Portfolio Additional

Estimates Statements 2015–16

Education and Training Portfolio

Explanations of Additional Estimates 2015–16

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Letter from Senator Simon Birmingham to the President of the Senate and the Speaker of the House of Repersentatives. Text of Letter:

Dear Mr President
Dear Mr Speaker

I hereby submit Portfolio Additional Estimates Statements in support of the 2015–16 Additional Estimates for the Education and Training Portfolio.
These statements have been developed, and are submitted to the Parliament, as a statement on the funding requirements being sought for the Portfolio.
I present these statements by virtue of my ministerial responsibility for accountability to the Parliament and, through it, the public.
Yours sincerely

Simon Birmingham


# Abbreviations and conventions

The following notations 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nfp not for publication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

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 Susan Monkley, Chief Finance Officer, in the Department of Education and Training on 1300 566 046.

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

User guide  
to the  
Portfolio Additional  
Estimate Statements

# User Guide

The purpose of the 2015–16 Portfolio Additional Estimates Statements (PAES), like that of the Portfolio Budget Statements (PBS), is to inform Senators and Members of Parliament of the proposed allocation of resources to Government outcomes by entities within the portfolio. The focus of the PAES differs from the PBS in one important aspect. While the PAES includes an Entity Resource Statement to inform Parliament of the revised estimate of the total resources available to an entity, the focus of the PAES is on explaining the changes in resourcing by outcome(s) since the Budget. As such, the PAES provides information on new measures and their impact on the financial and/or non‑financial planned performance of programmes supporting those outcomes.

The PAES facilitates understanding of the proposed appropriations in Appropriation Bills (Nos. 3 and 4) 2015–16. In this sense the PAES is declared by the Additional Estimates Appropriation Bills to be a ‘relevant document’ to the interpretation of the Bills according to section 15AB of the *Acts Interpretation Act 1901*.

Whereas the Mid‑Year Economic and Fiscal Outlook (MYEFO) 2015–16 is a mid‑year budget report which provides updated information to allow the assessment of the Government’s fiscal performance against its fiscal strategy, the PAES updates the most recent budget appropriations for entities within the portfolio.

## Structure of the Portfolio Additional Estimates Statements

The PAES is presented in three parts with subsections.

**User guide**

Provides a brief introduction explaining the purpose of the PAES.

**Portfolio overview**

Provides an overview of the portfolio, including a chart that outlines the outcomes for entities in the portfolio.

**Entity Additional Estimates Statements**

A statement (under the name of the entity) for each entity affected by Additional Estimates.

**Section 1: Entity overview and resources**

This section details the changes in total resources available to an entity, the impact of any measures since Budget, and impact of Appropriation Bills Nos. 3 and 4.

**Section 2: Revisions to outcomes and planned performance**

This section details **changes** to Government outcomes and/or **changes** to the planned performance of entity programmes.

**Section 3: Explanatory tables and budgeted financial statements**

This section contains updated explanatory tables on special account flows and staffing levels and revisions to the budgeted financial statements.

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Portfolio overview

# Portfolio overview

The Portfolio Additional Estimates Statements provide information about the Education and Training portfolio. Through its portfolio entities, the Australian Government takes a national leadership role in education at all stages—child care, preschool, school, tertiary, skills, training and international—and research. The department and its entities work with state and territory governments, other Australian Government entities and a range of service providers to provide high quality policy advice and services for the benefit of Australia.

As a result of the 21 September 2015 Administrative Arrangements Order, responsibility for child care and early childhood development has transferred from the Social Services portfolio to the Education and Training portfolio.

A full outline of the Education and Training portfolio can be found at Figure 1 (see page 4).

Programme movement detail can be found at Figure 2 (see page 28).

Figure 1: Education and Training Portfolio Structure and Outcomes

**Senator the Hon Simon Birmingham**

Minister for Education and Training

**The Hon Luke Hartsuyker MP**

Minister for Vocational Education and Skills

**Senator the Hon Richard Colbeck**

Minister for Tourism and International Education

**Department of Education and Training**

Tony Cook PSM—Acting Secretary

**Outcome 1**

Improved early learning, schooling, student educational outcomes and transitions to and from school through access to quality child care, support, parent engagement, quality teaching and learning environments.

**Outcome 2**

Promote growth in economic productivity and social wellbeing through access to quality higher education, international education, and international quality research, skills and training.

Note: As a result of the 21 September 2015 Administrative Arrangements Order the Outcome 1 statement has changed since the Portfolio Budget Statements 2015–16.

Figure 1: Education and Training Portfolio Structure and Outcomes (continued)

| **Australian Curriculum, Assessment and Reporting Authority**  Robert Randall—Chief Executive Officer  **Outcome:** Improved quality and consistency of school education in Australia through national curriculum, national assessment, data collection and performance reporting system. |
| --- |

| **Australian Institute of Aboriginal and Torres Strait Islander Studies**  Russell Taylor—Principal (Chief Executive Officer)  **Outcome:** Further understanding of Australian Indigenous cultures, past and present through undertaking and publishing research, and providing access to print and audiovisual collections. |
| --- |

| **Australian Institute for Teaching and School Leadership**  Margery Evans—Chief Executive Officer  **Outcome:** Enhance the quality of teaching and leadership through developing standards, recognising teacher excellence, providing professional development opportunities, and supporting the teacher profession. |
| --- |

| **Australian Research Council**  Professor Aidan Byrne—Chief Executive Officer  **Outcome:** Growth of knowledge and innovation through managing research funding schemes, measuring research excellence and providing advice. |
| --- |

| **Australian Skills Quality Authority**  Chris Robinson—Chief Commissioner and Chief Executive Officer  **Outcome:** Contribute to a high quality vocational education and training sector, including through streamlined and nationally consistent regulation of training providers and courses, and the communication of advice to the sector on improvements to the quality of vocational education and training. |
| --- |

| **Tertiary Education Quality and Standards Agency**  Anthony McClaran —Chief Executive Officer  **Outcome:** Contribute to a high quality higher education sector through streamlined and nationally consistent higher education regulatory arrangements; registration of higher education providers; accreditation of higher education courses; and investigation, quality assurance and dissemination of higher education standards and performance. |
| --- |

## Portfolio resources

Table 1 shows those entities reporting in the PAES and the additional resources provided to the portfolio in the 2015–16 budget year, by entity.

Table 1: Portfolio Resources (2015–16 Additional Estimates)

This table has been prepared in accordance with the Department of Finance ‘Guidance for the Preparation of the 2015-16 Portfolio Additional Estimates Statements’. All of the tables in these portfolio budget statements are available in spreadsheet form from www.data.gov.au or the department.

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# Department of Education and Training

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# Department of Education and Training

## Section 1: Entity overview and resources

### 1.1 Strategic direction statement

The department is committed to the development of a world class:

* child care system that is more sustainable and that seeks to encourage greater workforce participation and productivity and better meets families’ requirements, while addressing children’s learning and development needs
* school education system including preschool that is based on teacher quality, school autonomy, engaging parents in education and strengthening the Australian curriculum, which can have a significant impact on student outcomes
* higher education system that supports economic and social growth through participation and engagement in quality teaching, learning and research
* efficient and effective skills and training system, which is industry led and outcome-driven
* international education system based on Australia’s strong reputation for quality education and training.

The PAES provides detail regarding new measures affecting the portfolio since Budget. These changes include impacts of the Administrative Arrangements Order (AAO) that took effect on 21 September 2015. The PAES also confirms decisions published in the Mid-Year Economic and Fiscal Outlook (MYEFO) 2015–16.

As a result of the AAO, responsibility for child care and early childhood development was transferred to the department from the Department of Social Services. Early childhood and child care objectives and programmes are reported under Outcome 1. Financial information for transferring programmes they should be read in conjunction with the Social Services Portfolio Budget Statements and Portfolio Additional Estimates Statements.

