qualitative evaluation using structured services and feedback from the Chair.
2020–21 and beyond	As per 2019–20.	As per 2019–20.
<b>Material changes to Program 1.3 resulting from the following measures: Nil</b>		

<b>Outcome 1 — Support participation and productivity through healthy and safe workplaces that minimise the impact of harm in the workplaces covered by Comcare.</b>		
<b>Program Component 1.4 — Premium Claims</b>		
<b>Purposes</b>	Leading workers' compensation insurer—Working with employees and employers to minimise the impact of harm in workplaces, supporting optimal recovery and return to work, and delivering a viable scheme.	
<b>Delivery</b>	<ul style="list-style-type: none"> <li>• Utilise evidence-based best practice in claims case management to facilitate optimal recovery and return to work outcomes.</li> <li>• Actively engage employers in prevention, return to work and claims management to minimise the impact of harm in workplaces.</li> <li>• Measure, monitor and forecast performance to inform decision making, strengthen operations and improve outcomes.</li> </ul>	
<b>Performance information</b>		
<b>Year</b>	<b>Performance criteria</b>	<b>Targets</b>
2018–19	Increase the proportion of employees who have returned to work, measured by duration on incapacity benefits, to facilitate recovery and reduce liability.	<b>Assessment:</b> Not on track <sup>1</sup> .
	A sustained high-level of satisfaction, measured by survey, and engagement with the services provided, to ensure services are appropriate, responsive and relevant.	<b>Assessment:</b> On track.
	That claims administration cost as a ratio of all claims expenses is 20 per cent or lower for each injury year, measured by Safe Work Australia's comparative performance monitoring methodology, to ensure cost effective management of the fund.	<b>Assessment:</b> On track.
	The average Commonwealth premium rate reduces to 1.1 per cent of payroll (excluding GST) to ensure the scheme remains financially sustainable.	<b>Assessment:</b> On track.

<sup>1</sup> Comcare is working with rehabilitation authorities on strategies to improve return to work rates.

<b>Outcome 1 — Support participation and productivity through healthy and safe workplaces that minimise the impact of harm in the workplaces covered by Comcare.</b>		
<b>Program Component 1.4 — Premium Claims</b>		
	Reduce the insured scheme liability to ensure the scheme remains financially sustainable.	<b>Assessment:</b> On track.
	The insured workers' compensation scheme continues to be fully funded.	<b>Assessment:</b> On track.
2019–20	Increase the proportion of employees who have returned to work, measured by duration on incapacity benefits.	Measured as the proportion of employees whose accrued incapacity duration is less than 4, 13, 26, 52 and 78 weeks.
	Deliver appropriate, responsive and relevant services shown in sustained high levels of satisfaction and engagement with services offered.	A stakeholder satisfaction rating of 85% or more.
	Claims administration cost as a ratio of all claims expenses is 17 per cent or lower for each injury year.	Administrative cost ratio is 17% or lower.
	The annual average Commonwealth premium rate is set to ensure the workers' compensation scheme remains financially sustainable.	Average Commonwealth premium rate = 1% of payroll.
	Ensure the scheme financial sustainability by reducing workers' compensation liabilities.	Scheme liability is \$1.71 billion or less 30 June 2020.
	The insured workers' compensation scheme continues to be fully funded.	100–125%
2020–21 and beyond	Increase the proportion of employees who have returned to work, measured by duration on incapacity benefits.	Measured as the proportion of employees whose accrued incapacity duration is less than 4, 13, 26, 52 and 78 weeks.
	Deliver appropriate, responsive and relevant services shown in sustained high levels of satisfaction and engagement with services offered.	A stakeholder satisfaction rating of 87–92% or more.
	Claims administration cost as a ratio of all claims expenses is 17 per cent or lower for each injury year.	Administrative cost ratio is 17% or lower.
	The annual average Commonwealth premium rate is set to ensure the workers' compensation scheme remains financially sustainable.	Average Commonwealth premium rate = 1% of payroll.
	Ensure the scheme financial sustainability by reducing workers' compensation liabilities.	Scheme liability is \$1.54–1.39 billion or less.
	The insured workers' compensation scheme continues to be fully funded.	100–125%
<b>Material changes to Program 1.4 resulting from the following measures: Nil</b>		

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<b>Outcome 1 — Support participation and productivity through healthy and safe workplaces that minimise the impact of harm in the workplaces covered by Comcare.</b>		
<b>Program Component 1.5 — Pre-premium claims</b>		
<b>Purposes</b>	Leading workers' compensation insurer—Working with employees and employers to minimise the impact of harm in workplaces, supporting optimal recovery and return to work, and delivering a viable scheme.	
<b>Delivery</b>	<ul style="list-style-type: none"> <li>• Utilise evidence-based best practice in claims case management to facilitate optimal recovery and return to work outcomes.</li> <li>• Actively engage employers in prevention return to work and claims management to minimise the impact of harm in workplaces.</li> <li>• Measure, monitor and forecast performance to inform decision-making, strengthen operations and improve outcomes.</li> </ul>	
<b>Performance information</b>		
<b>Year</b>	<b>Performance criteria</b>	<b>Targets</b>
2018–19	That claims administration cost as a ratio of all claims expenses is 20 per cent or lower for each injury year, measured by Safe Work Australia's comparative performance monitoring methodology, to ensure cost effective management of the fund.	<b>Assessment:</b> On track.
2019–20	Claims administration cost as a ratio of all claims expenses is 17 per cent or lower for each injury year.	Administrative cost ratio is 17% or lower.
2020–21 and beyond	As per 2019–20.	As per 2019–20.
<b>Material changes to Program 1.5 resulting from the following measures: Nil</b>		



<b>Outcome 1 — Support participation and productivity through healthy and safe workplaces that minimise the impact of harm in the workplaces covered by Comcare.</b>		
<b>Program Component 1.6 — Asbestos Claims</b>		
<b>Purposes</b>	Leading workers' compensation insurer—Working with employees and employers to minimise the impact of harm in workplaces, supporting optimal recovery and return to work, and delivering a viable scheme.	
<b>Delivery</b>	Proactive management of asbestos-related claims and recoveries from third parties.	
<b>Performance information</b>		
<b>Year</b>	<b>Performance criteria</b>	<b>Targets</b>
2018–19	Timeliness of claims resolution (i.e. percentage of primary asbestos claims resolved within 180 calendar days).	<b>Assessment:</b> On track.
	Third party recovery rate (i.e. percentage of the value of asbestos claims settlements recovered from third parties).	<b>Assessment:</b> On track.
2019–20	Timeliness of claims resolution (i.e. percentage of primary asbestos claims resolved within 180 calendar days).	80%
	Third party recovery rate (i.e. percentage of the value of asbestos claims settlements recovered from third parties).	10%
2020–21 and beyond	As per 2019–20.	As per 2019–20.
<b>Material changes to Program 1.6 resulting from the following measures: Nil</b>		

## Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2019–20 budget year, including the impact of budget measures and resourcing on financial statements.

### 3.1 BUDGETED FINANCIAL STATEMENTS

#### 3.1.1 Differences between entity resourcing and financial statements

The difference between the available resources shown in Table 1.1: Comcare resource statement and Table 3.1: Comprehensive Income Statement is due to prior year amounts available in 2019–20, and non-cash movements in the value of the workers' compensation claims liability and notional interest receipts. The prior year amounts relate to retained premium funds, which are held to discharge future premium claims liabilities. Table 3.2: Budgeted Departmental Balance Sheet also includes significant financial assets (appropriations receivable) which will fund claim payments over the lifetime of the outstanding claims liabilities.

#### 3.1.2 Explanatory notes and analysis of budgeted financial statements

Comcare's total income in 2019–20 is \$267.4 million, compared to \$176.3 million in 2018–19 (an increase of \$91.1 million, Table 3.1). Total income was higher in 2019–20 due to a significant favourable movement in premium liabilities in 2018–19 leading to a lower liability offset.

Premium revenue has decreased from \$245.0 million in 2018–19 to \$156.5 million in 2019–20 (i.e. by \$88.5 million) due to the exit of the ACT Government from Comcare's premium scheme and other favourable movements in claims experience.

#### Expenses

Comcare's total expenses in 2019–20 are \$267.4 million compared to \$176.3 million in 2018–19, mainly due to the favourable movement in premium liabilities.

Claims Payments have decreased from \$253.9 million to \$211.8 million (i.e. by \$42.1 million) as the ACT Government will take responsibility for claims payments after their exit from Comcare's premium scheme.

#### Operating Result

Comcare has budgeted for a break-even operating result for 2019–20.

### Claims Liability

Comcare has three separate claims liabilities:

- Premium workers' compensation claims – these relate to workers' compensation claims from premium paying agencies with a date of injury on or after 1 July 1989.
- Pre-premium workers' compensation claims – these relate to workers' compensation claims with a date of injury before 1 July 1989. It is expected that pre-premium claims liabilities will decrease over time as claims are settled.
- Asbestos-related common law liabilities – these relate to asbestos related claims where the Commonwealth has a liability.

In the 2019–20 Portfolio Budget Statements, all claims liability provisions are based on independent actuarial valuations on the basis of the central estimate plus a risk margin that would achieve a 75 per cent probability of sufficiency.

Estimates for gross claims liabilities as at 30 June each year are outlined in the table below.

**Table 3.1.1 Estimates for gross claims liabilities as at 30 June each year**

	2018–19 Estimated actual \$'000	2019–20 Budget \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000	2022–23 Forward estimate \$'000
<b>Workers' compensation liabilities</b>					
Premium	1,657,710	1,656,806	1,661,665	1,674,999	1,694,435
Pre-premium	314,434	288,571	264,106	241,155	220,185
Asbestos related— common law	822,640	789,880	756,560	723,660	691,460

### 3.2. BUDGETED FINANCIAL STATEMENTS TABLES

**Table 3.1: Comprehensive income statement (showing net cost of services) for the period ended 30 June**

	2018–19 Estimated actual \$'000	2019–20 Budget \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000	2022–23 Forward estimate \$'000
<b>EXPENSES</b>					
Employee benefits	68,925	70,188	71,991	71,387	73,610
Suppliers	34,630	34,982	34,975	34,980	34,970
Depreciation and amortisation	5,041	4,873	4,873	4,873	4,873
Claims Payments	253,879	211,771	213,639	213,774	215,508
Claims - Movement in liabilities	(186,205)	(54,375)	(47,859)	(37,728)	(28,948)
<b>Total expenses</b>	<b>176,270</b>	<b>267,439</b>	<b>277,619</b>	<b>287,286</b>	<b>300,013</b>
<b>LESS:</b>					
<b>OWN-SOURCE INCOME</b>					
<b>Own-source revenue</b>					
Sale of goods and rendering of services	4,170	3,472	4,307	1,331	1,941
Licence Fees	15,998	16,298	16,955	17,217	17,508
Regulatory Contributions	19,462	19,706	20,489	20,811	21,168
Interest	30,048	25,224	25,224	25,224	25,224
Grants Received from Portfolio Department	60,083	55,188	54,885	54,632	53,819
Workers' Compensation Premium	244,972	156,461	176,660	182,449	188,360
Other Non-Tax Revenue (a)	(204,452)	(14,899)	(26,929)	(20,447)	(14,117)
<b>Total own-source revenue</b>	<b>170,281</b>	<b>261,450</b>	<b>271,591</b>	<b>281,217</b>	<b>293,903</b>
<b>Total own-source income</b>	<b>170,281</b>	<b>261,450</b>	<b>271,591</b>	<b>281,217</b>	<b>293,903</b>
<b>Net (cost of)/contribution by services</b>	<b>(5,989)</b>	<b>(5,989)</b>	<b>(6,028)</b>	<b>(6,069)</b>	<b>(6,110)</b>
Revenue from Government	5,989	5,989	6,028	6,069	6,110
<b>Surplus/(deficit) attributable to the Australian Government</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>OTHER COMPREHENSIVE INCOME</b>					
Changes in asset revaluation surplus	-	-	-	-	-
<b>Total other comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income/(loss)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income/(loss) attributable to the Australian Government</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

(a) This relates to non-cash movements in workers' compensation claims liabilities and asbestos related claims liabilities.

Prepared on Australian Accounting Standards basis.

**Table 3.2: Budgeted departmental balance sheet (as at 30 June)**

	2018–19 Estimated actual \$'000	2019–20 Budget \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000	2022–23 Forward estimate \$'000
<b>ASSETS</b>					
<b>Financial assets</b>					
Cash and cash equivalents	979,071	939,092	917,267	898,428	884,891
Trade and other receivables	2,196,077	2,176,640	2,144,532	2,119,298	2,100,394
Other financial assets	11,833	11,833	11,833	11,833	11,833
<b>Total financial assets</b>	<b>3,186,981</b>	<b>3,127,565</b>	<b>3,073,632</b>	<b>3,029,559</b>	<b>2,997,118</b>
<b>Non-financial assets</b>					
Property, plant and equipment	11,096	8,579	6,142	5,215	2,298
Intangibles	8,580	12,354	15,798	18,282	19,906
Other non-financial assets	1,463	1,463	1,463	1,463	1,463
<b>Total non-financial assets</b>	<b>21,139</b>	<b>22,396</b>	<b>23,403</b>	<b>24,960</b>	<b>23,667</b>
<b>Total assets</b>	<b>3,208,120</b>	<b>3,149,961</b>	<b>3,097,035</b>	<b>3,054,519</b>	<b>3,020,785</b>
<b>LIABILITIES</b>					
<b>Payables</b>					
Suppliers	5,535	5,535	5,535	5,535	5,535
Other payables	5,772	5,773	5,773	5,773	5,773
<b>Total payables</b>	<b>11,307</b>	<b>11,308</b>	<b>11,308</b>	<b>11,308</b>	<b>11,308</b>
<b>Provisions</b>					
Employee provisions	18,597	19,964	19,964	19,964	19,964
Other provisions	3,155,274	3,095,747	3,042,821	3,000,305	2,966,571
<b>Total provisions</b>	<b>3,173,871</b>	<b>3,115,711</b>	<b>3,062,785</b>	<b>3,020,269</b>	<b>2,986,535</b>
<b>Total liabilities</b>	<b>3,185,178</b>	<b>3,127,019</b>	<b>3,074,093</b>	<b>3,031,577</b>	<b>2,997,843</b>
<b>Net assets</b>	<b>22,942</b>	<b>22,942</b>	<b>22,942</b>	<b>22,942</b>	<b>22,942</b>
<b>EQUITY*</b>					
<b>Parent entity interest</b>					
Contributed equity	7,717	7,717	7,717	7,717	7,717
Reserves	3,961	3,961	3,961	3,961	3,961
Retained surplus (accumulated deficit)	11,264	11,264	11,264	11,264	11,264
<b>Total parent entity interest</b>	<b>22,942</b>	<b>22,942</b>	<b>22,942</b>	<b>22,942</b>	<b>22,942</b>
<b>Total equity</b>	<b>22,942</b>	<b>22,942</b>	<b>22,942</b>	<b>22,942</b>	<b>22,942</b>

\*Equity is the residual interest in assets after deduction of liabilities.

Prepared on Australian Accounting Standards basis.

**Table 3.3: Departmental statement of changes in equity — summary of movement (Budget year 2019–20)**

	Retained earnings \$'000	Asset revaluation reserve \$'000	Contributed equity/ capital \$'000	Total equity \$'000
<b>Opening balance as at 1 July 2019</b>				
Balance carried forward from previous period	11,264	3,961	7,717	22,942
Adjustment for changes in accounting policies	-	-	-	-
<b>Adjusted opening balance</b>	<b>11,264</b>	<b>3,961</b>	<b>7,717</b>	<b>22,942</b>
<b>Comprehensive income</b>				
Other comprehensive income	-	-	-	-
Surplus/(deficit) for the period	-	-	-	-
<b>Total comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Estimated closing balance as at 30 June 2020</b>	<b>11,264</b>	<b>3,961</b>	<b>7,717</b>	<b>22,942</b>
Less: non-controlling interests	-	-	-	-
<b>Closing balance attributable to the Australian Government</b>	<b>11,264</b>	<b>3,961</b>	<b>7,717</b>	<b>22,942</b>

Prepared on Australian Accounting Standards basis.

