

**Portfolio Budget Statements 2018–19  
Budget Related Paper No. 1.5**

Education and Training Portfolio

This document has been produced as an aid to accessing the information contained in [the Education and Training Portfolio Budget Statements 2018–19](https://www.education.gov.au/node/22346). Whilst the information contained is the same, it differs in format from the document tabled in Parliament at Budget (8 May 2018). Footnotes, page references and the presentation of tables may not exactly match the print friendly edition. [The financial tables are also available in excel format from data.gov.au](http://data.gov.au/).

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

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Coat of Arms


**Senator the Hon Simon Birmingham**

Minister for Education and Training

Manager of Government Business in the Senate

Senator for South Australia

Senator the Hon Scott Ryan  
President of the Senate  
Australian Senate  
Parliament House  
CANBERRA ACT 2600

The Hon Tony Smith MP  
Speaker  
House of Representatives  
Parliament House  
CANBERRA ACT 2600

Dear Mr President

Dear Mr Speaker

I hereby submit Portfolio Budget Statements in support of the 2018–19 Budget for the Education and Training 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

Signature of Simon Birmingham


**Simon Birmingham**

|  |  |
| --- | --- |
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Abbreviations and conventions

The following notation may be used:

NEC/nec not elsewhere classified

- nil

.. not zero, but rounded to zero

n/a not applicable (unless otherwise specified)

nfp not for publication

$m $ million

$b $ billion

tbc to be confirmed

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, Department of Education and Training on 1300 566 046.

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 2018–19 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. 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 PBS is to facilitate the understanding of proposed annual appropriations in Appropriation Bills (No. 1 and No. 2) 2018–19. In this sense, the PBS 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 PBS 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 PBS 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.

The diagram outlines the key components of the enhanced Commonwealth performance framework. The diagram identifies the content of each of the publications and defines the relationship between them. Portfolio Budget Statements are one of these publications. The key components are:
• Portfolio Budget Statements: released in May, they support Annual Appropriations, and inform Senators and Members of Parliament of the proposed allocation of other resources to government outcomes and programs.  They also provide links to relevant programs, provide high level performance information for current and ongoing programs, and provide detailed prospective performance information for proposed new budget measures that require a new program or significantly change an existing program.
• Corporate Plans: released in August, are the primary planning document of a Commonwealth entity. They set out the purposes of an entity, the activities it will undertake to achieve its purposes, and the results it expects to achieve over a minimum four year period. They also describe the environment in which the entity operates, the capability it requires to undertake its activities and a discussion of risk. An explanation of how an entity’s performance will be measured and assessed is also provided.
• Annual Performance Statements: released October the following year, report on the actual performance results for the year against the forecasts made in the corporate plan and Portfolio Budget Statements. They also provide an analysis of the factors that contributed to the entity’s performance results. 
Portfolio Budget Statements and corporate plans are released at the beginning of a reporting period (usually the financial year), while annual performance statements are released in annual reports at the end of the reporting period.


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Portfolio Overview

# Education and Training Portfolio Overview

Ministers and portfolio responsibilities

Through the Education and Training portfolio, the Australian Government takes a national leadership role in early childhood education and child care, preschool education, schooling, higher education and research, skills and training, and international education.

The Education and Training portfolio comprises the Department of Education and Training (the department) and the following entities (see Figure 1 on page 3):

* Australian Curriculum, Assessment and Reporting Authority
* Australian Institute for Teaching and School Leadership
* Australian Research Council
* Australian Skills Quality Authority
* Tertiary Education Quality and Standards Agency
* Australian National University.[[1]](#footnote-1)

The department and portfolio 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 all Australians.

Following the Prime Minister’s announcement on 12 February 2018, responsibility for the Australian Institute of Aboriginal and Torres Strait Islander Studies transferred from the Education and Training portfolio to the Prime Minister and Cabinet portfolio.