Measures impacting the Department of Education and Training since the 2015–16 Budget include:

* **National scale research infrastructure** - with an ongoing commitment of $2.3 billion over ten years[[1]](#footnote-1) including new and sustainable funding for the National Collaborative Research Infrastructure Strategy (NCRIS) of $150 million per year (indexed).
* **New research block grant funding arrangements** - which will reward research excellence and increase incentives for industry engagement, plus provide an additional $127 million over four years.
* **Measuring Impact and Engagement in University Research –** the department, working with the Australian Research Council, will develop Australia’s first national system to assess the engagement of university researchers with end users, and to measure the commercial, economic, social and other impacts of research.
* **Development of a National Research Infrastructure Roadmap** – in 2016 the Government will commence a long term plan for investment in cutting-edge, national scale research infrastructure.
* **Inspiring all Australians in Digital Literacy and STEM** – a suite of initiatives to support school leaders, teachers and students to embrace the digital age and encourage the take up of STEM in the early years.
* **Changes to the child care system -** including reducing the Child Care Subsidy for families who earn more than $250,000 per year, reducing the number of places in the Interim Home Based Carer Subsidy programme (Nanny Pilot Programme) and removing the Access to Affordability Support element under the Community Child Care Fund. This measure is expected to reduce cash payments by $15 million in 2015–16 ($441 million over the four years to   
  2018–19).
* **Expansion of the Additional Child Care Subsidy** - to provide $25.2 million over three years from 2016–17 to extend the Additional Child Care Subsidy (ACCS) to grandparents on income support who are the primary carers of their grandchildren.
* **Improving the integrity of Family Day Care** - involving the introduction of changes to family assistance law to improve the integrity and sustainability of the family day care sector, resulting in savings of $930.6 million over four years from 2015–16.

### 1.2 Entity resource statement

The Entity Resource Statement details the resourcing for the Department of Education and Training at Additional Estimates. Table 1.1 outlines the total resourcing available from all sources for the 2015–16 Budget year, including variations through Appropriation Bill Nos. 3 and 4*,* Special Appropriations and Special Accounts.

Table 1.1: Department of Education and Training resource statement — Additional Estimates for 2015–16 as at Additional Estimates February 2016

This table has been prepared in accordance with the Department of Finance ‘Guidance for the Preparation of the 2015-16 Portfolio Additional Estimates Statements’. All of the tables in these portfolio budget statements are available in spreadsheet form from www.data.gov.au or the department.

Table 1.1: Department of Education and Training resource statement — Additional Estimates for 2015–16 as at Additional Estimates February 2016 (continued)

This table has been prepared in accordance with the Department of Finance ‘Guidance for the Preparation of the 2015-16 Portfolio Additional Estimates Statements’. All of the tables in these portfolio budget statements are available in spreadsheet form from www.data.gov.au or the department.

(a) *Appropriation Act (No. 1) 2015–2016* and Appropriation Bill (No. 3) 2015–2016.

(b) Estimated adjusted balance carried from previous year for annual and non-operating appropriations.

(c) Includes an amount of $21.677m in 2015–16 for the Departmental Capital Budget (refer to Table 3.2.5 for further details). For accounting purposes this amount has been designated as 'contributions by owners'.

(d) Department of Social Services - Administrative Arrangements Order dated 21 September 2015. Education and Training received $351.887m under a section 75 determination.

(e) Estimated retained revenue receipts under section 74 of the *Public Governance, Performance and Accountability* (PGPA) *Act 2013*.

(f) 'Corporate Entities' are Corporate Commonwealth Entities and Commonwealth Companies as defined under the PGPA Act 2013.

(g) Appropriation Act (No. 2) 2015–2016 and Appropriation Bill (No. 4) 2015–2016.

(h) Estimated opening balance for special accounts (less ‘special public money’ held in a Services for a Services for Other Entities and Trust Moneys Special Accounts (SOETM)). For further information on special accounts see Table 3.1.1.

(i) Department of Social Services - Administrative Arrangements Order dated 21 September 2015. Education and Training received $102.053m under a section 75 determination. For further information on special accounts see Table 3.1.1.

(j) Funding for the Australian Institute for Teaching and School Leadership and the Australian Curriculum, Assessment and Reporting Authority are appropriated through Outcome 1.

Reader note: All figures are GST exclusive. These figures may not match figures in the cash flow statement.

Table 1.1: Department of Education and Training resource statement — Additional Estimates for 2015–16 as at Additional Estimates February 2016 (continued)

Third party payments from and on behalf of other entities

This table has been prepared in accordance with the Department of Finance ‘Guidance for the Preparation of the 2015-16 Portfolio Additional Estimates Statements’. All of the tables in these portfolio budget statements are available in spreadsheet form from www.data.gov.au or the department.

(k) These payments relate to the early childhood and child care programmes transferred to the Department of Education and Training as a result of the AAO that took effect on 21 September 2015.

Note: All figure are GST exclusive.

### 1.3 Entity measures

Table 1.2 summarises new Government measures taken since the 2015–16 Budget. The table is split into revenue, expense and capital measures, with the affected programme identified.

Table 1.2: Entity 2015–16 measures since Budget

This table has been prepared in accordance with the Department of Finance ‘Guidance for the Preparation of the 2015-16 Portfolio Additional Estimates Statements’. All of the tables in these portfolio budget statements are available in spreadsheet form from www.data.gov.au or the department.

Table 1.2: Entity 2015–16 measures since Budget (continued)

This table has been prepared in accordance with the Department of Finance ‘Guidance for the Preparation of the 2015-16 Portfolio Additional Estimates Statements’. All of the tables in these portfolio budget statements are available in spreadsheet form from www.data.gov.au or the department.

Table 1.2: Entity 2015–16 measures since Budget (continued)

This table has been prepared in accordance with the Department of Finance ‘Guidance for the Preparation of the 2015-16 Portfolio Additional Estimates Statements’. All of the tables in these portfolio budget statements are available in spreadsheet form from www.data.gov.au or the department.

Table 1.2: Entity 2015–16 measures since Budget (continued)

This table has been prepared in accordance with the Department of Finance ‘Guidance for the Preparation of the 2015-16 Portfolio Additional Estimates Statements’. All of the tables in these portfolio budget statements are available in spreadsheet form from www.data.gov.au or the department.

Table 1.2: Entity 2015–16 measures since Budget (continued)

This table has been prepared in accordance with the Department of Finance ‘Guidance for the Preparation of the 2015-16 Portfolio Additional Estimates Statements’. All of the tables in these portfolio budget statements are available in spreadsheet form from www.data.gov.au or the department.

Prepared on a Government Financial Statistics (fiscal) basis

(a) This measure was published at the Mid-Year Economic Fiscal Outlook 2014–15 but not previously reported in a portfolio statement.

(b) This measure was published at the Budget 2015–16 but not previously reported in a portfolio statement.

(c) The lead entity for this measure is the Department of Immigration and Border Protection. The full measure description and package details appear in the Mid-Year Economic and Fiscal Outlook in the Department of Immigration and Border Protection portfolio.

(d) Further savings in 2015–16 may be achieved pending consideration of work conducted on the initiative prior to its discontinuation. This is not for publication (nfp) as it is the subject of negotiations.

### 1.4 Additional estimates and variations

The following tables detail the changes to the resourcing for the Department of Education and Training at Additional Estimates, by outcome. Table 1.3 details the Additional Estimates and variations resulting from new measures since the 2015–16 Budget in Appropriation Bills Nos. 3 and 4. Table 1.4 details Additional Estimates or variations through other factors, such as parameter adjustments.

Table 1.3: Additional estimates and variations to outcomes from measures since 2015–16 Budget

This table has been prepared in accordance with the Department of Finance ‘Guidance for the Preparation of the 2015-16 Portfolio Additional Estimates Statements’. All of the tables in these portfolio budget statements are available in spreadsheet form from www.data.gov.au or the department.

Table 1.3: Additional estimates and variations to outcomes from measures since 2015–16 Budget (continued)

This table has been prepared in accordance with the Department of Finance ‘Guidance for the Preparation of the 2015-16 Portfolio Additional Estimates Statements’. All of the tables in these portfolio budget statements are available in spreadsheet form from www.data.gov.au or the department.

Table 1.3: Additional estimates and variations to outcomes from measures since 2015–16 Budget (continued)

This table has been prepared in accordance with the Department of Finance ‘Guidance for the Preparation of the 2015-16 Portfolio Additional Estimates Statements’. All of the tables in these portfolio budget statements are available in spreadsheet form from www.data.gov.au or the department.

Reported on a fiscal balance basis.

Table 1.4: Additional estimates and variations to outcomes from other variations

This table has been prepared in accordance with the Department of Finance ‘Guidance for the Preparation of the 2015-16 Portfolio Additional Estimates Statements’. All of the tables in these portfolio budget statements are available in spreadsheet form from www.data.gov.au or the department.