**Table 3.4: Budgeted departmental statement of cash flows (for the period ended 30 June)**

	2018–19 Estimated actual \$'000	2019–20 Budget \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000	2022–23 Forward estimate \$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Appropriations	5,989	5,989	6,028	6,069	6,110
Sale of goods and rendering of services	39,575	38,862	41,864	39,360	40,618
Interest	30,048	25,224	25,224	25,224	25,224
Grants from Portfolio Agencies	60,083	55,188	54,885	54,632	53,819
GST receipts from customers	24,914	15,993	18,097	18,378	19,030
Other	244,972	156,460	176,660	182,450	188,360
<b>Total cash received</b>	<b>405,581</b>	<b>297,716</b>	<b>322,758</b>	<b>326,113</b>	<b>333,161</b>
<b>Cash used</b>					
Employees	67,541	68,820	71,991	71,387	73,610
Suppliers	34,629	34,982	34,976	34,982	34,970
GST Payments to Suppliers	9,687	8,692	8,738	8,741	8,784
Net GST paid	15,227	7,301	9,359	9,637	10,246
Other	320,580	211,770	213,639	213,775	215,508
<b>Total cash used</b>	<b>447,664</b>	<b>331,565</b>	<b>338,703</b>	<b>338,522</b>	<b>343,118</b>
<b>Net cash from/(used by) operating activities</b>	<b>(42,083)</b>	<b>(33,849)</b>	<b>(15,945)</b>	<b>(12,409)</b>	<b>(9,957)</b>
<b>INVESTING ACTIVITIES</b>					
<b>Cash used</b>					
Purchase of property, plant and equipment and intangibles	7,087	6,130	5,880	6,430	3,580
<b>Total cash used</b>	<b>7,087</b>	<b>6,130</b>	<b>5,880</b>	<b>6,430</b>	<b>3,580</b>
<b>Net cash from/(used by) investing activities</b>	<b>(7,087)</b>	<b>(6,130)</b>	<b>(5,880)</b>	<b>(6,430)</b>	<b>(3,580)</b>
<b>Net increase/(decrease) in cash held</b>	<b>(49,170)</b>	<b>(39,979)</b>	<b>(21,825)</b>	<b>(18,839)</b>	<b>(13,537)</b>
Cash and cash equivalents at the beginning of the reporting period	1,028,241	979,071	939,092	917,267	898,428
<b>Cash and cash equivalents at the end of the reporting period</b>	<b>979,071</b>	<b>939,092</b>	<b>917,267</b>	<b>898,428</b>	<b>884,891</b>

Prepared on Australian Accounting Standards basis.

**Table 3.5: Departmental capital budget statement (for the period ended 30 June)**

	2018–19 Estimated actual \$'000	2019–20 Budget \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000	2022–23 Forward estimate \$'000
<b>PURCHASE OF NON-FINANCIAL ASSETS</b>					
Funded internally from departmental resources	7,087	6,130	5,880	6,430	3,580
<b>TOTAL</b>	<b>7,087</b>	<b>6,130</b>	<b>5,880</b>	<b>6,430</b>	<b>3,580</b>
<b>RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE</b>					
Total purchases	7,087	6,130	5,880	6,430	3,580
<b>Total cash used to acquire assets</b>	<b>7,087</b>	<b>6,130</b>	<b>5,880</b>	<b>6,430</b>	<b>3,580</b>

Prepared on Australian Accounting Standards basis.

**Table 3.6: Statement of asset movements (Budget year 2019–20)**

	Other property, plant and equipment \$'000	Computer software and intangibles \$'000	Total \$'000
<b>As at 1 July 2019</b>			
Gross book value	34,958	27,002	61,960
Accumulated depreciation/ amortisation and impairment	(23,862)	(18,422)	(42,284)
<b>Opening net book balance</b>	<b>11,096</b>	<b>8,580</b>	<b>19,676</b>
<b>Capital asset additions</b>			
<b>Estimated expenditure on new or replacement assets</b>			
By purchase — other	1,370	4,760	6,130
<b>Total additions</b>	<b>1,370</b>	<b>4,760</b>	<b>6,130</b>
<b>Other movements</b>			
Depreciation/amortisation expense	(3,887)	(986)	(4,873)
<b>Total other movements</b>	<b>(3,887)</b>	<b>(986)</b>	<b>(4,873)</b>
<b>As at 30 June 2020</b>			
Gross book value	36,328	31,762	68,090
Accumulated depreciation/ amortisation and impairment	(27,749)	(19,408)	(47,157)
<b>Closing net book balance</b>	<b>8,579</b>	<b>12,354</b>	<b>20,933</b>

Prepared on Australian Accounting Standards basis.



**Table 3.7: Schedule of budgeted income and expenses administered on behalf of Government (for the period ended 30 June)**

	2018–19 Estimated actual \$'000	2019–20 Budget \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000	2022–23 Forward estimate \$'000
<b>EXPENSES</b>					
Suppliers	160	143	169	151	177
<b>Total expenses administered on behalf of Government</b>	<b>160</b>	<b>143</b>	<b>169</b>	<b>151</b>	<b>177</b>
<b>LESS:</b>					
<b>OWN-SOURCE INCOME</b>					
<b>Non-taxation revenue</b>					
Other revenue	179	179	179	179	179
<b>Total non-taxation revenue</b>	<b>179</b>	<b>179</b>	<b>179</b>	<b>179</b>	<b>179</b>
<b>Total own-source revenue administered on behalf of Government</b>	<b>179</b>	<b>179</b>	<b>179</b>	<b>179</b>	<b>179</b>
<b>Total own-sourced income administered on behalf of Government</b>	<b>179</b>	<b>179</b>	<b>179</b>	<b>179</b>	<b>179</b>
<b>Net (cost of)/contribution by services</b>	<b>19</b>	<b>36</b>	<b>10</b>	<b>28</b>	<b>2</b>

Prepared on Australian Accounting Standards basis.

**Table 3.8: Schedule of budgeted assets and liabilities administered on behalf of Government (as at 30 June)**

	2018–19 Estimate d actual \$'000	2019–20 Budget \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000	2022–23 Forward estimate \$'000
<b>ASSETS</b>					
<b>Financial assets</b>					
Cash held in the OPA — Special Accounts	306	219	106	107	109
Trade and other receivables	2,063	2,063	2,063	1,967	1,844
<b>Total financial assets</b>	<b>2,369</b>	<b>2,282</b>	<b>2,169</b>	<b>2,074</b>	<b>1,953</b>
<b>Total assets administered on behalf of Government</b>	<b>2,369</b>	<b>2,282</b>	<b>2,169</b>	<b>2,074</b>	<b>1,953</b>
<b>LIABILITIES</b>					
<b>Provisions</b>					
Other provisions	2,604	2,481	2,358	2,235	2,112
<b>Total provisions</b>	<b>2,604</b>	<b>2,481</b>	<b>2,358</b>	<b>2,235</b>	<b>2,112</b>
<b>Total liabilities administered on behalf of Government</b>	<b>2,604</b>	<b>2,481</b>	<b>2,358</b>	<b>2,235</b>	<b>2,112</b>
<b>Net assets/(liabilities)</b>	<b>(235)</b>	<b>(199)</b>	<b>(189)</b>	<b>(161)</b>	<b>(159)</b>

Prepared on Australian Accounting Standards basis.

**Table 3.9: Schedule of budgeted administered cash flows (for the period ended 30 June)**

	2018–19 Estimated actual \$'000	2019–20 Budget \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000	2022–23 Forward estimate \$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Other	188	179	179	275	302
<b>Total cash received</b>	<b>188</b>	<b>179</b>	<b>179</b>	<b>275</b>	<b>302</b>
<b>Cash used</b>					
Other	1,093	266	292	274	300
<b>Total cash used</b>	<b>1,093</b>	<b>266</b>	<b>292</b>	<b>274</b>	<b>300</b>
<b>Net cash from/(used by) operating activities</b>	<b>(905)</b>	<b>(87)</b>	<b>(113)</b>	<b>1</b>	<b>2</b>
<b>Net increase/(decrease) in cash held</b>					
	<b>(905)</b>	<b>(87)</b>	<b>(113)</b>	<b>1</b>	<b>2</b>
Cash and cash equivalents at beginning of reporting period	-	-	-	-	-
Cash from Official Public Account for:					
— Special accounts	1,211	306	219	106	107
<b>Cash and cash equivalents at end of reporting period</b>	<b>306</b>	<b>219</b>	<b>106</b>	<b>107</b>	<b>109</b>

Prepared on Australian Accounting Standards basis.

**Table 3.10: Administered capital budget statement (for the period ended 30 June)**

Comcare has no administered capital purchases. For this reason, Table 3.10 is not presented.

**Table 3.11: Statement of administered asset movements (Budget year 2018–19)**

Comcare has no administered non-financial assets. For this reason, Table 3.11 is not presented.

### 3.3 NOTES TO THE FINANCIAL STATEMENTS

#### Accounting policy

The budgeted financial statements have been prepared in accordance with the requirements of the *Public Governance, Performance and Accountability (Financial Reporting) Rule 2015*, and the *Commonwealth Entities Financial Statement Preparation Guide*.

#### Entity items

Entity assets, liabilities, revenues and expenses are those items that are controlled by Comcare.

Administered assets, liabilities, revenues and expenses relate to the Seafarers Safety, Rehabilitation and Compensation Authority (Seafarers Authority) which collects levies under the *Seafarers Rehabilitation and Compensation Levy Collection Act 1992*. The Seafarers Authority is controlled by the Government and managed by Comcare.

## **Comprehensive Income Statement**

### **Revenue from government**

Comcare receives an annual appropriation for the management of asbestos-related claims, the administration of the Parliamentary Injury Compensation Scheme, the Seacare Authority, and some of Comcare's regulatory activities.

### **Own source revenue**

Comcare receives the following own-source revenue:

- workers' compensation premiums
- grants received from portfolio department
- other non-tax revenue
- licence fees
- regulatory contributions
- interest, and
- sale of goods and rendering of services.

### **Workers' compensation premiums**

The premium scheme covers employees of Commonwealth Government agencies covered by the SRC Act for injuries and illnesses sustained on or after 1 July 1989. Premiums are determined to fully fund the expected scheme liabilities as advised by independent actuaries.

In 2018-19, the ACT Government exited the premium scheme and was granted a licence to become a self-insured licensee under the SRC Act.

Premiums do not cover liabilities for injuries or illness sustained prior to 1 July 1989. These liabilities are funded by Parliamentary appropriation and are referred to as 'pre-premium' liabilities.

### **Grants received from portfolio department**

Grants received from the portfolio department represent cash appropriation for the payment of pre-premium claims and administration costs, and asbestos claims costs.

### **Other non-tax revenue**

'Other non-tax revenue' is a non-cash appropriation representing:

- the notional interest on retained premium funds held with the Australian Government, and
- the movement in claims liabilities payable in future years based on independent actuarial assessment.

### **Administration expenses**

Comcare administration expenses include:

- employee expenses – includes salaries, superannuation and the net increase in employee entitlements
- suppliers – includes goods and services procured from suppliers, and
- depreciation and amortisation – property, plant and equipment and intangible assets are depreciated over their useful lives. Leasehold improvements are amortised over the lesser of the estimated useful life of the improvement or the unexpired period of the lease. In all cases, assets are depreciated using the straight line method.

### **Claims expenses**

Comcare recognises two types of claims expenses:

1. Claims payments – includes workers' compensation claims payments (premium and pre-premium) and common law settlements for asbestos-related compensation cases.
2. Movement in liabilities – net movements in outstanding workers' compensation claims liabilities are recognised as expenses.

## **Departmental Balance Sheet**

### **Cash and cash equivalents**

Cash and cash equivalents include deposits at call and term deposits with a bank or financial institution.

### **Trade and other receivables**

Other receivables are the combined value of:

- pre-premium and asbestos special appropriation receivable, and
- premiums collected by Comcare prior to 1 July 2002 held by the Australian Government plus earned notional interest, in accordance with Section 90C of the SRC Act.

**Employee provisions**

The provision for employee entitlements encompasses unpaid annual and long service leave. No provision is made for sick leave.

**Other provisions**

Provision is made for:

- outstanding workers' compensation claims liabilities, and
- asbestos-related common law liabilities.

These estimates have been prepared by independent actuaries. They are based on analysis of the historical development of the relevant claims experience, with allowances for future claim escalation and administration expenses, and are discounted to a present value to allow for the time value of money.

The estimates of outstanding liabilities have been based on independent actuarial valuations on the basis of the central estimate plus the risk margin that would achieve a 75 per cent probability of sufficiency.



# **FAIR WORK COMMISSION**

## **ENTITY RESOURCES AND PLANNED PERFORMANCE**





# FAIR WORK COMMISSION

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# FAIR WORK COMMISSION

## Section 1: Entity overview and resources

### 1.1 STRATEGIC DIRECTION STATEMENT

The Fair Work Commission was established by the *Fair Work Act 2009* (Fair Work Act). The Commission is the independent national workplace relations tribunal responsible for administering provisions of the Fair Work Act. The Commission also has responsibilities in relation to the registration and coverage of unions and employer organisations under the *Fair Work (Registered Organisations) Act 2009*.

The Fair Work Commission consists of a President, Vice Presidents, Deputy Presidents, Commissioners and Expert Panel Members. The Fair Work Commission also has a General Manager and administrative staff.

The Fair Work Commission has the power to make and vary awards, make minimum wage orders, approve enterprise agreements, resolve workplace and other disputes, determine unfair dismissal claims, deal with applications for orders to stop or prevent workplace bullying and make orders in relation to matters such as good faith bargaining and industrial action.

The Commission is responsible for delivering a single planned outcome: 'Simple, fair and flexible workplace relations for employees and employers through the exercise of powers to set and vary minimum wages and modern awards, facilitate collective bargaining, approve agreements and deal with disputes.'

The Commission delivers a single program of dispute resolution, minimum wage setting, orders and approval of agreements.

To achieve the program objectives, the major priorities in 2019–20 include:

- ensuring that the community understands the role of the Commission and recognises it as an independent and expert workplace relations tribunal
- ensuring that the Commission is accessible to all Australians, recognising the community's diverse needs and expectations
- ensuring that the Commission is efficient, accountable and transparent, and
- ensuring that the Commission is a highly skilled and agile organisation in which its people, processes, systems and technology are aligned to deliver high quality, efficient and effective services to the community.

Further information about the activities of the Fair Work Commission can be found at the Commission's website, [www.fwc.gov.au](http://www.fwc.gov.au), and in the Commission's Corporate Plan.

## 1.2 ENTITY RESOURCE STATEMENT

Table 1.1 shows the total funding from all sources available to the entity for its operations and to deliver programs and services on behalf of the Government.

The table summarises how resources will be applied by outcome (government strategic policy objectives) and by administered (on behalf of the Government or the public) and departmental (for the entity's operations) classification.

For more detailed information on special accounts and special appropriations, please refer to *Budget Paper No. 4 – Agency Resourcing*.

Information in this table is presented on a resourcing (that is, appropriations/cash available) basis, whilst the 'Budgeted expenses by Outcome' tables in Section 2 and the financial statements in Section 3 are presented on an accrual basis.

**Table 1.1: Fair Work Commission resource statement — Budget estimates for 2019–20 as at Budget April 2019**

	<i>2018–19 (a)</i> <i>Estimated</i> <i>actual</i> \$'000	2019–20 Estimate \$'000
<b>Departmental</b>		
Annual appropriations - ordinary annual services (b)		
Prior year appropriations available (c)	29,265	28,610
Departmental appropriation (d)	74,047	77,300
s74 External Revenue (e)	2,000	2,000
Departmental capital budget (f)	2,372	2,375
Total departmental annual appropriations	<u>107,684</u>	<u>110,285</u>
<b>Total departmental resourcing</b>	<b>107,684</b>	<b>110,285</b>
<b>Administered</b>		
Special appropriations		
Public Governance, Performance and Accountability Act 2013 – s77	500	500
Total administered special appropriations	<u>500</u>	<u>500</u>
<b>Total administered resourcing</b>	<b>500</b>	<b>500</b>
<b>Total resourcing for Fair Work Commission</b>	<b>108,184</b>	<b>110,785</b>
	<u>2018–19</u>	<u>2019–20</u>
<b>Average staffing level (number)</b>	<b>318</b>	<b>321</b>

**Note:** All figures shown above are GST exclusive - these may not match figures in the cash flow statement.

Prepared on a resourcing (that is, appropriations available) basis.

- (a) Annual appropriation amounts appearing for 2018–19 do not include the Appropriation Bills (No. 3) and (No. 4) 2018–2019, as they had not been enacted at the time of publication.
- (b) Appropriation Bill (No. 1) 2019–20.
- (c) Estimated adjusted balance carried forward from previous year.
- (d) Excludes Departmental Capital Budget (DCB).
- (e) Estimated retained revenue receipts under section 74 of the PGPA Act.
- (f) DCBs are not separately identified in Appropriation Bill (No.1) and form part of ordinary annual services items. Please refer to Table 3.5 for further details. For accounting purposes, this amount has been designated as a 'contribution by owner'.