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

Figure 1: Education and Training portfolio structure and outcomes

| **Role in the Portfolio** | **Person or entity** |
| --- | --- |
| Portfolio Minister | **Senator the Hon Simon Birmingham**  Minister for Education and Training |
| Assistant Minister | **The Hon Karen Andrews MP**  Assistant Minister for Vocational Education and Skills |
| Portfolio Department | **Department of Education and Training**  Dr Michele Bruniges AM—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. |
| Portfolio Entity | **Australian Curriculum, Assessment and Reporting Authority**  Robert Randall—Chief Executive Officer  **Outcome:** Improved quality and consistency of school education in Australia through a national curriculum, national assessment, data collection, and performance reporting system. |
| Portfolio Entity | **Australian Institute for Teaching and School Leadership**  Lisa Rodgers—Chief Executive Officer  **Outcome:** Enhance the quality of teaching and school leadership through developing standards, recognising teaching excellence, providing professional development opportunities, and supporting the teaching profession. |
| Portfolio Entity | **Australian Research Council**  Professor Sue Thomas—Chief Executive Officer  **Outcome:** Growth of knowledge and innovation through managing research funding schemes, measuring research excellence and providing advice. |
| Portfolio Entity | **Australian Skills Quality Authority**  Mark Paterson AO—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. |
| Portfolio Entity | **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. |
| Entity | **Australian National University**  Professor Brian P. Schmidt AC—Vice-Chancellor, President and Chief Executive Officer |

# Entity resources and planned performance

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# Department of Education and Training

## Section 1: Entity overview and resources

### 1.1 Strategic direction statement

The Department of Education and Training’s purpose is maximising opportunity and prosperity through national leadership on education and training. The department pursues its purpose as the Australian Government's lead agency responsible for national policy and programs that create and strengthen access to quality early childhood education and child care, preschool education, schooling, skills and training, higher education and research, and international education.

The department’s priorities in 2018–19 include progressing the implementation of major reforms previously announced, as well as new 2018–19 Budget measures and priorities.

The Government’s new Child Care Package will be fully implemented in 2018–19:

* The Child Care Subsidy (CCS) will replace the Child Care Benefit and Child Care Rebate from 2 July 2018 and will be paid directly to child care services to reduce the fees that eligible families pay.
* The $1.2 billion Child Care Safety Net will ensure that vulnerable and disadvantaged children are supported through access to quality early learning and child care. This includes the Additional Child Care Subsidy, the Community Child Care Fund and the Inclusion Support Program.

The department is continuing its focus on ensuring the integrity of child care payments.

In the 2018–19 Budget, the Government is maintaining funding to the Australian Children’s Education and Care Quality Authority (ACECQA) for two years to support quality and drive continuous improvement in the sector.

The department is working collaboratively with states and territories to improve educational outcomes in Australian preschools. A further extension of the National Partnership on Universal Access to Early Childhood Education in the 2018–19 Budget will support preschool programs for a further calendar year (2019).

The Government’s Quality Schools reform package provides consistent, transparent and needs-based school funding arrangements. The department is working collaboratively with states and territories to develop and implement a new national schooling reform agreement, informed by the *Review to Achieve Educational Excellence in Australian Schools* and the *Independent Review into Regional, Rural and Remote Education*. The recommendations of these reviews aim to help lift student performance and maximise outcomes from the Australian Government’s record level of school funding.

Additional priorities in quality schooling in 2018–19 include:

* A High Achieving Teachers Program, which will increase the number and availability of quality teachers in Australian secondary schools by funding programs that offer alternative pathways into teaching.
* An extension of the Early Learning Languages Australia (ELLA) program (until 30 June 2021). ELLA will continue to be available for preschool services and will be expanded through a trial in schools for Foundation to Year 2 students.
* An extension of the National School Chaplaincy Programme to support the wellbeing of students and school communities through the provision of pastoral care and other support services.