Table 1.4: Additional estimates and variations to outcomes from other variations (continued)

This table has been prepared in accordance with the Department of Finance ‘Guidance for the Preparation of the 2015-16 Portfolio Additional Estimates Statements’. All of the tables in these portfolio budget statements are available in spreadsheet form from www.data.gov.au or the department.

Reported on an expense basis including capital variations, but excludes depreciation and amortisation expenses.

### 1.5 Breakdown of additional estimates by appropriation bill

The following tables detail the Additional Estimates sought for the Department of Education and Training through Appropriation Bills Nos. 3 and 4.

Table 1.5: Appropriation Bill (No. 3) 2015–16

This table has been prepared in accordance with the Department of Finance ‘Guidance for the Preparation of the 2015-16 Portfolio Additional Estimates Statements’. All of the tables in these portfolio budget statements are available in spreadsheet form from www.data.gov.au or the department.

(a) 2014–15 available appropriation is included to allow a comparison of this year's appropriation with what was made available for use in the previous year. However, financial information for transferring programmes should be read in conjunction with the Social Services Portfolio Budget Statements and Portfolio Additional Estimates Statements.

(b) No appropriation is provided in Appropriation Bill No. 3 for the agency where the total funding change across outcomes for departmental programmes is negative.

(c) Outcome 1 Revised estimates includes the transfer of child care and early childhood development functions to the Education and Training Portfolio.

Table 1.6: Appropriation Bill (No. 4) 2015–16

This table has been prepared in accordance with the Department of Finance ‘Guidance for the Preparation of the 2015-16 Portfolio Additional Estimates Statements’. All of the tables in these portfolio budget statements are available in spreadsheet form from www.data.gov.au or the department.

(a) 2014–15 available appropriation is included to allow a comparison of this year's appropriation with what was made available for use in the previous year.

## Section 2: Revisions to outcomes and planned performance

### 2.1 Outcomes and performance information

Responsibility for child care and early childhood development has transferred from the Department of Social Services to the Department of Education and Training. This is a result of the Administrative Arrangements Order (AAO) that took effect on 21 September 2015,

Child care and early childhood development objectives and programmes are being reported under the updated Outcome 1.

A part year effect has been applied to the financial information for all transferring programmes as a result of the AAO. Administered items are incorporated in the outcome structure consistent with the allocation of measures shown in Table 2.1.1. When referring to and comparing the financial information for transferring programmes they should be read in conjunction with the Social Services Portfolio Budget Statements and Portfolio Additional Estimates Statements.

Figure 2: Movement of programmes from the Department of Social Services to the Department of Education and Training

In the PBS 2015–16 the Outcome 1 outcome statement was: Improved early learning, schooling, student educational outcomes and transitions to and from school through access to quality support, parent engagement, quality teaching and learning environments. The Outcome 1 outcome 1 statement has changed to: Improved early learning, schooling, student educational outcomes and transitions to and from school through access to quality child care, support, parent engagement, quality teaching and learning environments. 
The following programme names and number remain unchanged since the PBS 2015–16:
1.1 Government Schools National Support 1.2 Non-Government Schools National Support 1.3 Early Learning and Schools Support 1.4 Trade Training Centres in Schools 1.5 More Support for Students with Disabilities 1.6 Youth Support 2.1: Commonwealth Grant Scheme
2.2: Higher Education Superannuation Programme
2.3: Higher Education Support
2.4: Higher Education Loan Programme
2.5: Investment in Higher Education Research
2.6: Research Capacity
2.7: International Education Support
2.8: Building Skills and Capability
The following programmes were reported in the Social Services PBS 2015–16:
2.4: Support for the Child Care System 2.5: Child Care Benefit 2.6: Child Care Rebate
2.7: Child Care Subsidy
And appear in this PAES as:
1.7: Support for the Child Care System
1.8: Child Care Benefit
1.9: Child Care Rebate
1.10: Child Care Subsidy


Note: There has been no change to the structure of Outcome 2 since the Portfolio Budget Statements 2015–16.

Outcome 1

#### Outcome 1 Strategy

The outcome statement has been updated to ‘Improved early learning, schooling, student educational outcomes and transitions to and from school through access to quality child care, support, parent engagement, quality teaching and learning environments’. This reflects the AAO of 21 September 2015.

This outcome now supports:

* quality early childhood education, in addition to universal access, to increase children’s enrolment and attendance in preschool programmes. This will support child development in the early years and prepare children for formal schooling
* the Government’s commitment to ensuring families are able to access affordable and flexible child care to support workforce participation and early learning outcomes.

The other elements of this outcome remain unchanged.

Adjustments to programme performance indicators are below. Any programmes, deliverables or indicators not listed below remain unchanged from the Department of Education and Training Portfolio Budget Statements 2015–16 or Department of Social Services Portfolio Budget Statements 2015–16.

Table 2.1.1 Budgeted expenses for Outcome 1

This table has been prepared in accordance with the Department of Finance ‘Guidance for the Preparation of the 2015-16 Portfolio Additional Estimates Statements’. All of the tables in these portfolio budget statements are available in spreadsheet form from www.data.gov.au or the department.

Table 2.1.1 Budgeted expenses for Outcome 1 (continued)

This table has been prepared in accordance with the Department of Finance ‘Guidance for the Preparation of the 2015-16 Portfolio Additional Estimates Statements’. All of the tables in these portfolio budget statements are available in spreadsheet form from www.data.gov.au or the department.

(a) Due to the Administrative Arrangement Order of 23 December 2014, actual expenses for the period 1 July to 23 December 2014 are reported in the Former Outcome 1. Actuals for the remainder of   
2014–15 are reported in the Department of Social Services’ Portfolio Additional Estimates Statements.

(b) 2015–16 revised budget reflects a part year effect due to the Administrative Arrangement Order of 21 September 2015.

(c) This programme, which commences 1 July 2017, will replace Child Care Benefit and Child Care Rebate.

(d) Departmental Appropriation combines "Ordinary annual services (Appropriation Act No. 1 and Bill No. 3)" and "Retained Revenue Receipts under s74 of the PGPA Act 2013". Outcome 1 also has a departmental capital budget of $8.888 million in 2015–16.

(e) Expenses not requiring appropriation in the Budget year is made up of Depreciation Expense, Amortisation Expense, Makegood Expense and Audit Fees.

#### Programme 1.1 Government Schools National Support

##### Programme 1.1 expenses

This table has been prepared in accordance with the Department of Finance ‘Guidance for the Preparation of the 2015-16 Portfolio Additional Estimates Statements’. All of the tables in these portfolio budget statements are available in spreadsheet form from www.data.gov.au or the department.

##### Programme 1.1 deliverables

| Deliverables | 2014–15 Revised Budget | 2014–15 Actual | 2015–16 Budget | Revised 2015–16 Budget |
| --- | --- | --- | --- | --- |
| Government schools specific purpose payment |  |  |  |  |
| Funded full-time equivalent student enrolment projections 1 | 2,417,000 | 2,383,000 | 2,416,000 | 2,419,0002 |

1 Funded full-time equivalent student enrolment projections do not include unfunded students such as full fee paying overseas students.

2 Enrolment projections revised to reflect actual enrolment counts from the 2015 Government and Non-government school censuses and other data updates.

#### Programme 1.2 Non-Government Schools National Support

##### Programme 1.2 expenses

This table has been prepared in accordance with the Department of Finance ‘Guidance for the Preparation of the 2015-16 Portfolio Additional Estimates Statements’. All of the tables in these portfolio budget statements are available in spreadsheet form from www.data.gov.au or the department.

##### Programme 1.2 deliverables

| Deliverables | 2014–15 Revised Budget | 2014–15 Actual | 2015–16 Budget | Revised 2015–16 Budget |
| --- | --- | --- | --- | --- |
| Recurrent grants – non-government |  |  |  |  |
| Funded full-time equivalent student enrolment projections 1 | 1,297,000 | 1,281,000 | 1,303,000 | 1,298,000 2 |

1 Funded full-time equivalent student enrolment projections do not include unfunded students such as full fee paying overseas students.

2 Enrolment projections revised to reflect actual enrolment counts from the 2015 Government and Non-government school censuses and other data updates.