### 1.3 BUDGET MEASURES

Budget measures in Part 1 relating to the Fair Work Commission are detailed in Budget Paper No. 2 and are summarised below.

**Table 1.2: Entity 2019–20 Budget measures  
Part 1: Measures announced since the 2018–19 Mid-Year Economic and Fiscal Outlook (MYEFO)**

	Program	2018–19 \$'000	2019–20 \$'000	2020–21 \$'000	2021–22 \$'000	2022–23 \$'000
<b>Expense measures</b>						
Fair Work Commission — appointment of additional Members (a)	1.1					
Administered expenses		-	-	-	-	-
Departmental expenses		-	-	-	-	-
<b>Total</b>		-	-	-	-	-
Workplace Advice Service — expansion (b)	1.1					
Administered expenses		-	-	-	-	-
Departmental expenses		-	-	-	-	-
<b>Total</b>		-	-	-	-	-
<b>Total expense measures</b>						
Administered		-	-	-	-	-
Departmental		-	-	-	-	-
<b>Total</b>		-	-	-	-	-

Prepared on a Government Finance Statistics (fiscal) basis. Figures displayed as a negative (-) represent a decrease in funds and a positive (+) represent an increase in funds.

- (a) Measure relates to decision made post MYEFO and published in Table 1.2 of the Jobs and Small Business 2018–19 Portfolio Additional Estimates Statements — Fair Work Commission as measure title *Fair Work Commission — Appointment of additional members — additional resources*.
- (b) Measure relates to decision made post MYEFO and published in Table 1.2 of the Jobs and Small Business 2018–19 Portfolio Additional Estimates Statements — Fair Work Commission as measure title *Fair Work Commission — Workplace Advice Service*.

## Section 2: Outcomes and planned performance

Government outcomes are the intended results, impacts or consequences of actions by the Government on the Australian community. Commonwealth programs are the primary vehicle by which government entities achieve the intended results of their outcome statements. Entities are required to identify the programs which contribute to government outcomes over the Budget and forward years.

Each outcome is described below together with its related programs. The following provides detailed information on expenses for each outcome and program, further broken down by funding source.

**Note:**

Performance reporting requirements in the Portfolio Budget Statements are part of the enhanced Commonwealth performance framework established by the *Public Governance, Performance and Accountability Act 2013*. It is anticipated that the performance criteria described in Portfolio Budget Statements will be read with broader information provided in an entity's corporate plans and annual performance statements – included in Annual Reports – to provide an entity's complete performance story.

The most recent corporate plan for Fair Work Commission can be found at:  
[www.fwc.gov.au/about-us/reports-publications](http://www.fwc.gov.au/about-us/reports-publications).

The most recent annual performance statements can be found at:  
[www.fwc.gov.au/annual-report-2017-18/3-annual-performance-statements](http://www.fwc.gov.au/annual-report-2017-18/3-annual-performance-statements).

## 2.1 BUDGETED EXPENSES AND PERFORMANCE FOR OUTCOME 1

**Outcome 1: Simple, fair and flexible workplace relations for employees and employers through the exercise of powers to set and vary minimum wages and modern awards, facilitate collective bargaining, approve agreements and deal with disputes.**

### Budgeted expenses for Outcome 1

This table shows how much the entity intends to spend (on an accrual basis) on achieving the outcome, broken down by program, as well as by Administered and Departmental funding sources.

**Table 2.1.1: Budgeted expenses for Outcome 1**

	2018–19 Estimated actual \$'000	2019–20 Budget \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000	2022–23 Forward estimate \$'000
<b>Program 1.1: Dispute resolution, minimum wage setting, orders and approvals of agreements</b>					
Administered expenses					
Special appropriations					
<i>Public Governance, Performance and Accountability Act 2013 — s77</i>	500	500	500	500	500
<b>Administered total</b>	<b>500</b>	<b>500</b>	<b>500</b>	<b>500</b>	<b>500</b>
Departmental expenses					
Departmental appropriation	74,840	77,300	78,616	79,318	79,938
s74 External Revenue (a)	2,000	2,000	2,000	2,000	2,000
Expenses not requiring appropriation in the Budget year (b)	5,977	6,462	6,462	6,462	6,462
<b>Departmental total</b>	<b>82,817</b>	<b>85,762</b>	<b>87,078</b>	<b>87,780</b>	<b>88,400</b>
<b>Total expenses for program 1.1</b>	<b>83,317</b>	<b>86,262</b>	<b>87,578</b>	<b>88,280</b>	<b>88,900</b>
<b>Outcome 1 Totals by appropriation type</b>					
Administered expenses					
Special appropriations	500	500	500	500	500
<b>Administered total</b>	<b>500</b>	<b>500</b>	<b>500</b>	<b>500</b>	<b>500</b>
Departmental expenses					
Departmental appropriation	74,840	77,300	78,616	79,318	79,938
s74 External Revenue (a)	2,000	2,000	2,000	2,000	2,000
Expenses not requiring appropriation in the Budget year (b)	5,977	6,462	6,462	6,462	6,462
<b>Departmental total</b>	<b>82,817</b>	<b>85,762</b>	<b>87,078</b>	<b>87,780</b>	<b>88,400</b>
<b>Total expenses for Outcome 1</b>	<b>83,317</b>	<b>86,262</b>	<b>87,578</b>	<b>88,280</b>	<b>88,900</b>
	2018–19	2019–20			
<b>Average staffing level (number)</b>	<b>318</b>	<b>321</b>			

- (a) Estimated expenses incurred in relation to receipts retained under section 74 of the PGPA Act.  
 (b) Expenses not requiring appropriation in the Budget year are made up of depreciation expenses, amortisation expenses, make good expenses and audit fees.

Note: Departmental appropriation splits and totals are indicative estimates and may change in the course of the budget year as government priorities change.

**Table 2.1.3: Performance criteria for Outcome 1**

Table 2.1.3 below details the performance criteria for each program associated with Outcome 1. It also summarises how each program is delivered and where 2019–20 Budget measures have created new programs or materially changed existing programs.

<b>Outcome 1 — Simple, fair and flexible workplace relations for employees and employers through the exercise of powers to set and vary minimum wages and modern awards, facilitate collective bargaining, approve agreements and deal with disputes.</b>		
<b>Program 1.1 — Dispute resolution, minimum wage setting, orders and approval of agreements</b>		
The Fair Work Commission exercises powers under the <i>Fair Work Act 2009</i> in accordance with the objects of the Act and in a manner that is fair and just, is quick, informal and avoids unnecessary technicalities.		
<b>Purpose</b>	Through its role as Australia’s national workplace tribunal, the Fair Work Commission (Commission) supports simple, fair and flexible workplace relations for employees and employers. The Commission’s primary purpose is to exercise its functions and powers in accordance with the <i>Fair Work Act 2009</i> (Fair Work Act) including: <ul style="list-style-type: none"> <li>• dealing with unfair dismissal claims</li> <li>• dealing with anti-bullying claims</li> <li>• dealing with general protections and unlawful termination claims</li> <li>• setting the national minimum wage and minimum wages in modern awards</li> <li>• making, reviewing and varying modern awards</li> <li>• assisting the bargaining process for enterprise agreements</li> <li>• approving, varying and terminating enterprise agreements</li> <li>• making orders to stop or suspend industrial action</li> <li>• dealing with disputes brought to the Commission under the dispute resolution procedures of modern awards and enterprise agreements</li> <li>• determining applications for right of entry permits, and</li> <li>• promoting cooperative and productive workplace relations and preventing disputes.</li> </ul>	
<b>Delivery</b>	<ul style="list-style-type: none"> <li>• Set and vary minimum wages and modern awards.</li> <li>• Facilitate collective bargaining.</li> <li>• Approve agreements.</li> <li>• Deal with disputes.</li> </ul>	
<b>Performance information</b>		
<b>Year</b>	<b>Performance criteria</b>	<b>Targets</b>
2018–19	Improve or maintain the time elapsed from lodging applications to finalising conciliations in unfair dismissal applications.	34 days <b>Assessment:</b> On track.
	Annual wage review to be completed to enable an operative date of 1 July.	By June 30. <b>Assessment:</b> On track.
	Improve or maintain the agreement approval time for agreements approved without undertakings.	32 days <b>Assessment:</b> On track.
2019–20	Improve or maintain the time elapsed from lodging applications to finalising conciliations in unfair dismissal applications.	34 days
	Annual wage review to be completed to enable an operative date of 1 July.	By June 30.



<p><b>Outcome 1 — Simple, fair and flexible workplace relations for employees and employers through the exercise of powers to set and vary minimum wages and modern awards, facilitate collective bargaining, approve agreements and deal with disputes.</b></p>		
<p><b>Program 1.1 — Dispute resolution, minimum wage setting, orders and approval of agreements</b></p> <p>The Fair Work Commission exercises powers under the <i>Fair Work Act 2009</i> in accordance with the objects of the Act and in a manner that is fair and just, is quick, informal and avoids unnecessary technicalities.</p>		
	<p>Improve or maintain the agreement approval time for agreements approved without undertakings.</p>	<p>32 days</p>
<p>2020–21 and beyond</p>	<p>As per 2019–20.</p>	<p>As per 2019–20.</p>
<p><b>Material changes to Program 1.1 resulting from the following measures: Nil</b></p>		

## Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2019–20 budget year, including the impact of budget measures and resourcing on financial statements.

### **3.1 BUDGETED FINANCIAL STATEMENTS**

#### **3.1.1 Differences between entity resourcing and financial statements**

The Fair Work Commission has no material differences between the entity resourcing and financial statements.

The Agency Resource Statement (Table 1.1) details the total appropriation available to an agency from all sources. For departmental operating appropriations (outputs) this includes carry-forward amounts as well as amounts appropriated at Budget. As agencies incur and are funded for future liabilities and employee entitlements, the total amount of departmental operating appropriation available to an agency is unlikely to be fully utilised in the Budget year. The difference between the agency resource statement and the sum of all payments made at the departmental outputs level is the expected carry-forward amount of resources for the 2019–20 Budget year, including amounts related to meeting future employee entitlement obligations.

#### **3.1.2 Explanatory notes and analysis of budgeted financial statements**

The Fair Work Commission is budgeting for an operating loss equal to the unappropriated depreciation and amortisation expense of \$6.4 million for the 2019–20 financial year.

Total revenues are estimated to be \$79.4 million and total expenses \$85.8 million in 2019–20.

Total assets at the end of the 2019–20 year are estimated to be \$69.3 million. The majority of the assets represent receivables (appropriation receivables).

Total liabilities for 2019–20 are estimated at \$32.8 million. The largest liability item is accrued employee entitlements.

### 3.2. BUDGETED FINANCIAL STATEMENTS TABLES

**Table 3.1: Comprehensive income statement (showing net cost of services) for the period ended 30 June**

	2018–19 Estimated actual \$'000	2019–20 Budget \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000	2022–23 Forward estimate \$'000
<b>EXPENSES</b>					
Employee benefits	47,595	48,419	48,437	48,454	48,472
Suppliers	29,300	30,936	32,234	32,919	33,521
Depreciation and amortisation (a)	5,922	6,407	6,407	6,407	6,407
<b>Total expenses</b>	<b>82,817</b>	<b>85,762</b>	<b>87,078</b>	<b>87,780</b>	<b>88,400</b>
<b>LESS:</b>					
<b>OWN-SOURCE INCOME</b>					
<b>Own-source revenue</b>					
Rental income	1,800	1,800	1,800	1,800	1,800
Other	255	255	255	255	255
<b>Total own-source revenue</b>	<b>2,055</b>	<b>2,055</b>	<b>2,055</b>	<b>2,055</b>	<b>2,055</b>
<b>Gains</b>					
Other	-	-	-	-	-
<b>Total gains</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total own-source income</b>	<b>2,055</b>	<b>2,055</b>	<b>2,055</b>	<b>2,055</b>	<b>2,055</b>
<b>Net (cost of)/contribution by services</b>	<b>(80,762)</b>	<b>(83,707)</b>	<b>(85,023)</b>	<b>(85,725)</b>	<b>(86,345)</b>
Revenue from Government	74,840	77,300	78,616	79,318	79,938
<b>Surplus/(deficit) attributable to the Australian Government</b>	<b>(5,922)</b>	<b>(6,407)</b>	<b>(6,407)</b>	<b>(6,407)</b>	<b>(6,407)</b>
<b>OTHER COMPREHENSIVE INCOME</b>					
Changes in asset revaluation surplus	-	-	-	-	-
<b>Total other comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income/(loss)</b>	<b>(5,922)</b>	<b>(6,407)</b>	<b>(6,407)</b>	<b>(6,407)</b>	<b>(6,407)</b>
<b>Total comprehensive income/(loss) attributable to the Australian Government</b>	<b>(5,922)</b>	<b>(6,407)</b>	<b>(6,407)</b>	<b>(6,407)</b>	<b>(6,407)</b>
<b>Note: Impact of net cash appropriation arrangements</b>					
	2018–19 \$'000	2019–20 \$'000	2020–21 \$'000	2021–22 \$'000	2022–23 \$'000
<b>Total comprehensive income/(loss) excluding depreciation/amortisation expenses previously funded through revenue appropriations</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
less depreciation/amortisation expenses previously funded through revenue appropriations (a)	5,922	6,407	6,407	6,407	6,407
<b>Total comprehensive income/(loss) – as per the statement of comprehensive income</b>	<b>(5,922)</b>	<b>(6,407)</b>	<b>(6,407)</b>	<b>(6,407)</b>	<b>(6,407)</b>

(a) From 2010–11, the Government introduced net cash appropriation arrangements. This involved Bill 1 revenue appropriations for the depreciation/amortisation expenses of non-corporate Commonwealth entities (and select corporate Commonwealth entities) were replaced with a separate capital budget (the Departmental Capital Budget, or DCB) provided through Bill 1 equity appropriations. For information regarding DCBs, please refer to Table 3.5 Departmental Capital Budget Statement.

Prepared on Australian Accounting Standards basis.

**Table 3.2: Budgeted departmental balance sheet (as at 30 June)**

	2018–19 Estimated actual \$'000	2019–20 Budget \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000	2022–23 Forward estimate \$'000
<b>ASSETS</b>					
<b>Financial assets</b>					
Cash and cash equivalents	562	562	562	562	562
Trade and other receivables	31,854	31,885	31,916	31,916	31,916
<b>Total financial assets</b>	<b>32,416</b>	<b>32,447</b>	<b>32,478</b>	<b>32,478</b>	<b>32,478</b>
<b>Non-financial assets</b>					
Land and buildings	18,188	14,564	11,738	9,063	6,250
Property, plant and equipment	3,344	2,774	2,638	2,241	2,131
Intangibles	4,639	4,801	3,751	2,831	1,781
Other non-financial assets	14,681	14,681	14,681	14,681	14,681
<b>Total non-financial assets</b>	<b>40,852</b>	<b>36,820</b>	<b>32,808</b>	<b>28,816</b>	<b>24,843</b>
<b>Total assets</b>	<b>73,268</b>	<b>69,267</b>	<b>65,286</b>	<b>61,294</b>	<b>57,321</b>
<b>LIABILITIES</b>					
<b>Payables</b>					
Suppliers	5,054	5,054	5,054	5,054	5,054
Other payables	14,114	14,114	14,114	14,114	14,114
<b>Total payables</b>	<b>19,168</b>	<b>19,168</b>	<b>19,168</b>	<b>19,168</b>	<b>19,168</b>
<b>Provisions</b>					
Employee provisions	13,561	13,592	13,623	13,623	13,623
Other provisions	89	89	89	89	89
<b>Total provisions</b>	<b>13,650</b>	<b>13,681</b>	<b>13,712</b>	<b>13,712</b>	<b>13,712</b>
<b>Total liabilities</b>	<b>32,818</b>	<b>32,849</b>	<b>32,880</b>	<b>32,880</b>	<b>32,880</b>
<b>Net assets</b>	<b>40,450</b>	<b>36,418</b>	<b>32,406</b>	<b>28,414</b>	<b>24,441</b>
<b>EQUITY*</b>					
<b>Parent entity interest</b>					
Contributed equity	48,292	50,667	53,062	55,477	57,911
Reserves	12,410	12,410	12,410	12,410	12,410
Retained surplus (accumulated deficit)	(20,252)	(26,659)	(33,066)	(39,473)	(45,880)
<b>Total parent entity interest</b>	<b>40,450</b>	<b>36,418</b>	<b>32,406</b>	<b>28,414</b>	<b>24,441</b>
<b>Total equity</b>	<b>40,450</b>	<b>36,418</b>	<b>32,406</b>	<b>28,414</b>	<b>24,441</b>

Prepared on Australian Accounting Standards basis.