The Government is committed to a sustainable, transparent and accountable Australian higher education system that delivers the best outcomes for students. The department is progressing implementation of the higher education measures announced in the   
2017–18 Mid-Year Economic and Fiscal Outlook to help secure the long-term sustainability of the higher education system. In addition, as announced in the 2018–19 Budget:

* The Government has responded to the *Independent Review into Regional, Rural and Remote Education* by committing $28 million to expand the availability of sub‑bachelor and enabling places in regional areas, and $14 million for additional Commonwealth-supported bachelor places in regional study hubs, providing 185 additional places annually from 1 January 2019, growing to around 500 places by 2022.
* New charges on higher education providers from 1 January 2019 will maintain the affordability of the Higher Education Loan Program (HELP), including a flat-rate application fee to apply to offer FEE-HELP loans and an annual charge applied to all HECS-HELP and FEE-HELP approved higher education course providers.

The Government is strengthening Australia’s research system and its ability to improve the lives of Australians by announcing the Research Infrastructure Investment Plan (RIIP) and investing an additional $1.9 billion (over 12 years) in the National Collaborative Research Infrastructure Strategy (NCRIS) to direct investment into priority areas.

The Government is committed to working in partnership with state and territory governments to create an effective and efficient skills and training system. This commitment includes the Skilling Australians Fund that will support increasing in apprenticeships and traineeships, including through a national partnership agreement.

The Government has decided that the Unique Student Identifiers function will move from Canberra to Adelaide, with the relocation to commence in 2019. This is part of the Government’s decentralisation of the Australian Public Service.

For further information on the resourcing impact of the Budget and other measures, refer to *Table 1.2: Department of Education and Training 2018–19 Budget measures* on page 16 and *Table 1.1: Department of Education and Training 2017–18 supplementary additional estimates measures* in the Education and Training Portfolio Supplementary Additional Estimates Statements 2017–18, published separately.

### 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 Education and Training resource statement — Budget estimates for 2018–19 as at Budget May 2018

|  | *2017–18 Estimated actual  $'000* | 2018–19 Estimate  $'000 |
| --- | --- | --- |
| **Departmental** |  |  |
| Annual appropriations - ordinary annual services (a) |  |  |
| Prior year appropriations available (b) | *56,612* | - |
| Departmental appropriation (c) | *356,479* | 344,269 |
| s74 Retained revenue receipts (d) | *14,070* | 12,027 |
| Departmental capital budget (e) | *10,187* | 22,671 |
| Annual appropriations - other services - non-operating (f) |  |  |
| Prior year appropriations available (b) | *6,716* | - |
| Equity injection | *15,779* | 8,519 |
| Total departmental annual appropriations | *459,843* | 387,486 |
| Special accounts (g) |  |  |
| Opening balance | *4,089* | 4,089 |
| Appropriation receipts (h) | *-* | - |
| Non-appropriation receipts | *1,721* | 6,281 |
| *Total special accounts* | *5,810* | 10,370 |
| *less departmental appropriations drawn from annual/special  appropriations and credited to special accounts* | *-* | - |
| ***Total departmental resourcing*** | ***465,653*** | **397,856** |
| **Administered** |  |  |
| Annual appropriations - ordinary annual services (a) |  |  |
| Prior year appropriations available | *-* | - |
| Outcome 1 | *479,002* | 469,678 |
| Outcome 2 | *1,431,822* | 1,344,495 |
| Payments to corporate entities (i) | *16,318* | - |
| Annual appropriations - other services - specific payments to  States, ACT, NT and local government (f) |  |  |
| Prior year appropriations available | *-* | - |
| Outcome 1 (j) | *40,221* | 62,514 |
| Total administered annual appropriations | *1,967,363* | 1,876,687 |
| Total administered special appropriations | *42,284,335* | 44,560,746 |
| Special accounts (g) |  |  |
| Opening balance | *83,215* | 68,579 |
| Appropriation receipts (h) | *5,249* | 9,151 |
| Non-appropriation receipts | *13,144* | 9,623 |
| *Total special account receipts* | *101,608* | 87,353 |
| *less administered appropriations drawn from annual/special  appropriations and credited to special accounts* | *5,249* | 9,151 |
| *less payments to corporate entities from annual/special  appropriations* | *16,318* | - |
| **Total administered resourcing** | ***44,331,739*** | **46,515,635** |
| **Total resourcing for the Department of Education and Training** | ***44,797,392*** | **46,913,491** |