#### Programme 1.3 Early Learning and Schools Support

##### Programme 1.3 expenses

This table has been prepared in accordance with the Department of Finance ‘Guidance for the Preparation of the 2015-16 Portfolio Additional Estimates Statements’. All of the tables in these portfolio budget statements are available in spreadsheet form from www.data.gov.au or the department.

(a) Due to the Administrative Arrangement Order of 23 December 2014, actual expenses for the period 1 July to 23 December 2014 are reported in the Former Outcome 1.

##### Programme 1.3 deliverables

| Deliverables | 2014–15 Revised Budget | 2014–15 Actual | 2015–16 Budget | Revised 2015–16 Budget |
| --- | --- | --- | --- | --- |
| Helping Children with Autism package 1 |  |  |  |  |
| Number of teachers and other school staff attending professional development courses | 450 | 1,161 | na | 538 |
| Number of parents and carers attending workshops and information sessions | 1,800 | 2,017 | na | 791 |

1 Deliverables up to and including 2014–15 for this programme reflected those in the contract with the service provider for Phase 2, which ceased at the end of September 2015. A new contract for Phase 3 of this programme commenced on 1 October 2015. Under this contract, delivery of the face-to-face training that these targets are based on will re-commence from January 2016, hence the targets for 2015–16 are lower than the full-year 2014–15 targets and/or actuals.

#### Programme 1.4 Trade Training Centres in Schools

##### Programme 1.4 expenses

This table has been prepared in accordance with the Department of Finance ‘Guidance for the Preparation of the 2015-16 Portfolio Additional Estimates Statements’. All of the tables in these portfolio budget statements are available in spreadsheet form from www.data.gov.au or the department.

#### Programme 1.5 More Support for Students with Disabilities

##### Programme 1.5 expenses

This table has been prepared in accordance with the Department of Finance ‘Guidance for the Preparation of the 2015-16 Portfolio Additional Estimates Statements’. All of the tables in these portfolio budget statements are available in spreadsheet form from www.data.gov.au or the department.

#### Programme 1.6 Youth Support

##### Programme 1.6 expenses

This table has been prepared in accordance with the Department of Finance ‘Guidance for the Preparation of the 2015-16 Portfolio Additional Estimates Statements’. All of the tables in these portfolio budget statements are available in spreadsheet form from www.data.gov.au or the department.

#### Programme 1.7 Support for the Child Care System

##### Programme 1.7 expenses

This table has been prepared in accordance with the Department of Finance ‘Guidance for the Preparation of the 2015-16 Portfolio Additional Estimates Statements’. All of the tables in these portfolio budget statements are available in spreadsheet form from www.data.gov.au or the department.

(a) Due to the Administrative Arrangement Order of 23 December 2014, actual expenses for the period 1 July to 23 December 2014 are reported in the Former Outcome 1. Actuals for the remainder of   
2014–15 are reported in the Department of Social Services’ Portfolio Additional Estimate Statements.

(b) 2015–16 revised budget reflects a part year effect due to the Administrative Arrangement Order of 21 September 2015.

#### Programme 1.8 Child Care Benefit

##### Programme 1.8 expenses

This table has been prepared in accordance with the Department of Finance ‘Guidance for the Preparation of the 2015-16 Portfolio Additional Estimates Statements’. All of the tables in these portfolio budget statements are available in spreadsheet form from www.data.gov.au or the department.

(a) Due to the Administrative Arrangement Order of 23 December 2014, actual expenses for the period 1 July to 23 December 2014 are reported in the Former Outcome 1. Actuals for the remainder of   
2014–15 are reported in the Department of Social Services’ Portfolio Additional Estimate Statements.

(b) 2015–16 revised budget reflects a part year effect due to the Administrative Arrangement Order of 21 September 2015.

#### Programme 1.9 Child Care Rebate

##### Programme 1.9 expenses

This table has been prepared in accordance with the Department of Finance ‘Guidance for the Preparation of the 2015-16 Portfolio Additional Estimates Statements’. All of the tables in these portfolio budget statements are available in spreadsheet form from www.data.gov.au or the department.

(a) Due to the Administrative Arrangement Order of 23 December 2014, actual expenses for the period 1 July to 23 December 2014 are reported in the Former Outcome 1. Actuals for the remainder of   
2014–15 are reported in the Department of Social Services’ Portfolio Additional Estimate Statements.

(b) 2015–16 revised budget reflects a part year effect due to the Administrative Arrangement Order of 21 September 2015.

#### Programme 1.10 Child Care Subsidy

##### Programme 1.10 expenses

This table has been prepared in accordance with the Department of Finance ‘Guidance for the Preparation of the 2015-16 Portfolio Additional Estimates Statements’. All of the tables in these portfolio budget statements are available in spreadsheet form from www.data.gov.au or the department.

(a) The legislation for this item is yet to be passed and the name is subject to change. This programme, which will replace the Child Care Benefit and Child Care Rebate programmes, commences 1 July 2017.

Outcome 2

#### Outcome 2 strategy

This outcome now incorporates the implementation of a range of initiatives worth $1.1 billion over four years. This will support the creation of a culture of entrepreneurship, co-investment and collaboration, transforming promising ideas into social and economic benefits. This is in line with the National Innovation and Science Agenda (NISA) announced on 7 December 2015, and the report of the Review of Research Policy and Funding Arrangements. The other elements of this outcome remain unchanged.

Adjustments to programme performance indicators are below. Any programmes, deliverables or indicators not listed below remain unchanged from the Department of Education and Training Portfolio Budget Statements 2015–16.

Table 2.1.2 Budgeted expenses for Outcome 2

This table has been prepared in accordance with the Department of Finance ‘Guidance for the Preparation of the 2015-16 Portfolio Additional Estimates Statements’. All of the tables in these portfolio budget statements are available in spreadsheet form from www.data.gov.au or the department.

Table 2.1.2 Budgeted expenses for Outcome 2 (continued)

This table has been prepared in accordance with the Department of Finance ‘Guidance for the Preparation of the 2015-16 Portfolio Additional Estimates Statements’. All of the tables in these portfolio budget statements are available in spreadsheet form from www.data.gov.au or the department.

(a) Actual expense for 2014–15 reflect a part-year effect due to the Administrative Arrangement Order of 23 December 2014.

(b) Departmental Appropriation combines "Ordinary annual services (Appropriation Act No. 1 and Bill No. 3)" and "Retained Revenue Receipts under s74 of the PGPA Act 2013". Outcome 2 also has a departmental capital budget of $12.789 million in 2015–16.

(c) Expenses not requiring appropriation in the Budget year is made up of Depreciation Expense, Amortisation Expense, Makegood Expenses and Audit Fees.

#### Programme 2.1: Commonwealth Grant Scheme

##### Programme 2.1 expenses

This table has been prepared in accordance with the Department of Finance ‘Guidance for the Preparation of the 2015-16 Portfolio Additional Estimates Statements’. All of the tables in these portfolio budget statements are available in spreadsheet form from www.data.gov.au or the department.

##### Programme 2.1 deliverables

| Deliverables | 2014–15 Revised Budget | 2014–15 Actual | 2015–16 Budget | Revised 2015–16 Budget |
| --- | --- | --- | --- | --- |
| Provision of funding to higher education providers to support higher education student places 1 |  |  |  |  |
| Number of Commonwealth supported domestic undergraduate places | 558,700 | 557,972 | 573,800 | 569,400 |
| Number of Commonwealth supported domestic postgraduate coursework places | 39,000 | 38,762 | 39,500 | 38,700 |

1 Revised due to updated estimates provided by universities in their October 2015 estimates update.

##### Programme 2.1 key performance indicators

| Key performance indicators | 2014–15 Revised Budget | 2014–15 Actual | 2015–16 Budget | Revised 2015–16 Budget |
| --- | --- | --- | --- | --- |
| Increased student participation in higher education 1 |  |  |  |  |
| Number of domestic enrolments (full-time equivalent) | 721,200 | 719,363 | 740,000 | 732,000 |
| Number of undergraduate completions | 201,200 | 196,089 | 207,000 | 200,000 |
| Number of postgraduate coursework completions | 122,600 | 113,514 | 125,000 | 115,000 |

1 Revised due to updated estimates provided by universities in their October 2015 estimates update.

#### Programme 2.2: Higher Education Superannuation Programme

##### Programme 2.2 expenses

This table has been prepared in accordance with the Department of Finance ‘Guidance for the Preparation of the 2015-16 Portfolio Additional Estimates Statements’. All of the tables in these portfolio budget statements are available in spreadsheet form from www.data.gov.au or the department.