\*'Equity' is the residual interest in assets after deduction of liabilities.

**Table 3.3: Departmental statement of changes in equity—summary of movement (Budget year 2019–20)**

	Retained earnings	Asset revaluation reserve	Other reserves	Contributed equity/capital	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Opening balance as at 1 July 2019</b>					
Balance carried forward from previous period	(20,252)	12,410	-	48,292	40,450
<b>Adjusted opening balance</b>	<b>(20,252)</b>	<b>12,410</b>	<b>-</b>	<b>48,292</b>	<b>40,450</b>
<b>Comprehensive income</b>					
Surplus/(deficit) for the period	(6,407)	-	-	-	(6,407)
<b>Total comprehensive income</b>	<b>(6,407)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(6,407)</b>
of which:					
Attributable to the Australian Government	-	-	-	-	-
Attributable to non-controlling interest	-	-	-	-	-
<b>Transactions with owners</b>					
<b>Contributions by owners</b>					
Departmental Capital Budget (DCB)	-	-	-	2,375	2,375
<b>Sub-total transactions with owners</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,375</b>	<b>2,375</b>
Transfers between equity	-	-	-	-	-
<b>Estimated closing balance as at 30 June 2020</b>	<b>(26,659)</b>	<b>12,410</b>	<b>-</b>	<b>50,667</b>	<b>36,418</b>
Less: non-controlling interests*	-	-	-	-	-
<b>Closing balance attributable to the Australian Government</b>	<b>(26,659)</b>	<b>12,410</b>	<b>-</b>	<b>50,667</b>	<b>36,418</b>

Prepared on Australian Accounting Standards basis.

\* The non-controlling interest disclosure is not required if an entity does not have non-controlling interests.

**Table 3.4: Budgeted departmental statement of cash flows (for the period ended 30 June)**

	2018–19 Estimated actual \$'000	2019–20 Budget \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000	2022–23 Forward estimate \$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Appropriations	74,803	77,269	78,585	79,318	79,938
Sale of goods and rendering of services	1,800	1,800	1,800	1,800	1,800
Other	200	200	200	200	200
<b>Total cash received</b>	<b>76,803</b>	<b>79,269</b>	<b>80,585</b>	<b>81,318</b>	<b>81,938</b>
<b>Cash used</b>					
Employees	47,558	48,388	48,406	48,454	48,472
Suppliers	29,245	30,881	32,179	32,864	33,466
<b>Total cash used</b>	<b>76,803</b>	<b>79,269</b>	<b>80,585</b>	<b>81,318</b>	<b>81,938</b>
<b>Net cash from/(used by) operating activities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>INVESTING ACTIVITIES</b>					
<b>Cash received</b>					
Other	-	-	-	-	-
<b>Total cash received</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cash used</b>					
Purchase of property, plant and equipment and intangibles	2,372	2,375	2,395	2,415	2,434
<b>Total cash used</b>	<b>2,372</b>	<b>2,375</b>	<b>2,395</b>	<b>2,415</b>	<b>2,434</b>
<b>Net cash from/(used by) investing activities</b>	<b>(2,372)</b>	<b>(2,375)</b>	<b>(2,395)</b>	<b>(2,415)</b>	<b>(2,434)</b>
<b>FINANCING ACTIVITIES</b>					
<b>Cash received</b>					
Contributed equity	2,372	2,375	2,395	2,415	2,434
<b>Total cash received</b>	<b>2,372</b>	<b>2,375</b>	<b>2,395</b>	<b>2,415</b>	<b>2,434</b>
<b>Cash used</b>					
Other	-	-	-	-	-
<b>Total cash used</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net cash from/(used by) financing activities</b>	<b>2,372</b>	<b>2,375</b>	<b>2,395</b>	<b>2,415</b>	<b>2,434</b>
<b>Net increase/(decrease) in cash held</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Cash and cash equivalents at the beginning of the reporting period	562	562	562	562	562
<b>Cash and cash equivalents at the end of the reporting period</b>	<b>562</b>	<b>562</b>	<b>562</b>	<b>562</b>	<b>562</b>

Prepared on Australian Accounting Standards basis.

**Table 3.5: Departmental capital budget statement (for the period ended 30 June)**

	2018–19 Estimated actual \$'000	2019–20 Budget \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000	2022–23 Forward estimate \$'000
<b>NEW CAPITAL APPROPRIATIONS</b>					
Capital budget — Bill 1 (DCB)	2,372	2,375	2,395	2,415	2,434
<b>Total new capital appropriations</b>	<b>2,372</b>	<b>2,375</b>	<b>2,395</b>	<b>2,415</b>	<b>2,434</b>
<i>Provided for:</i>					
<i>Purchase of non-financial assets</i>	2,372	2,375	2,395	2,415	2,434
<b>Total items</b>	<b>2,372</b>	<b>2,375</b>	<b>2,395</b>	<b>2,415</b>	<b>2,434</b>
<b>PURCHASE OF NON-FINANCIAL ASSETS</b>					
Funded by capital appropriation — DCB (a)	2,372	2,375	2,395	2,415	2,434
<b>TOTAL</b>	<b>2,372</b>	<b>2,375</b>	<b>2,395</b>	<b>2,415</b>	<b>2,434</b>
<b>RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE</b>					
Total purchases	2,372	2,375	2,395	2,415	2,434
<b>Total cash used to acquire assets</b>	<b>2,372</b>	<b>2,375</b>	<b>2,395</b>	<b>2,415</b>	<b>2,434</b>

(a) Does not include annual finance lease costs. Include purchases from current and previous years' Departmental Capital Budgets (DCBs).

Prepared on Australian Accounting Standards basis.

**Table 3.6: Statement of asset movements (Budget year 2019–20)**

	Buildings \$'000	Other property, plant and equipment \$'000	Computer software and intangibles \$'000	Total \$'000
<b>As at 1 July 2019</b>				
Gross book value	25,848	5,962	9,614	41,424
Accumulated depreciation/ amortisation and impairment	(7,660)	(2,618)	(4,975)	(15,253)
<b>Opening net book balance</b>	<b>18,188</b>	<b>3,344</b>	<b>4,639</b>	<b>26,171</b>
<b>Capital asset additions</b>				
<b>Estimated expenditure on new or replacement assets</b>				
By purchase — appropriation equity (a)	50	825	1,500	2,375
<b>Total additions</b>	<b>50</b>	<b>825</b>	<b>1,500</b>	<b>2,375</b>
<b>Other movements</b>				
Depreciation/amortisation expense	(3,674)	(1,395)	(1,338)	(6,407)
<b>Total other movements</b>	<b>(3,674)</b>	<b>(1,395)</b>	<b>(1,338)</b>	<b>(6,407)</b>
<b>As at 30 June 2020</b>				
Gross book value	25,898	6,787	11,114	43,799
Accumulated depreciation/ amortisation and impairment	(11,334)	(4,013)	(6,313)	(21,660)
<b>Closing net book balance</b>	<b>14,564</b>	<b>2,774</b>	<b>4,801</b>	<b>22,139</b>

(a) 'Appropriation equity' refers to equity injections appropriations provided through Appropriation Bill (No. 2) 2019–20 for depreciation/amortisation expenses, DCBs or other operational expenses.

Prepared on Australian Accounting Standards basis.



**Table 3.7: Schedule of budgeted income and expenses administered on behalf of Government (for the period ended 30 June)**

	2018-19 Estimated actual \$'000	2019-20 Budget \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000	2022-23 Forward estimate \$'000
<b>EXPENSES</b>					
Other expenses	500	500	500	500	500
<b>Total expenses administered on behalf of Government</b>	<b>500</b>	<b>500</b>	<b>500</b>	<b>500</b>	<b>500</b>
<b>LESS:</b>					
<b>OWN-SOURCE INCOME</b>					
<b>Own-source revenue</b>					
<b>Non-taxation revenue</b>					
Other revenue	1,078	1,078	1,078	1,078	1,078
<b>Total non-taxation revenue</b>	<b>1,078</b>	<b>1,078</b>	<b>1,078</b>	<b>1,078</b>	<b>1,078</b>
<b>Total own-source revenue administered on behalf of Government</b>	<b>1,078</b>	<b>1,078</b>	<b>1,078</b>	<b>1,078</b>	<b>1,078</b>
<b>Total own-sourced income administered on behalf of Government</b>	<b>1,078</b>	<b>1,078</b>	<b>1,078</b>	<b>1,078</b>	<b>1,078</b>
<b>Net (cost of)/contribution by services</b>	<b>(578)</b>	<b>(578)</b>	<b>(578)</b>	<b>(578)</b>	<b>(578)</b>
<b>Surplus/(deficit) before income tax</b>	<b>(578)</b>	<b>(578)</b>	<b>(578)</b>	<b>(578)</b>	<b>(578)</b>
Income tax expense	-	-	-	-	-
<b>Surplus/(deficit) after income tax</b>	<b>(578)</b>	<b>(578)</b>	<b>(578)</b>	<b>(578)</b>	<b>(578)</b>
<b>Total comprehensive income/(loss)</b>	<b>(578)</b>	<b>(578)</b>	<b>(578)</b>	<b>(578)</b>	<b>(578)</b>

Prepared on Australian Accounting Standards basis.

**Table 3.8: Schedule of budgeted assets and liabilities administered on behalf of Government (as at 30 June)**

The Fair Work Commission has no administered assets and liabilities. For this reason, Table 3.8 is not presented.

**Table 3.9: Schedule of budgeted administered cash flows (for the period ended 30 June)**

	2018–19 Estimated actual \$'000	2019– 20 Budget \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000	2022–23 Forward estimate \$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Other	1,078	1,078	1,078	1,078	1,078
<b>Total cash received</b>	<b>1,078</b>	<b>1,078</b>	<b>1,078</b>	<b>1,078</b>	<b>1,078</b>
<b>Cash used</b>					
Other	500	500	500	500	500
<b>Total cash used</b>	<b>500</b>	<b>500</b>	<b>500</b>	<b>500</b>	<b>500</b>
<b>Net cash from/(used by) operating activities</b>	<b>578</b>	<b>578</b>	<b>578</b>	<b>578</b>	<b>578</b>
<b>Net increase/(decrease) in cash held</b>	<b>578</b>	<b>578</b>	<b>578</b>	<b>578</b>	<b>578</b>
Cash and cash equivalents at beginning of reporting period					
Cash from Official Public Account for:					
— Special Appropriations	500	500	500	500	500
<b>Total cash from Official Public Account</b>	<b>500</b>	<b>500</b>	<b>500</b>	<b>500</b>	<b>500</b>
Cash to Official Public Account for:					
— Special Appropriations	(1,078)	(1,078)	(1,078)	(1,078)	(1,078)
<b>Total cash to Official Public Account</b>	<b>(1,078)</b>	<b>(1,078)</b>	<b>(1,078)</b>	<b>(1,078)</b>	<b>(1,078)</b>
<b>Cash and cash equivalents at end of reporting period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Prepared on Australian Accounting Standards basis.

**Table 3.10: Administered capital budget statement (for the period ended 30 June)**

The Fair Work Commission has no administered capital budget. For this reason, Table 3.10 is not presented.

**Table 3.11: Statement of administered asset movements (Budget year 2019–20)**

The Fair Work Commission has no administered non-financial assets. For this reason, Table 3.11 is not presented.

**FAIR WORK OMBUDSMAN  
AND THE  
REGISTERED ORGANISATIONS  
COMMISSION**

**ENTITY RESOURCES AND PLANNED  
PERFORMANCE**



# **FAIR WORK OMBUDSMAN AND THE REGISTERED ORGANISATIONS COMMISSION**

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# **FAIR WORK OMBUDSMAN AND THE REGISTERED ORGANISATIONS COMMISSION**

## **Section 1: Entity overview and resources**

### **1.1 STRATEGIC DIRECTION STATEMENT**

The Fair Work Ombudsman is an independent statutory office created by the *Fair Work Act 2009* on 1 July 2009.

The Fair Work Ombudsman promotes harmonious, productive and cooperative workplace relations and ensures compliance with Commonwealth workplace laws by:

- offering people a single point of contact for them to receive accurate and timely advice and information about Australia's workplace relations system
- educating people working in Australia about their workplace rights and obligations
- investigating and disrupting serious and systemic exploitation of workers and other contraventions of workplace laws, and
- litigating to enforce workplace laws and to deter people from not complying with their workplace responsibilities.

#### **Registered Organisations Commission**

The Registered Organisations Commission (ROC) was established on 1 May 2017 within the Fair Work Ombudsman as the independent regulator of registered organisations in Australia. It was established under the *Fair Work (Registered Organisations) Amendment Act 2016*.

The Registered Organisations Commission is an independent regulator of registered organisations with the key functions of:

- promoting the efficient management of registered organisations and high standards of registered organisations accountability to members
- promoting registered organisations' compliance with financial reporting and accountability requirements under the Act, and
- monitoring registered organisations' compliance with provisions of the Act.

The Registered Organisations Commission comprises the Registered Organisations Commissioner and staff assisting the Commissioner.

*FWO and ROC Budget Statements*

The Fair Work Ombudsman is the head of the Registered Organisations Commission for the purposes of the *Public Service Act 1999* and is the accountable authority for the purposes of the *Public Governance, Performance and Accountability Act 2013*.

Staff assisting the Registered Organisations Commissioner are engaged by the Office of the Fair Work Ombudsman under the *Public Service Act 1999* and made available to assist the Registered Organisations Commissioner. Staff are subject to the directions of the Commissioner and will not be subject to the directions of the Fair Work Ombudsman for operational purposes.

The Registered Organisations Commission operates under a Special Account to ensure the financial independence from the Office of the Fair Work Ombudsman. The Registered Organisations Commissioner manages the Account.



## **1.2 ENTITY RESOURCE STATEMENT**

Table 1.1 shows the total funding from all sources available to the entity for its operations and to deliver programs and services on behalf of the Government.

The table summarises how resources will be applied by outcome (government strategic policy objectives) and by administered (on behalf of the Government or the public) and departmental (for the entity's operations) classification.

For more detailed information on special accounts and special appropriations, please refer to *Budget Paper No. 4 – Agency Resourcing*.

Information in this table is presented on a resourcing (that is, appropriations/cash available) basis, whilst the 'Budgeted expenses by Outcome' tables in Section 2 and the financial statements in Section 3 are presented on an accrual basis.

**Table 1.1: Fair Work Ombudsman and the Registered Organisations Commission resource statement—Budget estimates for 2019–20 as at Budget April 2019**

	<i>2018–19 (a)</i> <i>Estimated</i> <i>actual</i> <i>\$'000</i>	<i>2019–20</i> <i>Estimate</i>  <i>\$'000</i>
<b>Departmental</b>		
Annual appropriations—ordinary annual services (b)		
Prior year appropriations available	48,632	47,595
Departmental appropriation (c)	110,009	121,853
s74 Retained revenue receipts (d)	1,000	580
Departmental capital budget (e)	6,897	7,023
Total departmental annual appropriations	<u>166,538</u>	<u>177,051</u>
Special accounts (f)		
Opening balance	2,208	2,208
Appropriation receipts (g)	7,752	5,305
<i>Total special accounts</i>	<u>9,960</u>	<u>7,513</u>
<b>Total departmental resourcing</b>	<b><u>176,498</u></b>	<b><u>184,564</u></b>
<b>Administered</b>		
Total administered special appropriations (h)	<u>275</u>	<u>250</u>
<b>Total administered resourcing</b>	<b><u>275</u></b>	<b><u>250</u></b>
<b>Total resourcing for Fair Work Ombudsman and Registered Organisations Commission</b>	<b><u>176,773</u></b>	<b><u>184,814</u></b>
	<u>2018–19</u>	<u>2019–20</u>
<b>Average staffing level (number)</b>	<b>751</b>	<b>765</b>

Note: All figures shown above are GST exclusive - these may not match figures in the cash flow statement.

Prepared on a resourcing (that is, appropriations available) basis.