|  |  |  |
| --- | --- | --- |
|  | *2017–18* | 2018–19 |
| **Average staffing level (number)** | *1,817* | 1,759 |

Third party payments from and on behalf of other entities

|  |  |  |
| --- | --- | --- |
|  | *2017–18 Estimated actual  $'000* | 2018–19 Estimate  $'000 |
| Payments made by other entities on behalf of Education and Training (disclosed above) |  |  |
| Department of Human Services (k) | *1,332,910* | 7,928,652 |
| Payments made to other entities for the provision of services  (disclosed above) |  |  |
| Department of Social Services | *6,709* | 6,709 |
| Receipts received from other entities for the provision of  services (disclosed above in s74 Retained revenue receipts  section above) |  |  |
| Department of Human Services | *4,000* | - |
| Payments made to corporate entities within the Portfolio |  |  |
| Australian Curriculum, Assessment and Reporting Authority   (Annual Appropriation Bill No.1) (l) | *15,291* | 15,216 |
| Australian Institute for Teaching and School Leadership   (Annual Appropriation Bill No.1) (l) | *12,661* | 11,761 |

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

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

(a) Appropriation Bill (No. 1) 2018–19.

(b) Excludes amounts in Appropriation Bills No. 5, which is yet to receive Royal Assent - for further information, please see Education and Training 2017–18 Portfolio Supplementary Additional Estimates Statements.

(c) Excludes departmental capital budget (DCB).

(d) Estimated retained revenue receipts under s74 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'.

(f) Appropriation Bill (No. 2) 2018–19.

(g) Excludes trust money and ‘other CRF 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 Moneys 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 and program expenses broken down by various funding sources, e.g. annual appropriations, special appropriations and special accounts.

(h) Amounts credited to the special accounts from Education and Training’s annual and special appropriations.

(i) 'Corporate entities' are corporate Commonwealth entities and Commonwealth companies as defined under the PGPA Act. For the Australian Institute of Aboriginal and Torres Strait Islander Studies only a part year effect is shown, as it was transferred to Prime Minister and Cabinet Portfolio as part of an Administrative Arrangement Order on 19 April 2018.

(j) For the 2018–19 Portfolio Budget Statements, the Government has committed funding for Quality Schools. This includes $62.514 million for payments to states and territories in Appropriation Bill (No. 2), 2018–19 Outcome 1, for Program 1.5 - Additional Support for Northern Territory Schools ($4.987 million), for Program 1.6 - Adjustment Assistance ($12.172 million), Non-Government Representative Bodies ($41.794 million), Special Circumstances funding ($1.561 million) and for Program 1.7 - Literacy Support for Tasmanian Students ($2.000 million). The distribution of the funding under 1.6 - Non-Government Representative Bodies is based on advice from the Independent Schools Council of Australia and the National Catholic Education Commission. The distribution of Program 1.6 - Adjustment Assistance will be determined following consideration of applications from eligible schools for national adjustment assistance funding and based on advice from the ACT Catholic system and ACT Association of Independent Schools for assistance to the ACT non-government sector. Funding under Program 1.6 - Special Circumstances funding is funding for short term emergency assistance and is determined following consideration of applications from schools as events occur. Funding under Program 1.6 - Additional Support for Northern Territory Schools is for Northern Territory only. Funding under Program 1.7 - Literacy Support for Tasmanian Students is for Tasmania only.