#### Programme 2.3: Higher Education Support

##### Programme 2.3 expenses

This table has been prepared in accordance with the Department of Finance ‘Guidance for the Preparation of the 2015-16 Portfolio Additional Estimates Statements’. All of the tables in these portfolio budget statements are available in spreadsheet form from www.data.gov.au or the department.

(a) The legislation for this item is yet to be passed and the name is subject to change.

##### Programme 2.3 key performance indicators

| Key performance indicators | 2014–15 Revised Budget | 2014–15 Actual | 2015–16 Budget | Revised 2015–16 Budget |
| --- | --- | --- | --- | --- |
| Increased participation by previously under-represented groups 1 |  |  |  |  |
| Number of domestic undergraduate low SES enrolments | 131,400 | 130,308 | 141,000 | 139,000 |
| Statistical Area Level 1 (SA1) measure of the number of domestic undergraduates in low SES | 119,700 | 117,191 | 128,000 | 127,000 |
| Number of Indigenous students enrolled at funded institutions | 13,800 | 14,555 | 14,300 | 15,100 |
| Number of Indigenous completions at funded institutions | 1,850 | 1,944 | 1,920 | 2,020 |
| Number of Indigenous student enrolments by selected higher education course level categories | 14,200 | 15,043 | 14,700 | 15,500 |

1 Revised due to updated estimates provided by universities in their October 2015 estimates update.

#### Programme 2.4: Higher Education Loan Programme

##### Programme 2.4 expenses

This table has been prepared in accordance with the Department of Finance ‘Guidance for the Preparation of the 2015-16 Portfolio Additional Estimates Statements’. All of the tables in these portfolio budget statements are available in spreadsheet form from www.data.gov.au or the department.

##### Programme 2.4 deliverables

| Deliverables | 2014–15 Revised Budget | 2014–15 Actual | 2015–16 Budget | Revised 2015–16 Budget |
| --- | --- | --- | --- | --- |
| Number of Commonwealth supported places for which HECS-HELP loans paid | 509,100 | 507,629 | 523,000 | 522,700 |
| Number of places for which FEE-HELP loans paid | 91,600 | 76,613 | 90,000 | 88,900 |
| Number of OS-HELP loans to assist students to undertake some of their course overseas | 12,500 | 10,986 | 15,600 | 14,400 |
| Number of SA-HELP loans to assist students to pay their services and amenities fees | 479,900 | 444,344 | 500,000 | 496,500 |
| Number of places for which VET FEE-HELP loans paid | 225,500 | 131,344 | 128,000 | 225,900 |
| Average amount of debt ($) | 17,500 | 18,000 | 18,900 | 19,100 |

#### Programme 2.5: Investment in Higher Education Research

##### Programme 2.5 expenses

This table has been prepared in accordance with the Department of Finance ‘Guidance for the Preparation of the 2015-16 Portfolio Additional Estimates Statements’. All of the tables in these portfolio budget statements are available in spreadsheet form from www.data.gov.au or the department.

#### Programme 2.6: Research Capacity

##### Programme 2.6 expenses

This table has been prepared in accordance with the Department of Finance ‘Guidance for the Preparation of the 2015-16 Portfolio Additional Estimates Statements’. All of the tables in these portfolio budget statements are available in spreadsheet form from www.data.gov.au or the department.

#### Programme 2.7: International Education Support

##### Programme 2.7 expenses

This table has been prepared in accordance with the Department of Finance ‘Guidance for the Preparation of the 2015-16 Portfolio Additional Estimates Statements’. All of the tables in these portfolio budget statements are available in spreadsheet form from www.data.gov.au or the department.

#### Programme 2.8: Building Skills and Capability

##### Programme 2.8 expenses

This table has been prepared in accordance with the Department of Finance ‘Guidance for the Preparation of the 2015-16 Portfolio Additional Estimates Statements’. All of the tables in these portfolio budget statements are available in spreadsheet form from www.data.gov.au or the department.

(a) Actual expense for 2014–15 reflect a part-year effect due to the Administrative Arrangement Order of 23 December 2014.

(b) This relates to the 2014–15 Mid-Year Economic and Fiscal Outlook measure Holden and Toyota - act of grace payments. This figure represents the act of grace payment equivalent to the relevant Fringe Benefit Tax (FBT) liability incurred by Holden in 2014–15.

##### Programme 2.8 deliverables

| Deliverables | 2014–15 Revised Budget | 2014–15 Actual | 2015–16 Budget | Revised 2015–16 Budget |
| --- | --- | --- | --- | --- |
| Sub-programme 2.8.3: Access to training |  |  |  |  |
| Skills for Education and Employment programme |  |  |  |  |
| Number of eligible job seekers assisted through the Skills for Education and Employment (SEE) programme | 27,000 | 24,632 | 27,300 | 26,499 |
| Adult Migrant English Programme |  |  |  |  |
| Number of eligible migrants and humanitarian entrants assisted through the Adult Migrant English Programme | 57,000 | 62,638 | 60,000 | 62,1871 |

1 Australia’s humanitarian intake has increased in response to the Syrian and Iraqi humanitarian crisis and this is expected to result in additional entrants accessing Adult Migrant English Programme assistance.

##### Programme 2.8 key performance indicators

| Key performance indicators | 2014–15 Revised Budget | 2014–15 Actual | 2015–16 Budget | Revised 2015–16 Budget |
| --- | --- | --- | --- | --- |
| Sub-programme 2.8.1: Industry competitiveness |  |  |  |  |
| Industry Skills Fund |  |  |  |  |
| Number of participants supported to undertake training and/or support services | 7,000 | 7,035 | 38,000 | 14,000 |

Former Outcome 1

Table 2.1.3 Budgeted expenses for Former Outcome 1

This table has been prepared in accordance with the Department of Finance ‘Guidance for the Preparation of the 2015-16 Portfolio Additional Estimates Statements’. All of the tables in these portfolio budget statements are available in spreadsheet form from www.data.gov.au or the department.

(a) Due to the Administrative Arrangement Order of 23 December 2014, actual expenses for the period 1 July to 23 December 2014 are reported in the Former Outcome 1. The remainder of the actuals for 2014–15 are reported in the Department of Social Services Portfolio Additional Estimates Statements.

(b) Includes the Australian Early Development Census (AEDC) retained by the Department of Education and Training. The 2015–16 and forward estimates for AEDC are reported under Outcome 1 (Programme 1.3 Early Learning and Schools Support).

(c) Retained by the Department of Education and Training. 2015–16 and forward estimates are reported under Outcome 1 (Programme 1.3 Early Learning and Schools Support).

(d) Departmental Appropriation combines "Ordinary annual services (Appropriation Act No. 1 and Bill No. 3)" and "Retained Revenue Receipts under s74 of the PGPA Act 2013".

(e) Expenses not requiring appropriation in the Budget year are made up of Depreciation Expenses, Amortisation Expenses, Makegood Expenses and Audit Fees.

#### Former Programme 1.1 Support for the Child Care System

##### Former Programme 1.1 expenses

This table has been prepared in accordance with the Department of Finance ‘Guidance for the Preparation of the 2015-16 Portfolio Additional Estimates Statements’. All of the tables in these portfolio budget statements are available in spreadsheet form from www.data.gov.au or the department.

(a) Due to the Administrative Arrangement Order of 23 December 2014, actual expenses for the period 1 July to 23 December 2014 are reported in the Former Outcome 1. Actuals for the remainder of   
2014–15 are reported in the Department of Social Services Portfolio Additional Estimates Statements.

(b) Includes the AEDC retained by the Department of Education and Training. The 2015–16 and forward estimates for AEDC are reported under Outcome 1 (Programme 1.3 Early Learning and Schools Support).

#### Former Programme 1.2: Child Care Benefit

##### Former Programme 1.2 expenses

This table has been prepared in accordance with the Department of Finance ‘Guidance for the Preparation of the 2015-16 Portfolio Additional Estimates Statements’. All of the tables in these portfolio budget statements are available in spreadsheet form from www.data.gov.au or the department.