- (a) Annual appropriation amounts appearing for 2018–19 do not include the Appropriation Bills (No. 3) and (No. 4) 2018–2019, as they had not been enacted at the time of publication.
- (b) Appropriation Bill (No.1) 2019–20.
- (c) Excludes Departmental Capital Budget (DCB). There is a difference of \$0.262m between the appropriation revenue recognised in Table 3.1 and the appropriation shown in the agency resource table. 2018-19 Supplementary appropriation was not included in the appropriation bills due to timing.
- (d) Estimated retained revenue receipts under section 74 of the PGPA Act.
- (e) DCBs are not separately identified in Appropriation Bill (No.1) and form part of ordinary annual services items. Please refer to Table 3.5 for further details. For accounting purposes, this amount has been designated as a 'contribution by owner'.
- (f) Appropriation Bill (No.2) 2019–20.
- (g) Excludes 'Special Public Money' held in accounts like Other Trust Monies accounts (OTM), Services for Other Government and Non-agency Bodies accounts (SOG) or Services for Other Entities and Trust Monies accounts (SOETM)). For further information on special appropriations and special accounts, please refer to Budget Paper No. 4—Agency Resourcing. Please also see Table 2.1 for further information on outcome.
- (h) Amounts credited to the special account(s) from another entity's annual and special appropriations.

### 1.3 BUDGET MEASURES

Budget measures in Part 1 relating to the Fair Work Ombudsman and the Registered Organisations Commission are detailed in Budget Paper No. 2 and are summarised below.

**Table 1.2: Entity 2019–20 Budget measures**

Program	2018–19 \$'000	2019–20 \$'000	2020–21 \$'000	2021–22 \$'000	2022–23 \$'000
<b>Revenue measures</b>					
Protecting Vulnerable Workers — National Labour Hire Registration Scheme and other measures	2.1				
Administered revenues	-	2,357	5,250	3,688	3,611
Departmental revenues	-	-	-	-	-
<b>Total</b>	-	<b>2,357</b>	<b>5,250</b>	<b>3,688</b>	<b>3,611</b>
<b>Total revenue measures</b>					
Administered	-	2,357	5,250	3,688	3,611
Departmental	-	-	-	-	-
<b>Total</b>	-	<b>2,357</b>	<b>5,250</b>	<b>3,688</b>	<b>3,611</b>
<b>Expense measures</b>					
Seasonal Worker Programme — pilot to address regional workforce shortages	2.1				
Administered expenses	-	-	-	-	-
Departmental expenses	262	1,315	-	-	-
<b>Total</b>	<b>262</b>	<b>1,315</b>	-	-	-
Addressing Sham Contracting	2.1				
Administered expenses	-	-	-	-	-
Departmental expenses	-	2,288	2,303	2,319	2,335
<b>Total</b>	-	<b>2,288</b>	<b>2,303</b>	<b>2,319</b>	<b>2,335</b>
Protecting Vulnerable Workers — National Labour Hire Registration Scheme and other measures	2.1				
Administered expenses	-	-	-	-	-
Departmental expenses	-	5,654	7,732	6,236	6,178
<b>Total</b>	<b>262</b>	<b>9,257</b>	<b>10,035</b>	<b>8,555</b>	<b>8,513</b>
<b>Total expense measures</b>					
Administered	-	-	-	-	-
Departmental	262	9,257	10,035	8,555	8,513
<b>Total</b>	<b>262</b>	<b>9,257</b>	<b>10,035</b>	<b>8,555</b>	<b>8,513</b>

**Table 1.2: Entity 2019–20 Budget measures (continued)**

<b>Capital measures</b>					
Protecting Vulnerable Workers — National Labour Hire Registration Scheme and other measures	2.1	-	-	-	-
Administered capital		-	-	-	-
Departmental capital		-	807	101	51
<b>Total</b>		-	<b>807</b>	<b>101</b>	<b>51</b>
<b>Total capital measures</b>					
Administered		-	-	-	-
Departmental		-	807	101	51
<b>Total</b>		-	<b>807</b>	<b>101</b>	<b>51</b>

Prepared on a Government Financial Statistics (fiscal) basis. Figures displayed as a negative represent a decrease in funds and a positive represent an increase in funds

**Part 2: Other measures not previously reported in a portfolio statement**

The Fair Work Ombudsman and the Registered Organisations Commission have no other measures not previously reported in a portfolio statement. For this reason, Part 2 of Table 1.2 is not presented.

## Section 2: Outcomes and planned performance

Government outcomes are the intended results, impacts or consequences of actions by the Government on the Australian community. Commonwealth programs are the primary vehicle by which government entities achieve the intended results of their outcome statements. Entities are required to identify the programs which contribute to government outcomes over the Budget and forward years.

Each outcome is described below together with its related programs. The following provides detailed information on expenses for each outcome and program, further broken down by funding source.

**Note:**

Performance reporting requirements in the Portfolio Budget Statements are part of the enhanced Commonwealth performance framework established by the *Public Governance, Performance and Accountability Act 2013*. It is anticipated that the performance criteria described in Portfolio Budget Statements will be read with broader information provided in an entity's corporate plans and annual performance statements – included in Annual Reports – to provide an entity's complete performance story.

The most recent corporate plan for Fair Work Ombudsman can be found at:  
[www.fairwork.gov.au/about-us/our-vision/corporate-plan](http://www.fairwork.gov.au/about-us/our-vision/corporate-plan).

The most recent annual performance statement can be found at:  
<https://www.fairwork.gov.au/annual-reports/annual-report-2017-18/default>.

## 2.1 BUDGETED EXPENSES AND PERFORMANCE FOR OUTCOME 1

**Outcome 1: Compliance with workplace relations legislation by employees and employers through advice, education and where necessary enforcement.**

### Budgeted expenses for Outcome 1

This table shows how much the entity intends to spend (on an accrual basis) on achieving the outcome, broken down by program, as well as by Administered and Departmental funding sources.

**Table 2.1.1: Budgeted expenses for Outcome 1**

<b>Outcome 1: Compliance with workplace relations legislation by employees and employers through advice, education and where necessary enforcement.</b>					
	2018–19 Estimated actual \$'000	2019–20 Budget \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000	2022–23 Forward estimate \$'000
<b>Program 1.1: Education Services and Compliance Activities - To educate employers, employees, organisations and contractors about the workplace relations system and to ensure compliance with workplace laws.</b>					
Departmental expenses					
Departmental appropriation	111,940	121,591	125,548	127,664	131,139
s74 Retained revenue receipts (a)	1,000	580	580	580	580
Expenses not requiring appropriation in the Budget year (b)	8,019	6,997	8,041	7,951	7,951
<b>Departmental total</b>	<b>120,959</b>	<b>129,168</b>	<b>134,169</b>	<b>136,195</b>	<b>139,670</b>
<b>Total expenses for program 1.1</b>	<b>120,959</b>	<b>129,168</b>	<b>134,169</b>	<b>136,195</b>	<b>139,670</b>
<b>Outcome 1 Totals by appropriation type</b>					
Departmental expenses					
Departmental appropriation	111,940	121,591	125,548	127,664	131,139
s74 Retained revenue receipts (a)	1,000	580	580	580	580
Expenses not requiring appropriation in the Budget year (b)	8,019	6,997	8,041	7,951	7,951
<b>Departmental total</b>	<b>120,959</b>	<b>129,168</b>	<b>134,169</b>	<b>136,195</b>	<b>139,670</b>
<b>Total expenses for Outcome 1</b>	<b>120,959</b>	<b>129,168</b>	<b>134,169</b>	<b>136,195</b>	<b>139,670</b>
	2018–19	2019–20			
<b>Average staffing level (number)</b>	723	737			

(a) Estimated expenses incurred in relation to receipts retained under section 74 of the PGPA Act.

(b) Expenses not requiring appropriation in the Budget year are made up of depreciation expenses, amortisation expenses, make good expenses, and audit fees.

Note: Departmental appropriation splits and totals are indicative estimates and may change in the course of the budget year as government priorities change.

**Table 2.1.2: Performance criteria for Outcome 1**

Table 2.1.2 below details the performance criteria for each program associated with Outcome 1. It also summarises how each program is delivered and where 2019–20 Budget measures have created new programs or materially changed existing programs.

<b>Outcome 1 — Compliance with workplace relations legislation by employees and employers through advice, education and where necessary enforcement.</b>		
<b>Program 1.1 — Education Services and Compliance Activities</b>		
To educate employers, employees, organisations and contractors about the workplace relations system and to ensure compliance with workplace laws.		
<b>Purpose</b>	The FWO is the Australian Government agency responsible for ensuring compliance with workplace relations laws through advice, education and where necessary enforcement.	
<b>Delivery</b>	<ul style="list-style-type: none"> <li>• Provide information, advice and education on the requirements and flexibilities of workplace laws to foster voluntary compliance.</li> <li>• Investigate claims regarding alleged breaches of workplace laws and undertake targeted activities.</li> <li>• Litigate, where necessary, to enforce compliance with workplace laws.</li> </ul>	
<b>Performance information</b>		
<b>Year</b>	<b>Performance criteria</b>	<b>Targets</b>
2018–19	At least 90% of requests for assistance involving a workplace dispute are finalised through education and dispute resolution services.	<b>Assessment:</b> On Track.
	No more than 10% of requests for assistance involving a workplace dispute are finalised through compliance and enforcement tools.	<b>Assessment:</b> On Track.
	99% availability for website services and of advertised contact centre hours.	<b>Assessment:</b> On Track.
	Requests for assistance involving a workplace dispute are finalised in an average of 30 days.	<b>Assessment:</b> On Track.
2019–20	Requests for assistance involving a workplace dispute are finalised through education and dispute resolution services.	At least 90%.
	Requests for assistance involving a workplace dispute are finalised through compliance and enforcement tools.	No more than 10%.
	Availability for website services and of advertised contact centre hours.	99%
	Requests for assistance involving a workplace dispute are finalised in an average of 30 days.	Finalised in an average of 30 days.
2020–21 and beyond	As per 2019–20.	As per 2019–20.
<b>Material changes to Program 1.1 resulting from the following measures: Nil</b>		

## 2.2 BUDGETED EXPENSES AND PERFORMANCE FOR OUTCOME 2

**Outcome 2: Effective governance and financial transparency of registered employee and employer organisations, through regulation, investigation and appropriate enforcement action.**

### Budgeted expenses for Outcome 2

This table shows how much the entity intends to spend (on an accrual basis) on achieving the outcome, broken down by program, as well as by Administered and Departmental funding sources.

**Table 2.2.1: Budgeted expenses for Outcome 2**

<b>Outcome 2: Effective governance and financial transparency of registered employee and employer organisations, through regulation, investigation and appropriate enforcement action.</b>					
	2018–19 Estimated actual \$'000	2019–20 Budget \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000	2022–23 Forward estimate \$'000
<b>Program 2.1: Registered Organisations Commission</b>					
Departmental expenses					
Special accounts	7,752	5,305	5,398	5,380	5,417
Expenses not requiring appropriation in the Budget year (b)	166	333	333	166	-
<b>Departmental total</b>	<b>7,918</b>	<b>5,638</b>	<b>5,731</b>	<b>5,546</b>	<b>5,417</b>
<b>Total expenses for program 2.1</b>	<b>7,918</b>	<b>5,638</b>	<b>5,731</b>	<b>5,546</b>	<b>5,417</b>
<b>Outcome 2 Totals by appropriation type</b>					
Departmental expenses					
Special accounts	7,752	5,305	5,398	5,380	5,417
Expenses not requiring appropriation in the Budget year (b)	166	333	333	166	-
<b>Departmental total</b>	<b>7,918</b>	<b>5,638</b>	<b>5,731</b>	<b>5,546</b>	<b>5,417</b>
<b>Total expenses for Outcome 2</b>	<b>7,918</b>	<b>5,638</b>	<b>5,731</b>	<b>5,546</b>	<b>5,417</b>
<hr/>					
	2018–19	2019–20			
<b>Average staffing level (number)</b>	28	28			

(a) Expenses not requiring appropriation in the Budget year are made up of depreciation expenses, amortisation expenses, make good expenses, and audit fees.

Note: Departmental appropriation splits and totals are indicative estimates and may change in the course of the budget year as government priorities change.



**Table 2.2.2: Performance criteria for Outcome 2**

Table 2.2.2 below details the performance criteria for each program associated with Outcome 2. It also summarises how each program is delivered and where 2019–20 Budget measures have created new programs or materially changed existing programs.

<b>Outcome 2 — Effective governance and financial transparency of registered employee and employer organisations, through regulation, investigation and appropriate enforcement action.</b>		
<b>Program 2.1 — Registered Organisations Commission</b>		
<b>Purpose</b>	The ROC is responsible for improving the governance and financial accountability of registered organisations by ensuring compliance with the <i>Fair Work (Registered Organisations) Act 2009</i> through monitoring and regulation.	
<b>Delivery</b>	<ul style="list-style-type: none"> <li>• Conducting inquiries and investigations into breached of the <i>Fair Work (Registered Organisations) Act 2009</i>.</li> <li>• Commencing legal proceedings in respect of contraventions of the <i>Fair Work (Registered Organisations) Act 2009</i>.</li> <li>• Referring possible criminal offences to the Director of Public Prosecutions or law enforcement agencies.</li> <li>• Overseeing registered organisations' internal elections.</li> <li>• Receiving complaints from members of registered organisations.</li> <li>• Providing information to members of registered organisations about their rights.</li> <li>• Educating registered organisations about their obligations.</li> </ul>	
<b>Performance information</b>		
<b>Year</b>	<b>Performance criteria</b>	<b>Targets</b>
2018–19	95 per cent of financial reports required to be lodged under the <i>Fair Work (Registered Organisations) Act 2009</i> are assessed for compliance within 40 working days.	<b>Assessment:</b> On Track.
2019–20	95 per cent of financial reports required to be lodged under the <i>Fair Work (Registered Organisations) Act 2009</i> are assessed for compliance within 40 working days.	95% within 40 working days.
2020–21 and beyond	As per 2019–20.	As per 2019–20.
<b>Material changes to Program 2.1 resulting from the following measures: Nil</b>		

## Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2019–20 budget year, including the impact of budget measures and resourcing on financial statements.

### **3.1 BUDGETED FINANCIAL STATEMENTS**

#### **3.1.1 Differences between entity resourcing and financial statements**

There is a difference of \$0.262 million between the appropriation revenue recognised in Table 3.1 and the appropriation shown in the agency resource table.

The Agency Resource Statement (Table 1.1) details the total appropriation available to an agency from all sources. For departmental operating appropriations (outputs) this includes carry-forward amounts as well as amounts appropriated at Budget. As agencies incur and are funded for future liabilities and employee entitlements, the total amount of departmental operating appropriation available to an agency is unlikely to be fully utilised in the Budget year. The difference between the agency resource statement and the sum of all payments made at the departmental outputs level is the expected carry-forward amount of resources for the 2019–20 Budget year, including amounts related to meeting future employee entitlement obligations.

#### **3.1.2 Explanatory notes and analysis of budgeted financial statements**

The Fair Work Ombudsman and the Registered Organisations Commission are budgeting for an operating loss equal to the unappropriated depreciation and amortisation expense of \$7.2 million for the 2019–20 financial year.

Total revenues are estimated to be \$127.6 million and total expenses \$134.8 million.

Total assets at the end of the 2019–20 financial year are estimated to be \$84.5 million. The majority of the assets represent receivables (appropriations receivable) and property fit outs. Asset acquisitions are planned in Information Technology equipment and systems and office accommodation fit outs.

Total liabilities for 2019–20 are estimated at \$37.7 million. The largest liability item is accrued employee entitlements.