(k) 2018–19 reflects the payment arrangements that will apply under the new Child Care Package commencing on 2 July 2018. The new Child Care Subsidy will be paid directly to child care services by the Department of Human Services. Services will pass on the benefit to families in the form of a fee reduction. Families will be required to make a co-contribution, which will be the difference between the fee charged and the subsidy amount.

(l) Paid by a grant from Outcome 1 annual appropriations.

### 1.3 Budget measures

Budget measures in Part 1 relating to the Department of Education and Training are detailed in Budget Paper No. 2 and are summarised below.

Table 1.2: Department of Education and Training 2018–19 Budget measures

Part 1: Measures announced since the 2017–18 Mid-Year Economic and Fiscal Outlook (MYEFO)

|  | Program | 2017–18 $'000 | 2018–19 $'000 | 2019–20 $'000 | 2020–21 $'000 | 2021–22 $'000 |
| --- | --- | --- | --- | --- | --- | --- |
| **Revenue measures** |  |  |  |  |  |  |
| Combined Lifetime Limit for Tuition Fee Assistance — amendment | 2.4 |  |  |  |  |  |
| Administered revenues |  | - | 230 | 681 | 1,142 | 2,038 |
| Departmental revenues |  | - | - | - | - | - |
| **Total** |  | **-** | **230** | **681** | **1,142** | **2,038** |
| Higher Education Loan Program — partial cost recovery | 2.4 |  |  |  |  |  |
| Administered revenues |  | - | 31 | 9,806 | 10,230 | 10,665 |
| Departmental revenues |  | - | - | - | - | - |
| **Total** |  | **-** | **31** | **9,806** | **10,230** | **10,665** |
| Investment in Regional University Campuses — additional study places | 2.4 |  |  |  |  |  |
| Administered revenues |  | - | 31 | 159 | 328 | 622 |
| Departmental revenues |  | - | - | - | - | - |
| **Total** |  | **-** | **31** | **159** | **328** | **622** |
| Response to the Independent Review into Regional, Rural and Remote Education — additional support for students (a) | 2.4 |  |  |  |  |  |
| Administered revenues |  | - | - | 74 | 254 | 573 |
| Departmental revenues |  | - | - | - | - | - |
| **Total** |  | **-** | **-** | **74** | **254** | **573** |
| **Total revenue measures** |  |  |  |  |  |  |
| Administered |  | - | 292 | 10,720 | 11,954 | 13,898 |
| Departmental |  | - | - | - | - | - |
| **Total** |  | **-** | **292** | **10,720** | **11,954** | **13,898** |
| **Expense measures** |  |  |  |  |  |  |
| Delivering Australia's Digital Future — data sharing and release arrangements | All |  |  |  |  |  |
| Administered expenses |  | - | - | - | - | - |
| Departmental expenses |  | - | (415) | (355) | (342) | (345) |
| **Total** |  | **-** | **(415)** | **(355)** | **(342)** | **(345)** |
| Child Care Early Learning Projects — efficiencies | 1.1 |  |  |  |  |  |
| Administered expenses |  | - | - | (2,000) | (2,000) | (2,000) |
| Departmental expenses |  | - | - | - | - | - |
| **Total** |  | **-** | **-** | **(2,000)** | **(2,000)** | **(2,000)** |
| Australian Children's Education and Care Quality Authority — additional funding(b) | 1.1 |  |  |  |  |  |
| Administered expenses |  | - | - | - | - | - |
| Departmental expenses |  | - | - | - | - | - |
| **Total** |  | **-** | **-** | **-** | **-** | **-** |
| Non-Government Reform Support Fund — additional funding (c) | 1.6, 1.7 |  |  |  |  |  |
| Administered expenses |  | - | 1,000 | - | - | (958) |
| Departmental expenses |  | - | - | - | - | - |
| **Total** |  | **-** | **1,000** | **-** | **-** | **(958)** |