(a) Due to the Administrative Arrangement Order of 23 December 2014, actual expenses for the period 1 July to 23 December 2014 are reported in the Former Outcome 1. Actuals for the remainder of   
2014–15 are reported in the Department of Social Services Portfolio Additional Estimates Statements.

#### Former Programme 1.3 Child Care Rebate

##### Former Programme 1.3 expenses

This table has been prepared in accordance with the Department of Finance ‘Guidance for the Preparation of the 2015-16 Portfolio Additional Estimates Statements’. All of the tables in these portfolio budget statements are available in spreadsheet form from www.data.gov.au or the department.

(a) Due to the Administrative Arrangement Order of 23 December 2014, actual expenses for the period 1 July to 23 December 2014 are reported in the Former Outcome 1. Actuals for the remainder of   
2014–15 are reported in the Department of Social Services Portfolio Additional Estimates Statements.

#### Former Programme 1.4 Early Childhood Education(a)

##### Former Programme 1.4 expenses

This table has been prepared in accordance with the Department of Finance ‘Guidance for the Preparation of the 2015-16 Portfolio Additional Estimates Statements’. All of the tables in these portfolio budget statements are available in spreadsheet form from www.data.gov.au or the department.

(a) Retained by the Department of Education and Training. 2015–16 and forward estimates are reported under Outcome 1 (Programme 1.3 Early Learning and Schools Support).

## Section 3: Explanatory tables and budgeted financial statements

### 3.1 Explanatory tables

#### Estimates of special account flows

Special Accounts provide a means to set aside and record amounts used for specified purposes. Table 3.1.1 shows the expected additions (receipts) and reductions (payments) for each account used by the Department of Education and Training. The corresponding table in the 2015–16 PBS is Table 3.1.2.

Table 3.1.1: Estimates of special account flows and balances

This table has been prepared in accordance with the Department of Finance ‘Guidance for the Preparation of the 2015-16 Portfolio Additional Estimates Statements’. All of the tables in these portfolio budget statements are available in spreadsheet form from www.data.gov.au or the department.

Table 3.1.1: Estimates of special account flows and balances (continued)

This table has been prepared in accordance with the Department of Finance ‘Guidance for the Preparation of the 2015-16 Portfolio Additional Estimates Statements’. All of the tables in these portfolio budget statements are available in spreadsheet form from www.data.gov.au or the department.

Table 3.1.1: Estimates of special account flows and balances (continued)

This table has been prepared in accordance with the Department of Finance ‘Guidance for the Preparation of the 2015-16 Portfolio Additional Estimates Statements’. All of the tables in these portfolio budget statements are available in spreadsheet form from www.data.gov.au or the department.

(A) = Administered

(D) = Departmental

### 3.2 Budgeted financial statements

#### 3.2.1 Analysis of budgeted financial statements

The financial statements have been updated to reflect changes resulting from the new measures and variations as outlined in Table 1.3 and Table 1.4.

Note, the financial results for 2014–15 and the revised budget for 2015–16 represent part-year financial effects as they have been affected by the Administrative Arrangements Orders (AAOs) in 2014 and 2015. In 2014–15, following the AAOs of 23 December 2014, responsibility for skills and training transferred to the Education and Training portfolio, while child care and early childhood development functions transferred to the Social Services portfolio. In 2015–16, following the AAOs of 21 September 2015, responsibility for child care and early childhood development was transferred to the Education and Training portfolio.

#### 3.2.2 Budgeted financial statements

Table 3.2.1: Comprehensive income statement (showing net cost of services) for the period ended 30 June.

This table has been prepared in accordance with the Department of Finance ‘Guidance for the Preparation of the 2015-16 Portfolio Additional Estimates Statements’. All of the tables in these portfolio budget statements are available in spreadsheet form from www.data.gov.au or the department.

Prepared on Australian Accounting Standards basis.

(a) From 2010-11, the Government introduced net cash appropriation arrangements where Appropriation Act No. 1 or Bill No. 3 revenue appropriations for the depreciation/amortisation expenses of Non‑Corporate Commonwealth entities were replaced with a separate capital budget (the Departmental Capital Budget, or DCB) provided through Appropriation Act No. 1 or Bill No. 3 equity appropriations. For information regarding DCBs, please refer to Table 3.2.5 Departmental Capital Budget Statement.

Table 3.2.2: Budgeted departmental balance sheet (as at 30 June)

This table has been prepared in accordance with the Department of Finance ‘Guidance for the Preparation of the 2015-16 Portfolio Additional Estimates Statements’. All of the tables in these portfolio budget statements are available in spreadsheet form from www.data.gov.au or the department.

Prepared on Australian Accounting Standards basis.

Table 3.2.3: Departmental statement of changes in equity — summary of movement (Budget Year 2015–16)

This table has been prepared in accordance with the Department of Finance ‘Guidance for the Preparation of the 2015-16 Portfolio Additional Estimates Statements’. All of the tables in these portfolio budget statements are available in spreadsheet form from www.data.gov.au or the department.

Prepared on Australian Accounting Standards basis

Table 3.2.4: Budgeted departmental statement of cash flows   
(for the period ended 30 June)

This table has been prepared in accordance with the Department of Finance ‘Guidance for the Preparation of the 2015-16 Portfolio Additional Estimates Statements’. All of the tables in these portfolio budget statements are available in spreadsheet form from www.data.gov.au or the department.

Prepared on Australian Accounting Standards basis.

Table 3.2.5: Departmental capital budget statement   
(for the period ended 30 June)

This table has been prepared in accordance with the Department of Finance ‘Guidance for the Preparation of the 2015-16 Portfolio Additional Estimates Statements’. All of the tables in these portfolio budget statements are available in spreadsheet form from www.data.gov.au or the department.

Prepared on Australian Accounting Standards basis.

(a) Includes both current and prior Act 2 and Bills 4/6 appropriations and special capital appropriations

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

(c) Includes the following sources of funding:

- current and prior year Act (No. 1) and Bills 3/5 appropriations (excluding amounts from the DCB).

- donations and contributions

- gifts

- internally developed assets

- s74 Retained Revenue Receipts

- proceeds from the sale of assets.

Table 3.2.6: Statement of asset movements (2015–16 Budget Year)

This table has been prepared in accordance with the Department of Finance ‘Guidance for the Preparation of the 2015-16 Portfolio Additional Estimates Statements’. All of the tables in these portfolio budget statements are available in spreadsheet form from www.data.gov.au or the department.

Prepared on Australian Accounting Standards basis.

(a) "Appropriation equity" refers to equity injections or Administered Assets and Liabilities appropriations provided through *Appropriation Act (No. 2) 2015–2016* and Bill (No. 4) 2015–16.

(b) "Appropriation ordinary annual services" refers to funding provided through *Appropriation Act (No. 1) 2015–2016* and Bill (No. 3) 2015–16 for depreciation/amortisation expenses, DCBs or other operational expenses.

Table 3.2.7: Schedule of budgeted income and expenses administered on behalf of Government (for the period ended 30 June)

This table has been prepared in accordance with the Department of Finance ‘Guidance for the Preparation of the 2015-16 Portfolio Additional Estimates Statements’. All of the tables in these portfolio budget statements are available in spreadsheet form from www.data.gov.au or the department.

Prepared on Australian Accounting Standards basis.

Table 3.2.8: Schedule of budgeted assets and liabilities administered on behalf of Government (as at 30 June)

This table has been prepared in accordance with the Department of Finance ‘Guidance for the Preparation of the 2015-16 Portfolio Additional Estimates Statements’. All of the tables in these portfolio budget statements are available in spreadsheet form from www.data.gov.au or the department.

Prepared on Australian Accounting Standards basis.

Table 3.2.9: Schedule of budgeted administered cash flows   
(for the period ended 30 June)

This table has been prepared in accordance with the Department of Finance ‘Guidance for the Preparation of the 2015-16 Portfolio Additional Estimates Statements’. All of the tables in these portfolio budget statements are available in spreadsheet form from www.data.gov.au or the department.

Prepared on Australian Accounting Standards basis.

Table 3.2.9: Schedule of budgeted administered cash flows   
(for the period ended 30 June) (continued)

This table has been prepared in accordance with the Department of Finance ‘Guidance for the Preparation of the 2015-16 Portfolio Additional Estimates Statements’. All of the tables in these portfolio budget statements are available in spreadsheet form from www.data.gov.au or the department.