### 3.2. BUDGETED FINANCIAL STATEMENTS TABLES

**Table 3.1: Comprehensive income statement (showing net cost of services) for the period ended 30 June**

	2018–19 Estimated actual \$'000	2019–20 Budget \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000	2022–23 Forward estimate \$'000
<b>EXPENSES</b>					
Employee benefits	82,424	84,869	85,004	87,230	87,251
Suppliers	36,699	41,005	45,754	46,494	49,985
Grants	1,669	1,702	868	-	-
Depreciation and amortisation (a)	8,085	7,230	8,274	8,017	7,851
<b>Total expenses</b>	<b>128,877</b>	<b>134,806</b>	<b>139,900</b>	<b>141,741</b>	<b>145,087</b>
<b>LESS:</b>					
<b>OWN-SOURCE INCOME</b>					
<b>Own-source revenue</b>					
Rental income	500	80	80	80	80
Other	600	600	600	600	600
<b>Total own-source revenue</b>	<b>1,100</b>	<b>680</b>	<b>680</b>	<b>680</b>	<b>680</b>
<b>Total own-source income</b>	<b>1,100</b>	<b>680</b>	<b>680</b>	<b>680</b>	<b>680</b>
<b>Net (cost of)/contribution by services</b>	<b>(127,777)</b>	<b>(134,126)</b>	<b>(139,220)</b>	<b>(141,061)</b>	<b>(144,407)</b>
Revenue from Government	119,692	126,896	130,946	133,044	136,556
<b>Surplus/(deficit) attributable to the Australian Government</b>	<b>(8,085)</b>	<b>(7,230)</b>	<b>(8,274)</b>	<b>(8,017)</b>	<b>(7,851)</b>
<b>OTHER COMPREHENSIVE INCOME</b>					
Changes in asset revaluation surplus	-	-	-	-	-
<b>Total other comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income/(loss)</b>	<b>(8,085)</b>	<b>(7,230)</b>	<b>(8,274)</b>	<b>(8,017)</b>	<b>(7,851)</b>
<b>Total comprehensive income/(loss) attributable to the Australian Government</b>	<b>(8,085)</b>	<b>(7,230)</b>	<b>(8,274)</b>	<b>(8,017)</b>	<b>(7,851)</b>

**Note: Impact of net cash appropriation arrangements**

	2018–19 \$'000	2019–20 \$'000	2020–21 \$'000	2021–22 \$'000	2022–23 \$'000
<b>Total comprehensive income/(loss) excluding depreciation/amortisation expenses previously funded through revenue appropriations</b>	-	-	-	-	-
less depreciation/amortisation expenses previously funded through revenue appropriations (a)	8,085	7,230	8,274	8,017	7,851
<b>Total comprehensive income/(loss) — as per the statement of comprehensive income</b>	<b>(8,085)</b>	<b>(7,230)</b>	<b>(8,274)</b>	<b>(8,017)</b>	<b>(7,851)</b>

(a) From 2010–11, the Government introduced net cash appropriation arrangements where Bill 1 revenue appropriations for the depreciation/amortisation expenses of non-corporate Commonwealth entities (and select corporate Commonwealth entities) were replaced with a separate capital budget (the Departmental Capital Budget, or DCB) provided through Bill 1 equity appropriations. For information regarding DCBs, please refer to Table 3.5 Departmental Capital Budget Statement.

Prepared on Australian Accounting Standards basis.

**Table 3.2: Budgeted departmental balance sheet (as at 30 June)**

	2018–19 Estimated actual \$'000	2019–20 Budget \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000	2022–23 Forward estimate \$'000
<b>ASSETS</b>					
<b>Financial assets</b>					
Cash and cash equivalents	1,630	1,892	1,892	1,892	1,892
Trade and other receivables	49,935	49,243	48,813	48,383	48,383
<b>Total financial assets</b>	<b>51,565</b>	<b>51,135</b>	<b>50,705</b>	<b>50,275</b>	<b>50,275</b>
<b>Non-financial assets</b>					
Land and buildings	22,739	22,477	21,874	20,577	20,276
Property, plant and equipment	427	1,961	2,493	2,178	1,384
Intangibles	8,956	7,477	5,633	5,579	5,217
Other non-financial assets	1,424	1,424	1,424	1,424	1,424
<b>Total non-financial assets</b>	<b>33,546</b>	<b>33,339</b>	<b>31,424</b>	<b>29,758</b>	<b>28,301</b>
<b>Total assets</b>	<b>85,111</b>	<b>84,474</b>	<b>82,129</b>	<b>80,033</b>	<b>78,576</b>
<b>LIABILITIES</b>					
<b>Payables</b>					
Suppliers	14,479	14,049	13,619	13,189	13,189
Other payables	600	600	600	600	600
<b>Total payables</b>	<b>15,079</b>	<b>14,649</b>	<b>14,219</b>	<b>13,789</b>	<b>13,789</b>
<b>Provisions</b>					
Employee provisions	21,584	21,584	21,584	21,584	21,584
Other provisions	1,466	1,466	1,466	1,466	1,466
<b>Total provisions</b>	<b>23,050</b>	<b>23,050</b>	<b>23,050</b>	<b>23,050</b>	<b>23,050</b>
<b>Total liabilities</b>	<b>38,129</b>	<b>37,699</b>	<b>37,269</b>	<b>36,839</b>	<b>36,839</b>
<b>Net assets</b>	<b>46,982</b>	<b>46,775</b>	<b>44,860</b>	<b>43,194</b>	<b>41,737</b>
<b>EQUITY*</b>					
<b>Parent entity interest</b>					
Contributed equity	110,564	117,587	123,946	130,297	136,691
Reserves	5,981	5,981	5,981	5,981	5,981
Retained surplus (accumulated deficit)	(69,563)	(76,793)	(85,067)	(93,084)	(100,935)
<b>Total parent entity interest</b>	<b>46,982</b>	<b>46,775</b>	<b>44,860</b>	<b>43,194</b>	<b>41,737</b>
<b>Total equity</b>	<b>46,982</b>	<b>46,775</b>	<b>44,860</b>	<b>43,194</b>	<b>41,737</b>

\*Equity is the residual interest in assets after deduction of liabilities.

Prepared on Australian Accounting Standards basis.

**Table 3.3: Departmental statement of changes in equity — summary of movement (Budget year 2019–20)**

	Retained earnings	Asset revaluation reserve	Other reserves	Contributed equity/capital	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Opening balance as at 1 July 2019</b>					
Balance carried forward from previous period	(69,563)	5,981		110,564	46,982
<b>Adjusted opening balance</b>	<b>(69,563)</b>	<b>5,981</b>	<b>-</b>	<b>110,564</b>	<b>46,982</b>
<b>Comprehensive income</b>					
Surplus/(deficit) for the period	(7,230)				(7,230)
<b>Total comprehensive income</b>	<b>(7,230)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(7,230)</b>
of which:					
Attributable to the Australian Government	(7,230)	-	-	-	(7,230)
<b>Transactions with owners</b>					
<b>Contributions by owners</b>					
Departmental Capital Budget (DCB)	-	-	-	7,023	7,023
<b>Sub-total transactions with owners</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7,023</b>	<b>7,023</b>
<b>Estimated closing balance as at 30 June 2020</b>	<b>(76,793)</b>	<b>5,981</b>	<b>-</b>	<b>117,587</b>	<b>46,775</b>
Less: non-controlling interests	-	-	-	-	-
<b>Closing balance attributable to the Australian Government</b>	<b>(76,793)</b>	<b>5,981</b>	<b>-</b>	<b>117,587</b>	<b>46,775</b>

Prepared on Australian Accounting Standards basis.

**Table 3.4: Budgeted departmental statement of cash flows (for the period ended 30 June)**

	2018–19 Estimated actual \$'000	2019–20 Budget \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000	2022–23 Forward estimate \$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Appropriations	120,467	124,802	131,376	133,474	136,556
Sale of goods and rendering of services	550	1,620	88	88	88
Net GST received	3,843	3,547	3,862	3,999	4,310
Other	1,893	1,893	500	500	500
<b>Total cash received</b>	<b>126,753</b>	<b>131,862</b>	<b>135,826</b>	<b>138,061</b>	<b>141,454</b>
<b>Cash used</b>					
Employees	82,424	84,869	85,004	87,230	87,251
Suppliers	42,591	46,731	50,822	50,831	54,203
<b>Total cash used</b>	<b>125,015</b>	<b>131,600</b>	<b>135,826</b>	<b>138,061</b>	<b>141,454</b>
<b>Net cash from/(used by) operating activities</b>	<b>1,738</b>	<b>262</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>INVESTING ACTIVITIES</b>					
<b>Cash received</b>					
Other	-	-	-	-	-
<b>Total cash received</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cash used</b>					
Purchase of property, plant and equipment and intangibles	8,897	7,023	6,359	6,351	6,394
<b>Total cash used</b>	<b>8,897</b>	<b>7,023</b>	<b>6,359</b>	<b>6,351</b>	<b>6,394</b>
<b>Net cash from/(used by) investing activities</b>	<b>(8,897)</b>	<b>(7,023)</b>	<b>(6,359)</b>	<b>(6,351)</b>	<b>(6,394)</b>
<b>FINANCING ACTIVITIES</b>					
<b>Cash received</b>					
Contributed equity	6,897	7,023	6,359	6,351	6,394
<b>Total cash received</b>	<b>6,897</b>	<b>7,023</b>	<b>6,359</b>	<b>6,351</b>	<b>6,394</b>
<b>Cash used</b>					
Other	-	-	-	-	-
<b>Total cash used</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net cash from/(used by) financing activities</b>	<b>6,897</b>	<b>7,023</b>	<b>6,359</b>	<b>6,351</b>	<b>6,394</b>
<b>Net increase/(decrease) in cash held</b>	<b>(262)</b>	<b>262</b>	<b>-</b>	<b>-</b>	<b>-</b>
Cash and cash equivalents at the beginning of the reporting period	1,892	1,630	1,892	1,892	1,892
<b>Cash and cash equivalents at the end of the reporting period</b>	<b>1,630</b>	<b>1,892</b>	<b>1,892</b>	<b>1,892</b>	<b>1,892</b>

Prepared on Australian Accounting Standards basis.

**Table 3.5: Departmental capital budget statement (for the period ended 30 June)**

	2018–19 Estimated actual \$'000	2019–20 Budget \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000	2022–23 Forward estimate \$'000
<b>NEW CAPITAL APPROPRIATIONS</b>					
Capital budget — Bill 1 (DCB)	6,897	7,023	6,359	6,351	6,394
<b>Total new capital appropriations</b>	<b>6,897</b>	<b>7,023</b>	<b>6,359</b>	<b>6,351</b>	<b>6,394</b>
<i>Provided for:</i>					
<i>Purchase of non-financial assets</i>	6,897	7,023	6,359	6,351	6,394
<b>Total items</b>	<b>6,897</b>	<b>7,023</b>	<b>6,359</b>	<b>6,351</b>	<b>6,394</b>
<b>PURCHASE OF NON-FINANCIAL ASSETS</b>					
Funded by capital appropriation — DCB (a)	6,897	7,023	6,359	6,351	6,394
Funded internally from departmental resources (b)	2,000	-	-	-	-
<b>TOTAL</b>	<b>8,897</b>	<b>7,023</b>	<b>6,359</b>	<b>6,351</b>	<b>6,394</b>
<b>RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE</b>					
Total purchases	8,897	7,023	6,359	6,351	6,394
<b>Total cash used to acquire assets</b>	<b>8,897</b>	<b>7,023</b>	<b>6,359</b>	<b>6,351</b>	<b>6,394</b>

- (a) Does not include annual finance lease costs. Includes purchases from current and previous years' Departmental Capital Budgets (DCBs).
- (b) Includes the following sources of funding:
- current Bill 1 and prior year Act 1/3/5 appropriations (excluding amounts from the DCB)
  - internally developed assets
  - s 74 Retained revenue receipts, and
  - proceeds from the sale of assets.

Prepared on Australian Accounting Standards basis.

**Table 3.6: Statement of asset movements (Budget year 2019–20)**

	Buildings \$'000	Other property, plant and equipment \$'000	Computer software and intangibles \$'000	Total \$'000
<b>As at 1 July 2019</b>				
Gross book value	36,012	5,665	39,280	80,957
Accumulated depreciation/ amortisation and impairment	(13,273)	(5,238)	(30,324)	(48,835)
<b>Opening net book balance</b>	<b>22,739</b>	<b>427</b>	<b>8,956</b>	<b>32,122</b>
<b>Capital asset additions</b>				
<b>Estimated expenditure on new or replacement assets</b>				
By purchase — appropriation ordinary annual services (a)	2,944	2,000	1,272	6,216
<b>Total additions</b>	<b>2,944</b>	<b>2,000</b>	<b>1,272</b>	<b>6,216</b>
<b>Other movements</b>				
Depreciation/amortisation expense	(3,206)	(466)	(3,558)	(7,230)
<b>Total other movements</b>	<b>(3,206)</b>	<b>(466)</b>	<b>(3,558)</b>	<b>(7,230)</b>
<b>As at 30 June 2020</b>				
Gross book value	38,956	7,665	40,552	87,173
Accumulated depreciation/ amortisation and impairment	(16,479)	(5,704)	(33,882)	(56,065)
<b>Closing net book balance</b>	<b>22,477</b>	<b>1,961</b>	<b>6,670</b>	<b>31,108</b>

(a) 'Appropriation ordinary annual services' refers to funding provided through Appropriation Bill (No. 1) 2019–20 for depreciation/amortisation expenses, DCBs or other operational expenses.

Prepared on Australian Accounting Standards basis.



**Table 3.7: Schedule of budgeted income and expenses administered on behalf of Government (for the period ended 30 June)**

	2018–19 Estimated actual \$'000	2019–20 Budget \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000	2022–23 Forward estimate \$'000
<b>EXPENSES</b>					
Other expenses	-	-	-	-	-
<b>Total gains administered on behalf of Government</b>	-	-	-	-	-
<b>LESS:</b>					
<b>OWN-SOURCE INCOME</b>					
<b>Own-source revenue</b>					
Sale of goods and rendering of services	-	2,357	5,250	3,688	3,611
Fees and fines	2,600	2,600	2,600	2,600	2,600
<b>Total non-taxation revenue</b>	<b>2,600</b>	<b>4,957</b>	<b>7,850</b>	<b>6,288</b>	<b>6,211</b>
<b>Total own-source revenue administered on behalf of Government</b>	<b>2,600</b>	<b>4,957</b>	<b>7,850</b>	<b>6,288</b>	<b>6,211</b>
<b>Total own-sourced income administered on behalf of Government</b>	<b>2,600</b>	<b>4,957</b>	<b>7,850</b>	<b>6,288</b>	<b>6,211</b>
<b>Net (cost of)/contribution by services</b>	<b>(2,600)</b>	<b>(4,957)</b>	<b>(7,850)</b>	<b>(6,288)</b>	<b>(6,211)</b>
<b>Surplus/(deficit) before income tax</b>	<b>(2,600)</b>	<b>(4,957)</b>	<b>(7,850)</b>	<b>(6,288)</b>	<b>(6,211)</b>
<b>Surplus/(deficit) after income tax</b>	<b>(2,600)</b>	<b>(4,957)</b>	<b>(7,850)</b>	<b>(6,288)</b>	<b>(6,211)</b>
<b>Total comprehensive income/(loss) attributable to the Australian Government</b>	<b>(2,600)</b>	<b>(4,957)</b>	<b>(7,850)</b>	<b>(6,288)</b>	<b>(6,211)</b>

Prepared on Australian Accounting Standards basis.

**Table 3.8: Schedule of budgeted assets and liabilities administered on behalf of Government (as at 30 June)**

	2018–19 Estimated actual \$'000	2019–20 Budget \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000	2022–23 Forward estimate \$'000
<b>ASSETS</b>					
<b>Financial assets</b>					
Trade and other receivables	4,487	4,237	3,987	3,737	3,487
Other financial assets	797	797	797	797	797
<b>Total financial assets</b>	<b>5,284</b>	<b>5,034</b>	<b>4,784</b>	<b>4,534</b>	<b>4,284</b>
<b>Total assets administered on behalf of Government</b>	<b>5,284</b>	<b>5,034</b>	<b>4,784</b>	<b>4,534</b>	<b>4,284</b>
<b>LIABILITIES</b>					
<b>Payables</b>					
Other payables	1	1	1	1	1
<b>Total payables</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>
<b>Total liabilities administered on behalf of Government</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>
<b>Net assets/(liabilities)</b>	<b>5,283</b>	<b>5,033</b>	<b>4,783</b>	<b>4,533</b>	<b>4,283</b>

Prepared on Australian Accounting Standards basis.

**Table 3.9: Schedule of budgeted administered cash flows (for the period ended 30 June)**

	2018–19 Estimated actual \$'000	2019–20 Budget \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000	2022–23 Forward estimate \$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Sales of goods and rendering of services	-	2,357	5,250	3,688	3,611
Other	3,100	3,100	3,100	3,100	3,100
<b>Total cash received</b>	<b>3,100</b>	<b>5,457</b>	<b>8,350</b>	<b>6,788</b>	<b>6,711</b>
<b>Cash used</b>					
Other	250	250	250	250	250
<b>Total cash used</b>	<b>250</b>	<b>250</b>	<b>250</b>	<b>250</b>	<b>250</b>
<b>Net cash from/(used by) operating activities</b>	<b>2,850</b>	<b>5,207</b>	<b>8,100</b>	<b>6,538</b>	<b>6,461</b>
<b>Net increase/(decrease) in cash held</b>	<b>2,850</b>	<b>5,207</b>	<b>8,100</b>	<b>6,538</b>	<b>6,461</b>
Cash and cash equivalents at beginning of reporting period	-	-	-	-	-
Cash from Official Public Account for:					
— Appropriations	250	250	250	250	250
<b>Total cash from Official Public Account</b>	<b>250</b>	<b>250</b>	<b>250</b>	<b>250</b>	<b>250</b>
Cash to Official Public Account for:					
— Transfers to other entities (Finance — Whole of Government)	(3,100)	(5,457)	(8,350)	(6,788)	(6,711)
<b>Total cash to Official Public Account</b>	<b>(3,100)</b>	<b>(5,457)</b>	<b>(8,350)</b>	<b>(6,788)</b>	<b>(6,711)</b>
<b>Cash and cash equivalents at end of reporting period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Prepared on Australian Accounting Standards basis.