Prepared on Australian Accounting Standards basis.

# Australian Research Council

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# Australian Research Council

## Section 1: Entity overview and resources

### 1.1 Strategic direction statement

Since the 2015–16 Portfolio Budget Statements, the Australian Research Council (ARC) has two new priorities for 2015–16 which impact ARC programmes. The new priorities were announced by the Australian Government on 7 December 2015 as part of its National Innovation and Science Agenda to assist the innovative capacity of the nation and boost the commercial returns of publicly-funded research. The two measures are:

* **Measuring Impact and Engagement in University Research** - this proposal will receive $9.4 million over four years from 2015–16 to establish a new system to assess the engagement of university researchers with end users, and to measure the commercial, economic, social and other impacts of research
* **Linkage Project Scheme - Continuous Application Process** - this proposal is a budget neutral measure with no underlying cash impact and will be funded through reprioritisation of ARC funding, which includes the reclassification of $5.2 million over 3 years from 2016–17 which will introduce a continuous application process for the ARC Linkage Projects scheme to improve the responsiveness of the scheme to the needs of industry, business and other end-users.

The ARC is a non-corporate Commonwealth entity established under the Australian Research Council Act 2001.

The ARC’s mission is to deliver policy and programmes that advance Australian research and innovation globally and benefit the community.

The mission aligns with the ARC outcome statement which is growth of knowledge and innovation through managing research funding schemes, measuring research excellence and providing advice.

The ARC is responsible for:

* funding excellent research and research training
* measuring the quality, impact and engagement of research
* providing policy advice on research matters.

The ARC manages the National Competitive Grants Programme (NCGP), a significant component of the Australian Government’s investment in research and innovation. Through the NCGP, the ARC supports excellent research and research training across all disciplines, awarding funding on the basis of a competitive peer review process. The NCGP comprises two programmes, Discovery and Linkage, under which the ARC funds a range of complementary schemes that provide funding for basic and applied research, research training, research collaborations and infrastructure. Together, the ARC funding schemes:

* support the generation of new knowledge, technologies, products and innovations
* provide incentives for researchers to partner with each other, business, the public sector and community organisations to undertake research in areas of importance to the end-users of research outcomes
* build the scale and focus of research in areas of national priority
* support the development of highly trained research personnel.

The ARC manages the Excellence in Research for Australia (ERA), which assesses research quality by research discipline at eligible Australian higher education institutions. ERA is an established evaluation framework that reflects the Government’s commitment to a transparent and streamlined approach to research evaluation. It provides a national stocktake of discipline-level areas of research strength and areas where there is opportunity for development across the full spectrum of research activity. The ARC is currently developing an impact and engagement assessment that will run in conjunction with existing measures under the ERA programme. The impact and engagement assessment will demonstrate the benefits of Australia’s investment in university research by showing how universities are translating their research into economic, social, environmental and other impacts.

The ARC is also responsible for the provision of high quality advice to the Minister about matters related to research.

### 1.2 Entity resource statement

The Entity Resource Statement details the resourcing for Australian Research Council at Additional Estimates. Table 1.1 outlines the total resourcing available from all sources for the 2015–16 Budget year, including variations through Appropriation Bill Nos. 3 and No. 4*,* Special Appropriations and Special Accounts.

Table 1.1: Australian Research Council resource statement — Additional Estimates for 2015–16 as at Additional Estimates February 2016

This table has been prepared in accordance with the Department of Finance ‘Guidance for the Preparation of the 2015-16 Portfolio Additional Estimates Statements’. All of the tables in these portfolio budget statements are available in spreadsheet form from www.data.gov.au or the department.

(a) *Appropriation Act (No. 1) 2015–2016* and Appropriation Bill (No. 3) 2015–2016.

(b) Estimated adjusted balance carried from previous year for annual appropriations.

(c) Includes an amount of $1.253m in 2015–16 for the Departmental Capital Budget (refer to Table 3.2.5 for further details). For accounting purposes this amount has been designated as 'contributions by owners'.

(d) Appropriation receipts from other entities credited to ARC's Special Accounts.

Reader note: All figures are GST exclusive. These figures may not match figures in the cash flow statement.

### 1.3 Entity measures

Table 1.2 summarises new Government measures taken since the 2015–16 Budget. The table is split into revenue, expense and capital measures, with the affected programme identified.

Table 1.2: Australian Research Council 2015–16 measures since Budget

This table has been prepared in accordance with the Department of Finance ‘Guidance for the Preparation of the 2015-16 Portfolio Additional Estimates Statements’. All of the tables in these portfolio budget statements are available in spreadsheet form from www.data.gov.au or the department.

Prepared on a Government Financial Statistics (fiscal) basis

### 1.4 Additional estimates and variations

The following tables detail the changes to the resourcing for the Australian Research Council at Additional Estimates, by outcome. Table 1.3 details the Additional Estimates and variations resulting from new measures since the 2015–16 Budget in Appropriation Bills Nos. 3 and 4. Table 1.4 details Additional Estimates or variations through other factors, such as parameter adjustments.

Table 1.3: Additional estimates and variations to outcomes from measures since 2015–16 Budget

This table has been prepared in accordance with the Department of Finance ‘Guidance for the Preparation of the 2015-16 Portfolio Additional Estimates Statements’. All of the tables in these portfolio budget statements are available in spreadsheet form from www.data.gov.au or the department.

Table 1.4: Additional estimates and variations to outcomes from other variations

This table has been prepared in accordance with the Department of Finance ‘Guidance for the Preparation of the 2015-16 Portfolio Additional Estimates Statements’. All of the tables in these portfolio budget statements are available in spreadsheet form from www.data.gov.au or the department.

### 1.5 Breakdown of additional estimates by appropriation bill

The following table details the Additional Estimates sought for the Australian Research Council through Appropriation Bills Nos. 3 and 4.

Table 1.5: Appropriation Bill (No. 3) 2015–16

This table has been prepared in accordance with the Department of Finance ‘Guidance for the Preparation of the 2015-16 Portfolio Additional Estimates Statements’. All of the tables in these portfolio budget statements are available in spreadsheet form from www.data.gov.au or the department.

Note: 2014–15 available appropriation is included to allow a comparison of this year's appropriation with what was made available for use in the previous year.

## Section 2: Revisions to outcomes and planned performance

### 2.1 outcomes and performance information

Outcome 1

Outcome 1 has not changed. The two new priorities for 2015–16, developing a continuous application process for the Linkage Projects scheme and developing an impact and engagement assessment for Australian university research, will be incorporated into the deliverables specified under Programme 1.2 Linkage and Programme 1.3 Excellence in Research for Australia, respectively.

#### Outcome 1 strategy

Outcome 1 strategy has been updated to reflect the role the ARC will undertake in measuring the impact and engagement of Australian university research, in addition to research quality. The new statement is:

The ARC will pursue the results outlined in its outcome (that is, ‘growth of knowledge and innovation’ in Australia) by:

* supporting excellent research and research training and cross-sector research partnerships through administration of the NCGP
* measuring the quality, impact and engagement of research conducted at Australia’s higher education institutions through administration of ERA
* advancing Australian research and innovation by providing high-quality advice on research matters to Government.

The NCGP supports two main streams of research funding—Discovery and Linkage (programme 1.1 and programme 1.2). Through Discovery, funding is available for investigator-initiated research projects and research fellowships and awards. Through Linkage, funding is available for research projects, infrastructure, hubs and centres that foster collaboration among researchers and research teams in Australia and internationally, and with industry and other end-users of research.

The ARC evaluates the excellence of research undertaken within eligible Australian higher education institutions. ERA evaluates research quality using a combination of indicators and expert review by committees comprising experienced, internationally recognised experts. It identifies excellence across the full spectrum of research activities and compares Australia’s university research effort against international benchmarks. The data generated through the ERA process provides a unique resource for informing evidence-based policy on higher education and publicly funded research across government. In conjunction with existing measures under the ERA programme, the ARC will develop a new impact and engagement assessment which will demonstrate the benefits of Australia’s investment in university research by showing how universities are translating their research into economic, social, environmental and other impacts. This will ensure there are strong incentives for researchers to produce high-quality and impactful research with real world benefits.