**Table 3.10: Administered capital budget statement (for the period ended 30 June)**

The Fair Work Ombudsman and the Registered Organisations Commission have no administered capital budget. For this reason Table 3.10 is not presented.

**Table 3.11: Statement of administered asset movements (Budget year 2019–20)**

The Fair Work Ombudsman and the Registered Organisations Commission have no administered non-financial assets. For this reason Table 3.11 is not presented.



**SAFE WORK AUSTRALIA**

**ENTITY RESOURCES AND PLANNED  
PERFORMANCE**



# SAFE WORK AUSTRALIA

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# SAFE WORK AUSTRALIA

## Section 1: Entity overview and resources

### 1.1 STRATEGIC DIRECTION STATEMENT

Safe Work Australia was established as a statutory agency on 1 November 2009 under the *Safe Work Australia Act 2008* (the Act). The agency operates under the *Public Governance, Performance and Accountability Act 2013* (PGPA Act) framework.

Safe Work Australia leads the development of national policy to improve work health and safety (WHS) and workers' compensation across Australia. The establishment of Safe Work Australia was provided for in the *Intergovernmental Agreement for Regulatory and Operational Reform in Occupational Health and Safety (IGA)*, agreed by the Council of Australian Governments (COAG) on 3 July 2008.

The agency is jointly funded by the Commonwealth, state and territory governments. This funding arrangement promotes collaboration with jurisdictions on evidence collection and distribution, policy and strategy development and communication and education initiatives.

Safe Work Australia has 15 Members, including an independent Chair, nine Members representing the Commonwealth and each state and territory, two Members representing the interests of employers, two representing the interests of employees, and the Chief Executive Officer (CEO) of Safe Work Australia.

The CEO manages the agency under section 45 of the Act and is the Accountable Authority in accordance with the PGPA Act.

During 2019–20, and across the forward years, Safe Work Australia will continue to be an inclusive tripartite forum for the innovative development of evidence based national policy and supporting strategies. We will do this by:

- bringing together and recognising varying views and interests to ensure effective national policy which improves WHS and workers' compensation outcomes
- implementing the agreed recommendations of the independent review of the model WHS laws
- using our influence to increase knowledge and awareness of WHS and workers' compensation
- being a key source of WHS and workers' compensation research, evaluation and data
- developing policy proposals and supporting strategies to improve workers' compensation arrangements, with a particular focus on return to work, and
- working with other national and international bodies to share data, information and/or knowledge on WHS and workers' compensation matters to improve Australian outcomes.

## 1.2 ENTITY RESOURCE STATEMENT

Table 1.1 shows the total funding from all sources available to the entity for its operations and to deliver programs and services on behalf of the Government.

The table summarises how resources will be applied by outcome (government strategic policy objectives) and by administered (on behalf of the Government or the public) and departmental (for the entity's operations) classification.

For more detailed information on special accounts and special appropriations, please refer to *Budget Paper No. 4 – Agency Resourcing*.

Information in this table is presented on a resourcing (that is, appropriations/cash available) basis, whilst the 'Budgeted expenses by Outcome' tables in Section 2 and the financial statements in Section 3 are presented on an accrual basis.

**Table 1.1: Safe Work Australia resource statement — Budget estimates for 2019–20 as at Budget April 2019**

	2018–19 (a) <i>Estimated actual</i> \$'000	2019–20 Estimate \$'000
<b>Departmental</b>		
Annual appropriations - ordinary annual services (b)		
Prior year appropriations available	56	-
Departmental appropriation (c)	10,231	10,422
Departmental capital budget (d)	92	99
Total departmental annual appropriations	<u>10,379</u>	<u>10,521</u>
Special accounts (e)		
Opening balance	14,454	14,175
Appropriation receipts (f)	10,379	10,521
Non-appropriation receipts	10,267	10,520
Total special accounts	<u>35,100</u>	<u>35,216</u>
<i>less departmental appropriations drawn from annual/special appropriations and credited to special accounts</i>	<u>10,379</u>	<u>10,521</u>
<b>Total departmental resourcing</b>	<b>35,100</b>	<b>35,216</b>
<b>Total resourcing for Safe Work Australia</b>	<b>35,100</b>	<b>35,216</b>
	<u>2018–19</u>	<u>2019–20</u>
<b>Average staffing level (number)</b>	<b>101</b>	<b>101</b>

All figures shown above are GST exclusive — these may not match figures in the cash flow statement. Prepared on a resourcing (that is, appropriations available) basis.

- (a) Annual appropriation amounts appearing for 2018–19 do not include the Appropriation Bills (No. 3) and (No. 4) 2018–2019, as they had not been enacted at the time of publication.
- (b) Appropriation Bill (No. 1) 2019–20.
- (c) Excludes Departmental Capital Budget (DCB).
- (d) The DCB is not separately identified in Appropriation Bill (No.1) and forms part of ordinary annual services items. Please refer to Table 3.5 for further details. For accounting purposes, this amount has been designated as a 'contribution by owner'.
- (e) Excludes trust moneys held in Services for Other Entities and Trust Moneys (SOETM) and other special accounts. For further information on special accounts, please refer to Budget Paper No. 4 — Agency Resourcing. Please also see Table 2.1 for further information on outcome and program expenses broken down by various funding sources, e.g. annual appropriations, special appropriations and special accounts.
- (f) Amounts credited to the special account from Safe Work Australia's annual appropriation.

### **1.3 BUDGET MEASURES**

Budget measures in Part 1 relating to Safe Work Australia are detailed in Budget Paper No. 2 and are summarised below.

**Table 1.2: Entity 2019–20 Budget measures**

Safe Work Australia does not have any new measures since the 2018–19 MYEFO, or any other measures not previously reported in a portfolio statement. For this reason Table 1.2 is not presented.

## Section 2: Outcomes and planned performance

Government outcomes are the intended results, impacts or consequences of actions by the Government on the Australian community. Commonwealth programs are the primary vehicle by which government entities achieve the intended results of their outcome statements. Entities are required to identify the programs which contribute to government outcomes over the Budget and forward years.

Each outcome is described below together with its related programs. The following provides detailed information on expenses for each outcome and program, further broken down by funding source.

**Note:**

Performance reporting requirements in the Portfolio Budget Statements are part of the enhanced Commonwealth performance framework established by the *Public Governance, Performance and Accountability Act 2013*. It is anticipated that the performance criteria described in Portfolio Budget Statements will be read with broader information provided in an entity's corporate plans and annual performance statements – included in Annual Reports – to provide an entity's complete performance story.

The most recent corporate plan for Safe Work Australia can be found at:  
<https://www.safeworkaustralia.gov.au/about-us/corporate-plan>.

The most recent annual performance statements can be found at:  
<https://www.safeworkaustralia.gov.au/book/part-3-our-performance-2017-2018>.

## 2.1 BUDGETED EXPENSES AND PERFORMANCE FOR OUTCOME 1

**Outcome 1: Healthier, safer and more productive workplaces through improvements to Australian work health and safety and workers' compensation arrangements.**

### Budgeted expenses for Outcome 1

This table shows how much the entity intends to spend (on an accrual basis) on achieving the outcome, broken down by program, as well as by Administered and Departmental funding sources.

**Table 2.1.1: Budgeted expenses for Outcome 1**

	2018–19 Estimated actual \$'000	2019–20 Budget \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000	2022–23 Forward estimate \$'000
<b>Outcome 1: Healthier, safer and more productive workplaces through improvements to Australian work health and safety and workers' compensation arrangements.</b>					
<b>Program 1.1: Reform of and improvements to Australian work health and safety and workers' compensation arrangements.</b>					
Departmental expenses					
Departmental appropriation	10,231	10,422	10,584	10,807	11,077
Special accounts					
Safe Work Australia Special Account	10,267	10,520	10,839	11,066	11,342
Expenses not requiring appropriation in the Budget year (a)	646	680	685	693	694
<b>Departmental total</b>	<b>21,144</b>	<b>21,622</b>	<b>22,108</b>	<b>22,566</b>	<b>23,113</b>
<b>Total expenses for Program 1.1</b>	<b>21,144</b>	<b>21,622</b>	<b>22,108</b>	<b>22,566</b>	<b>23,113</b>
<b>Outcome 1 Totals by appropriation type</b>					
Departmental expenses					
Departmental appropriation	10,231	10,422	10,584	10,807	11,077
Special accounts	10,267	10,520	10,839	11,066	11,342
Expenses not requiring appropriation in the Budget year (a)	646	680	685	693	694
<b>Departmental total</b>	<b>21,144</b>	<b>21,622</b>	<b>22,108</b>	<b>22,566</b>	<b>23,113</b>
<b>Total expenses for Outcome 1</b>	<b>21,144</b>	<b>21,622</b>	<b>22,108</b>	<b>22,566</b>	<b>23,113</b>
	2018–19	2019–20			
<b>Average staffing level (number)</b>	101	101			

(a) Expenses not requiring appropriation in the Budget year are made up of depreciation expenses, amortisation expenses, and audit fees.

Note: Departmental appropriation splits and totals are indicative estimates and may change in the course of the budget year as government priorities change.

**Table 2.1.2: Performance criteria for Outcome 1**

Table 2.1.2 below details the performance criteria for each program associated with Outcome 1. It also summarises how each program is delivered and where 2019–20 Budget measures have created new programs or materially changed existing programs.

<b>Outcome 1 — Healthier, safer and more productive workplaces through improvements to Australian work health and safety and workers' compensation arrangements.</b>		
<b>Program 1.1 — Reform of and improvements to Australian work health and safety and workers' compensation arrangements</b>		
This program contributes to Outcome 1 by ensuring the innovative development of evidence based policy which is central to Australia becoming a world leader in the delivery of improved safety and compensation outcomes.		
<b>Purpose</b>	Safe Work Australia has an important national role to achieve significant and continual reductions in the incidence of work-related death, injury and illness and to improve outcomes for injured workers and their employers.  To be able to meet its objectives Safe Work Australia works collaboratively with WHS regulators, industry and employee associations and the community to achieve healthy, safe and productive working lives for all Australians.	
<b>Delivery</b>	The deliverables for Safe Work Australia support healthier and safer workplaces for all Australians, and have been developed with reference to the functions set out in the Act. These deliverables include to:  <ul style="list-style-type: none"> <li>• continue to implement the Members' response to the findings of the mid-term review of the Australian Work Health and Safety Strategy 2012–2022 and coordinate and report on activities undertaken to assist in the achievement of the Strategy's outcomes and targets</li> <li>• implement the agreed recommendations of the review of the model WHS laws, and continue to develop policy to support the effective and efficient operation of the laws and improvements to safety outcomes</li> <li>• develop policy proposals and supporting strategies to improve workers' compensation arrangements, with a particular focus on return to work</li> <li>• collect, analyse and report on relevant data and undertake and disseminate research to identify new priorities and provide evidence for the development or evaluation of policies and supporting strategies</li> <li>• develop and implement national education and communication strategies and initiatives to build awareness and knowledge of work health and safety and workers' compensation and promote consistency in arrangements, and</li> <li>• work with other national and international bodies to share data, information and/or knowledge, and represent Australia as appropriate, to improve Australian outcomes.</li> </ul> Safe Work Australia's corporate and operational plans provide further information on the strategies for achieving the outcome.	
<b>Performance information</b>		
<b>Year</b>	<b>Performance criteria</b>	<b>Targets</b>
2018–19	Activities in the Operational Plan are delivered to the expected quality, on time and within budget.  Reductions in the incidence of work-related death, injury and illness through: <ul style="list-style-type: none"> <li>• an improved and reformed work health and safety framework</li> </ul>	80% of Members and the Chair are satisfied with the agency's achievements.  By 2022: <ul style="list-style-type: none"> <li>• reduce workplace fatalities due to injury by 20 per cent or more</li> </ul>

<p><b>Outcome 1 — Healthier, safer and more productive workplaces through improvements to Australian work health and safety and workers' compensation arrangements.</b></p>		
<p><b>Program 1.1 — Reform of and improvements to Australian work health and safety and workers' compensation arrangements</b></p> <p>This program contributes to Outcome 1 by ensuring the innovative development of evidence based policy which is central to Australia becoming a world leader in the delivery of improved safety and compensation outcomes.</p>		
	<ul style="list-style-type: none"> <li>• increased work health and safety awareness and skills</li> <li>• developing and maintaining an evidence base which informs policy and practice</li> <li>• reduced exposure to work-related hazards causing injury and illness, and</li> <li>• improved quality of workplace controls.</li> </ul>	<ul style="list-style-type: none"> <li>• reduce the incidence rate of serious workers' compensation claims by 30 per cent or more, and</li> <li>• reduce the incidence rate of serious workers' compensation claims for musculoskeletal claims by 30 per cent or more.</li> </ul> <p><b>Assessment:</b> On track.</p>
2019–20	<ul style="list-style-type: none"> <li>• Activities in the Operational Plan are delivered to the expected quality, on time and within budget.</li> <li>• Reductions in the incidence of work-related death, injury and illness through: <ul style="list-style-type: none"> <li>– an improved and reformed work health and safety framework</li> <li>– increased work health and safety awareness</li> <li>– developing and maintaining an evidence base which informs policy and practice</li> <li>– reduced exposure to work-related hazards causing injury and illness, and</li> <li>– improved quality of workplace controls.</li> </ul> </li> </ul>	<p>70 - 80% of Members and the Chair are satisfied the activities in the Operational Plan are met.</p> <p>By 2022:</p> <ul style="list-style-type: none"> <li>• a reduction in the number of worker fatalities due to injury of at least 20 per cent</li> <li>• a reduction in the incidence rate of claims resulting in one or more weeks off work of at least 30 per cent, and</li> <li>• a reduction in the incidence rate of claims for musculoskeletal disorders resulting in one or more weeks off work of at least 30 per cent.</li> </ul>
2020–21 and beyond	As per 2019–20.	<p>As per 2019–20 for the duration of the current Australian Work Health and Safety Strategy.</p> <p>Targets beyond 2022 will be determined as part of the formulation of the next strategy.</p>

(a) New or modified performance criteria that reflect new or materially changed programs are shown in *italics*.



## Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2019–20 budget year, including the impact of budget measures and resourcing on financial statements.

### **3.1 BUDGETED FINANCIAL STATEMENTS**

#### **3.1.1 Differences between entity resourcing and financial statements**

Safe Work Australia receives funding from states and territories and matched appropriation funding from the Commonwealth, as provided for in the IGA.

The Agency Resource Statement (Table 1.1) details the total appropriation available to an agency from all sources. For departmental operating appropriations (outputs) this includes carry-forward amounts as well as amounts appropriated at Budget. As agencies incur and are funded for future liabilities and employee entitlements, the total amount of departmental operating appropriation available to an agency is unlikely to be fully utilised in the Budget year. The difference between the agency resource statement and the sum of all payments made at the departmental outputs level is the expected carry-forward amount of resources for the 2019–20 Budget year, including amounts related to meeting future employee entitlement obligations.

#### **3.1.2 Explanatory notes and analysis of budgeted financial statements**

Safe Work Australia is not expecting any major changes in its financial operations during 2019–20 or over the forward estimates. The agency's funding arrangements are provided in the IGA.

For 2019–20, Safe Work Australia is budgeting for an operating loss equal to the unappropriated depreciation and amortisation expense of \$0.6 million.

Total revenues are budgeted to be \$21.0 million and total expenses \$21.6 million.

Total assets at the end of 2019–20 are estimated to be \$16.2 million, including cash held by the Official Public Account (OPA) in the Safe Work Australia Special Account.

Total liabilities at the end of 2019–20 are estimated at \$4.8 million. The largest liability component is accrued employee entitlements.