The ARC provides advice to the Government on research matters. In working to achieve its outcome the ARC participates in whole-of-government policy dialogue and engages with its stakeholders across the national and international research and innovation systems.

Table 2.1 Budgeted expenses for Outcome 1

This table has been prepared in accordance with the Department of Finance ‘Guidance for the Preparation of the 2015-16 Portfolio Additional Estimates Statements’. All of the tables in these portfolio budget statements are available in spreadsheet form from www.data.gov.au or the department.

(a) Departmental Appropriation combines "Ordinary annual services (Appropriation Act No. 1 and Bill No. 3)" and "Retained Revenue Receipts under s74 of the PGPA Act 2013".

(b) Expenses not requiring appropriation in the Budget year is made up of Depreciation Expense, Amortisation Expense and Audit Fees.

#### Programme 1.1 Discovery

##### Programme 1.1 expenses

This table has been prepared in accordance with the Department of Finance ‘Guidance for the Preparation of the 2015-16 Portfolio Additional Estimates Statements’. All of the tables in these portfolio budget statements are available in spreadsheet form from www.data.gov.au or the department.

(a) Expenses not requiring appropriation in the Budget year is made up of Depreciation Expense, Amortisation Expense and Audit Fees.

#### Programme 1.2 Linkage

##### Programme 1.2 expenses

This table has been prepared in accordance with the Department of Finance ‘Guidance for the Preparation of the 2015-16 Portfolio Additional Estimates Statements’. All of the tables in these portfolio budget statements are available in spreadsheet form from www.data.gov.au or the department.

(a) Expenses not requiring appropriation in the Budget year is made up of Depreciation Expense, Amortisation Expense and Audit Fees.

##### Programme 1.2 deliverables

The following change has been made to programme 1.2 deliverables:

* Former Deliverable: Grants
* Updated Deliverable: Grants (including developing a continuous application process for the Linkage Projects scheme)

#### Programme 1.3 Excellence in Research for Australia

##### Programme 1.3 objective

The ERA programme aims to improve research quality and strategic planning at eligible Australian higher education institutions and inform Government policy by identifying research strengths and disciplines that are internationally competitive and highlighting areas where there are opportunities for further development and investment.

The objectives of ERA are to:

* manage an evaluation framework that gives government, industry, business and the wider community assurance of the excellence of research conducted in Australian higher education institutions
* provide a national stocktake of discipline level areas of research strength and areas where there is opportunity for development in Australian higher education institutions
* identify research quality, impact and engagement across the full spectrum of research performance
* ensure there are strong incentives for researchers to produce high-quality and impactful research with real world benefits
* identify emerging research areas and opportunities for further development
* allow for comparisons of research in Australia, nationally and internationally, for all discipline areas.

##### Programme 1.3 expenses

This table has been prepared in accordance with the Department of Finance ‘Guidance for the Preparation of the 2015-16 Portfolio Additional Estimates Statements’. All of the tables in these portfolio budget statements are available in spreadsheet form from www.data.gov.au or the department.

(a) Expenses not requiring appropriation in the Budget year is made up of Depreciation Expense, Amortisation Expense and Audit Fees.

##### Programme 1.3 deliverables

The following changes have been made to programme 1.3 deliverables:

* New Deliverable: Consultation and development of an impact and engagement assessment
* Updated Deliverable: Strategic policy advice on broad research matters related to the measurement of research quality and impact.

## Section 3: Explanatory tables and budgeted financial Statements

### 3.1 Explanatory tables

#### Estimates of special account flows

Special Accounts provide a means to set aside and record amounts used for specified purposes. There is no change to the ARC’s Special Account flows, therefore Table 3.1.1 is not presented.

### 3.2 Budgeted financial statements

#### 3.2.1 Analysis of budgeted financial statements

The financial statements have been updated to reflect changes resulting from the new measures and variations as outlined in Tables 1.3 and 1.4.

The major changes for ARC since the Portfolio Budget Statements (PBS) 2015–16 are the Higher Education Reform delay; the National Innovation and Science Agenda for the ARC Linkage Grants reform and measuring research impact; and a movement of administered funds between financial years.

#### 3.2.2 Budgeted financial statements

Table 3.2.1: Comprehensive income statement (showing net cost of services) for the period ended 30 June

This table has been prepared in accordance with the Department of Finance ‘Guidance for the Preparation of the 2015-16 Portfolio Additional Estimates Statements’. All of the tables in these portfolio budget statements are available in spreadsheet form from www.data.gov.au or the department.

Prepared on Australian Accounting Standards basis.

(a) From 2010–11, the Government introduced net cash appropriation arrangements where Appropriation Act No. 1 or Bill No. 3 revenue appropriations for the depreciation/amortisation expenses of non-corporate Commonwealth entities were replaced with a separate capital budget (the Departmental Capital Budget, or DCB) provided through Appropriation Act No. 1 or Bill No. 3 equity appropriations. For information regarding DCBs, please refer to Table 3.2.5 Departmental Capital Budget Statement.

Table 3.2.2: Budgeted departmental balance sheet (as at 30 June)

This table has been prepared in accordance with the Department of Finance ‘Guidance for the Preparation of the 2015-16 Portfolio Additional Estimates Statements’. All of the tables in these portfolio budget statements are available in spreadsheet form from www.data.gov.au or the department.

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

Prepared on Australian Accounting Standards basis.

Table 3.2.3: Departmental statement of changes in equity — summary of movement (Budget Year 2015–16)

This table has been prepared in accordance with the Department of Finance ‘Guidance for the Preparation of the 2015-16 Portfolio Additional Estimates Statements’. All of the tables in these portfolio budget statements are available in spreadsheet form from www.data.gov.au or the department.

Prepared on Australian Accounting Standards basis.

Table 3.2.4: Budgeted departmental statement of cash flows (for the period ended 30 June)

This table has been prepared in accordance with the Department of Finance ‘Guidance for the Preparation of the 2015-16 Portfolio Additional Estimates Statements’. All of the tables in these portfolio budget statements are available in spreadsheet form from www.data.gov.au or the department.

Prepared on Australian Accounting Standards basis.

Table 3.2.5: Departmental capital budget statement (for the period ended 30 June)

This table has been prepared in accordance with the Department of Finance ‘Guidance for the Preparation of the 2015-16 Portfolio Additional Estimates Statements’. All of the tables in these portfolio budget statements are available in spreadsheet form from www.data.gov.au or the department.

Prepared on Australian Accounting Standards basis.

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

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

Table 3.2.6: Statement of asset movements (2015–16 Budget year)

This table has been prepared in accordance with the Department of Finance ‘Guidance for the Preparation of the 2015-16 Portfolio Additional Estimates Statements’. All of the tables in these portfolio budget statements are available in spreadsheet form from www.data.gov.au or the department.

Prepared on Australian Accounting Standards basis.

(a) "Appropriation equity" refers to equity injections or Administered Assets and Liabilities appropriations provided through Appropriation Act (No. 2) and Bill (No. 4) 2015–16, including CDABs.

Table 3.2.7: Schedule of budgeted income and expenses administered on behalf of Government (for the period ended 30 June)

This table has been prepared in accordance with the Department of Finance ‘Guidance for the Preparation of the 2015-16 Portfolio Additional Estimates Statements’. All of the tables in these portfolio budget statements are available in spreadsheet form from www.data.gov.au or the department.

Prepared on Australian Accounting Standards basis.

Table 3.2.8: Schedule of budgeted assets and liabilities administered on behalf of Government (as at 30 June)

This table has been prepared in accordance with the Department of Finance ‘Guidance for the Preparation of the 2015-16 Portfolio Additional Estimates Statements’. All of the tables in these portfolio budget statements are available in spreadsheet form from www.data.gov.au or the department.

Prepared on Australian Accounting Standards basis.

Table 3.2.9: Schedule of budgeted administered cash flows (for the period ended 30 June)

This table has been prepared in accordance with the Department of Finance ‘Guidance for the Preparation of the 2015-16 Portfolio Additional Estimates Statements’. All of the tables in these portfolio budget statements are available in spreadsheet form from www.data.gov.au or the department.

Prepared on Australian Accounting Standards basis.

1. This figure includes $520 million to fund the operations of Australian Synchrotron over 10 years and $294 million to fund the Square Kilometre Array (SKA) project (both projects to be administered by the Department of Innovation, Industry and Science). [↑](#footnote-ref-1)