### 3.2. BUDGETED FINANCIAL STATEMENTS TABLES

**Table 3.1: Comprehensive income statement (showing net cost of services) for the period ended 30 June**

	2018–19 Estimated actual \$'000	2019–20 Budget \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000	2022–23 Forward estimate \$'000
<b>EXPENSES</b>					
Employee benefits	12,740	13,041	13,301	13,632	13,972
Suppliers	7,668	7,811	8,032	8,151	8,357
Grants	140	140	140	140	140
Depreciation and amortisation (a)	596	630	635	643	644
<b>Total expenses</b>	<b>21,144</b>	<b>21,622</b>	<b>22,108</b>	<b>22,566</b>	<b>23,113</b>
<b>LESS:</b>					
<b>OWN-SOURCE INCOME</b>					
<b>Own-source revenue</b>					
Sale of goods and rendering of services	10,267	10,520	10,839	11,066	11,342
Other	50	50	50	50	50
<b>Total own-source revenue</b>	<b>10,317</b>	<b>10,570</b>	<b>10,889</b>	<b>11,116</b>	<b>11,392</b>
<b>Total own-source income</b>	<b>10,317</b>	<b>10,570</b>	<b>10,889</b>	<b>11,116</b>	<b>11,392</b>
<b>Net cost of services</b>	<b>(10,827)</b>	<b>(11,052)</b>	<b>(11,219)</b>	<b>(11,450)</b>	<b>(11,721)</b>
Revenue from Government	10,231	10,422	10,584	10,807	11,077
<b>Deficit attributable to the Australian Government</b>	<b>(596)</b>	<b>(630)</b>	<b>(635)</b>	<b>(643)</b>	<b>(644)</b>
<b>Total comprehensive loss</b>	<b>(596)</b>	<b>(630)</b>	<b>(635)</b>	<b>(643)</b>	<b>(644)</b>
<b>Total comprehensive loss attributable to the Australian Government</b>	<b>(596)</b>	<b>(630)</b>	<b>(635)</b>	<b>(643)</b>	<b>(644)</b>
<b>Note: Impact of net cash appropriation arrangements</b>					
	2018–19 \$'000	2019–20 \$'000	2020–21 \$'000	2021–22 \$'000	2022–23 \$'000
<b>Total comprehensive loss excluding depreciation/amortisation expenses previously funded through revenue appropriations</b>	-	-	-	-	-
less depreciation/amortisation expenses previously funded through revenue appropriations (a)	596	630	635	643	644
<b>Total comprehensive loss — as per the statement of comprehensive income</b>	<b>(596)</b>	<b>(630)</b>	<b>(635)</b>	<b>(643)</b>	<b>(644)</b>

- (a) From 2010–11, the Government introduced net cash appropriation arrangements where Bill 1 revenue appropriations for the depreciation/amortisation expenses of non-corporate Commonwealth entities (and select corporate Commonwealth entities) were replaced with a separate capital budget (the Departmental Capital Budget, or DCB) provided through Bill 1 equity appropriations. For information regarding DCBs, please refer to Table 3.5 Departmental Capital Budget Statement.

Prepared on Australian Accounting Standards basis.

**Table 3.2: Budgeted departmental balance sheet (as at 30 June)**

	2018–19 Estimated actual \$'000	2019–20 Budget \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000	2022–23 Forward estimate \$'000
<b>ASSETS</b>					
<b>Financial assets</b>					
Cash and cash equivalents	14,175	14,175	14,175	14,170	14,060
Trade and other receivables	456	456	690	690	456
<b>Total financial assets</b>	<b>14,631</b>	<b>14,631</b>	<b>14,865</b>	<b>14,860</b>	<b>14,516</b>
<b>Non-financial assets</b>					
Land and buildings	1,617	1,106	595	318	36
Property, plant and equipment	365	345	241	139	386
Other non-financial assets	157	157	157	157	157
<b>Total non-financial assets</b>	<b>2,139</b>	<b>1,608</b>	<b>993</b>	<b>614</b>	<b>579</b>
Assets held for sale					
<b>Total assets</b>	<b>16,770</b>	<b>16,239</b>	<b>15,858</b>	<b>15,474</b>	<b>15,095</b>
<b>LIABILITIES</b>					
<b>Payables</b>					
Suppliers	1,378	1,325	1,270	1,212	1,150
Other payables	257	257	257	257	257
<b>Total payables</b>	<b>1,635</b>	<b>1,582</b>	<b>1,527</b>	<b>1,469</b>	<b>1,407</b>
<b>Provisions</b>					
Employee provisions	3,182	3,235	3,290	3,348	3,410
<b>Total provisions</b>	<b>3,182</b>	<b>3,235</b>	<b>3,290</b>	<b>3,348</b>	<b>3,410</b>
<b>Total liabilities</b>	<b>4,817</b>	<b>4,817</b>	<b>4,817</b>	<b>4,817</b>	<b>4,817</b>
<b>Net assets</b>	<b>11,953</b>	<b>11,422</b>	<b>11,041</b>	<b>10,657</b>	<b>10,278</b>
<b>EQUITY*</b>					
<b>Parent entity interest</b>					
Contributed equity	5,209	5,308	5,562	5,821	6,086
Reserves	776	776	776	776	776
Retained surplus	5,968	5,338	4,703	4,060	3,416
<b>Total parent entity interest</b>	<b>11,953</b>	<b>11,422</b>	<b>11,041</b>	<b>10,657</b>	<b>10,278</b>
<b>Total equity</b>	<b>11,953</b>	<b>11,422</b>	<b>11,041</b>	<b>10,657</b>	<b>10,278</b>

\*Equity is the residual interest in assets after the deduction of liabilities.

Prepared on Australian Accounting Standards basis.

**Table 3.3: Departmental statement of changes in equity—summary of movement  
(Budget year 2019–20)**

	Retained earnings \$'000	Asset revaluation reserve \$'000	Contributed equity/ capital \$'000	Total equity \$'000
<b>Opening balance as at 1 July 2019</b>				
Balance carried forward from previous period	5,968	776	5,209	11,953
<b>Adjusted opening balance</b>	<b>5,968</b>	<b>776</b>	<b>5,209</b>	<b>11,953</b>
<b>Comprehensive income</b>				
Other comprehensive income	-	-	-	-
Deficit for the period	(630)	-	-	(630)
<b>Total comprehensive income</b>	<b>(630)</b>	<b>-</b>	<b>-</b>	<b>(630)</b>
of which:				
Attributable to the Australian Government	(630)	-	-	(630)
<b>Transactions with owners</b>				
<b>Contributions by owners</b>				
Departmental Capital Budget (DCB)	-	-	99	99
<b>Sub-total transactions with owners</b>	<b>-</b>	<b>-</b>	<b>99</b>	<b>99</b>
<b>Estimated closing balance as at 30 June 2020</b>	<b>5,338</b>	<b>776</b>	<b>5,308</b>	<b>11,422</b>
<b>Closing balance attributable to the Australian Government</b>	<b>5,338</b>	<b>776</b>	<b>5,308</b>	<b>11,422</b>

Prepared on Australian Accounting Standards basis.

**Table 3.4: Budgeted departmental statement of cash flows (for the period ended 30 June)**

	2018–19 Estimated actual \$'000	2019–20 Budget \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000	2022–23 Forward estimate \$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Appropriations	10,231	10,422	10,584	10,807	11,077
Sale of goods and rendering of services	11,294	11,572	11,923	12,173	12,477
<b>Total cash received</b>	<b>21,525</b>	<b>21,994</b>	<b>22,507</b>	<b>22,980</b>	<b>23,554</b>
<b>Cash used</b>					
Employees	13,281	12,988	13,246	13,574	13,910
Suppliers	7,871	8,634	8,877	9,027	9,133
Grants	154	154	154	154	154
Net GST paid	219	218	230	225	357
<b>Total cash used</b>	<b>21,525</b>	<b>21,994</b>	<b>22,507</b>	<b>22,980</b>	<b>23,554</b>
<b>Net cash from/(used by) operating activities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>INVESTING ACTIVITIES</b>					
<b>Cash received</b>					
Other	-	-	-	-	-
<b>Total cash received</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cash used</b>					
Purchase of property, plant and equipment and intangibles	427	99	20	264	609
<b>Total cash used</b>	<b>427</b>	<b>99</b>	<b>20</b>	<b>264</b>	<b>609</b>
<b>Net cash from/(used by) investing activities</b>	<b>(427)</b>	<b>(99)</b>	<b>(20)</b>	<b>(264)</b>	<b>(609)</b>
<b>FINANCING ACTIVITIES</b>					
<b>Cash received</b>					
Contributed equity	148	99	20	259	499
<b>Total cash received</b>	<b>148</b>	<b>99</b>	<b>20</b>	<b>259</b>	<b>499</b>
<b>Cash used</b>					
Other	-	-	-	-	-
<b>Total cash used</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net cash from/(used by) financing activities</b>	<b>148</b>	<b>99</b>	<b>20</b>	<b>259</b>	<b>499</b>
<b>Net increase/(decrease) in cash held</b>	<b>(279)</b>	<b>-</b>	<b>-</b>	<b>(5)</b>	<b>(110)</b>
Cash and cash equivalents at the beginning of the reporting period	14,454	14,175	14,175	14,175	14,170
<b>Cash and cash equivalents at the end of the reporting period</b>	<b>14,175</b>	<b>14,175</b>	<b>14,175</b>	<b>14,170</b>	<b>14,060</b>

Prepared on Australian Accounting Standards basis.

**Table 3.5: Departmental capital budget statement (for the period ended 30 June)**

	2018–19 Estimated actual \$'000	2019–20 Budget \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000	2022–23 Forward estimate \$'000
<b>NEW CAPITAL APPROPRIATIONS</b>					
Capital budget — Bill 1 (DCB)	92	99	254	259	265
<b>Total new capital appropriations</b>	<b>92</b>	<b>99</b>	<b>254</b>	<b>259</b>	<b>265</b>
<i>Provided for:</i>					
<i>Purchase of non-financial assets</i>	92	99	254	259	265
<b>Total items</b>	<b>92</b>	<b>99</b>	<b>254</b>	<b>259</b>	<b>265</b>
<b>PURCHASE OF NON-FINANCIAL ASSETS</b>					
Funded by capital appropriation — DCB (a)	148	99	20	259	499
Funded internally from departmental resources	279	-	-	5	110
<b>TOTAL</b>	<b>427</b>	<b>99</b>	<b>20</b>	<b>264</b>	<b>609</b>
<b>RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE</b>					
Total purchases	427	99	20	264	609
<b>Total cash used to acquire assets</b>	<b>427</b>	<b>99</b>	<b>20</b>	<b>264</b>	<b>609</b>

(a) Does not include annual finance lease costs. Includes purchases from current and previous years' Departmental Capital Budgets (DCBs).

Prepared on Australian Accounting Standards basis.

**Table 3.6: Statement of asset movements (Budget year 2019–20)**

	Buildings	Other property, plant and equipment	Total
	\$'000	\$'000	\$'000
<b>As at 1 July 2019</b>			
Gross book value	3,114	600	3,714
Accumulated depreciation/amortisation and impairment	(1,497)	(235)	(1,732)
<b>Opening net book balance</b>	<b>1,617</b>	<b>365</b>	<b>1,982</b>
<b>Capital asset additions</b>			
<b>Estimated expenditure on new or replacement assets</b>			
By purchase — appropriation ordinary annual services (a)	-	99	99
<b>Total additions</b>	<b>-</b>	<b>99</b>	<b>99</b>
<b>Other movements</b>			
Depreciation/amortisation expense	(511)	(119)	(630)
<b>Total other movements</b>	<b>(511)</b>	<b>(119)</b>	<b>(630)</b>
<b>As at 30 June 2020</b>			
Gross book value	3,114	699	3,813
Accumulated depreciation/amortisation and impairment	(2,008)	(354)	(2,362)
<b>Closing net book balance</b>	<b>1,106</b>	<b>345</b>	<b>1,451</b>

(a) 'Appropriation ordinary annual services' refers to funding provided through Appropriation Bill (No. 1) 2019–20 depreciation/amortisation expenses, DCBs or other operational expenses.

Prepared on Australian Accounting Standards basis.

**Table 3.7: Schedule of budgeted income and expenses administered on behalf of Government (for the period ended 30 June)**

Safe Work Australia has no income and expenses administered on behalf of government. For this reason, Table 3.7 is not presented.

**Table 3.8: Schedule of budgeted assets and liabilities administered on behalf of Government (as at 30 June)**

Safe Work Australia has no administered assets and liabilities. For this reason, Table 3.8 is not presented.

**Table 3.9: Schedule of budgeted administered cash flows (for the period ended 30 June)**

Safe Work Australia has no administered cash flows. For this reason, Table 3.9 is not presented.

**Table 3.10: Administered capital budget statement (for the period ended 30 June)**

Safe Work Australia has no administered capital budget. For this reason, Table 3.10 is not presented.

**Table 3.11: Statement of administered asset movements (Budget year 2019–20)**

Safe Work Australia has no administered non-financial assets. For this reason, Table 3.11 is not presented.



## PORTFOLIO GLOSSARY

Additional Estimates	Where amounts appropriated at Budget time are insufficient, Parliament may appropriate more funds to portfolios through the Additional Estimates Acts.
Additional Estimates Bills or Acts	These are Appropriation Bills 3 and 4, and a separate Bill for the Parliamentary Departments [Appropriations (Parliamentary Departments) Bill (No. 2)]. These Bills are introduced into Parliament sometime after the Budget Bills.
Administered Items	Expenses, revenues, assets or liabilities managed by agencies on behalf of the Commonwealth. Agencies do not control administered items. Administered expenses include grants, subsidies and benefits. In many cases, administered expenses fund the delivery of third party outputs.
Appropriation	An authorisation by Parliament to spend monies from the Consolidated Revenue Fund for a particular purpose.
Annual Appropriation	Two Appropriation Bills are introduced into Parliament in May and comprise the Budget for the financial year beginning 1 July. Further Bills are introduced later in the financial year as part of the additional estimates. Parliamentary departments have their own appropriations.
Assets	Assets are physical objects and legal rights expected to provide benefits in the future, or alternatively items of value owned by an Agency.
Capital expenditure	Expenditure by an agency on capital projects, for example purchasing a building.
Consolidated Revenue Fund	Section 81 of the Constitution stipulates that all revenue raised or money received by the Commonwealth forms the one consolidated revenue fund (CRF). The CRF is not a bank account. The Official Public Account reflects most of the operations of the CRF.
Departmental items	Assets, liabilities, revenues and expenses that are controlled by the agency in providing its outputs. Departmental items would generally include computers, plant and equipment assets used by agencies in providing goods and services and most employee expenses, supplier costs and other administrative expenses incurred.
Depreciation	Apportionment of an asset's capital value as an expense over its estimated useful life to take account of normal usage, obsolescence, or the passage of time.
Equity or net assets	Residual interest in the assets of an entity after deduction of its liabilities.
Expenses	Total value of all of the resources consumed in producing goods and services or the loss of future economic benefits in the form of reductions in assets or increases in liabilities of an entity.

*Glossary*

Forward estimates	A system of rolling three year financial estimates. After the budget is passed, the first year of the forward estimates becomes the base for the next year's budget bid, and another out-year is added to the forward estimates.
Liabilities	Liabilities represent amounts owing on goods or services that have been received but not yet paid for. A liability shows the future commitment of the Agency's assets.
Measure	A new Government policy or savings decision with financial impacts.
Net annotated appropriation (Section 74 Receipts)	Section 74 receipts, also known as net annotated appropriations, are a form of appropriation which allows a department access to certain money it receives in payment of services. These monies are known as Section 74 Receipts, reflecting their authority under Section 74 of the PGPA Act.
Operating result	Equals revenue less expenses.
Outcomes	The government's objectives in each portfolio area. Outcomes are desired results, impacts or consequences for the Australian community as influenced by the actions of the Australian Government. Actual outcomes are assessments of the end-results or impacts actually achieved.
Performance measure	Measures the joint or independent contribution of outputs and administered items to the achievement of their specified outcome.
Portfolio	A Minister's area of responsibility as a member of Cabinet. A portfolio consists of one or more Departments of State (ie the portfolio departments) and a number of entities with similar general objectives and outcomes.
Program	Entities deliver programs, which are government actions taken to deliver the stated outcomes. Entities are required to identify the programs which contribute to government outcomes over the Budget and forward years.
Receipts	The total or gross amount received by the Australian Government. Each receipt item is either revenue, an offset within outlays, or a financing transaction. Receipts include taxes, interest, charges for goods and services, borrowings and Government Business Enterprise (GBE) dividends received.
Revenue	Total value of resources earned or received to cover the production of goods and services.
Special Appropriations (including Standing Appropriations)	An amount of money appropriated by a particular Act of Parliament for a specific purpose and number of years. For special appropriations the authority to withdraw funds from the Consolidated Revenue Fund does not generally cease at the end of the financial year. Standing appropriations are a sub-category consisting of ongoing special appropriations—the amount appropriated will depend on circumstances specified in the legislation.