| National School Chaplaincy Programme — continuation (d) | 1.7 |  |  |  |  |  |
| Administered expenses |  | - | - | - | - | - |
| Departmental expenses |  | - | 303 | 303 | 305 | 307 |
| **Total** |  | **-** | **303** | **303** | **305** | **307** |
| National Partnership Agreement on Universal Access to Early Childhood Education — extension (b) (d) | 1.7 |  |  |  |  |  |
| Administered expenses |  | - | - | - | - | - |
| Departmental expenses |  | - | - | - | - | - |
| **Total** |  | **-** | **-** | **-** | **-** | **-** |
| Quality Schools — communication campaign (c) | 1.7 |  |  |  |  |  |
| Administered expenses |  | - | 2,350 | - | - | - |
| Departmental expenses |  | - | - | - | - | - |
| **Total** |  | **-** | **2,350** | **-** | **-** | **-** |
| Early Learning Languages Australia — expansion | 1.7 |  |  |  |  |  |
| Administered expenses |  | - | 4,177 | 5,021 | 1,470 | - |
| Departmental expenses |  | - | 559 | 419 | 141 | - |
| **Total** |  | **-** | **4,736** | **5,440** | **1,611** | **-** |
| High Achieving Teachers Program (e) | 1.7 |  |  |  |  |  |
| Administered expenses |  | nfp | nfp | nfp | nfp | nfp |
| Departmental expenses |  | nfp | nfp | nfp | nfp | nfp |
| **Total** |  | **nfp** | **nfp** | **nfp** | **nfp** | **nfp** |
| Australian Technology and Science Growth Plan — building Australia's Artificial Intelligence capability to support business (f) | 1.7 |  |  |  |  |  |
| Administered expenses |  | - | 220 | 310 | 350 | 300 |
| Departmental expenses |  | - | 78 | 78 | 79 | 79 |
| **Total** |  | **-** | **298** | **388** | **429** | **379** |
| IT System to Support VET Student Loans — implementation (g) | 2 |  |  |  |  |  |
| Administered expenses |  | - | - | - | - | - |
| Departmental expenses |  | - | 3,550 | 5,157 | 1,696 | (1,178) |
| **Total** |  | **-** | **3,550** | **5,157** | **1,696** | **(1,178)** |
| Delivering Australia's Digital Future — Welfare Payment Infrastructure Transformation — Tranche Three | 2 |  |  |  |  |  |
| Administered expenses |  | - | - | - | - | - |
| Departmental expenses |  | - | 1,768 | - | - | - |
| **Total** |  | **-** | **1,768** | **-** | **-** | **-** |
| Education Services for Overseas Students - review of the annual registration charge | 2 |  |  |  |  |  |
| Administered expenses |  | - | - | - | - | - |
| Departmental expenses |  | - | - | - | - | - |
| **Total** |  | **-** | **-** | **-** | **-** | **-** |
| Combined Lifetime Limit for Tuition Fee Assistance — amendment | 2.4 |  |  |  |  |  |
| Administered expenses |  | - | 409 | 812 | 832 | 900 |
| Departmental expenses |  | - | 619 | 1,080 | 1,163 | 1,107 |
| **Total** |  | **-** | **1,028** | **1,892** | **1,995** | **2,007** |
| Investment in Regional University Campuses — additional study places | 2.1, 2.4 |  |  |  |  |  |
| Administered expenses |  | 2,546 | 8,575 | 20,544 | 37,888 | 55,170 |
| Departmental expenses |  | - | - | - | - | - |
| **Total** |  | **2,546** | **8,575** | **20,544** | **37,888** | **55,170** |
| Response to the Independent Review into Regional, Rural and Remote Education — additional support for students (a) | 2.1, 2.4 |  |  |  |  |  |
| Administered expenses |  | - | 4,327 | 10,621 | 13,364 | 14,780 |
| Departmental expenses |  | - | - | - | - | - |
| **Total** |  | **-** | **4,327** | **10,621** | **13,364** | **14,780** |
| National Research Infrastructure Investment Plan - implementation of Government response (c) | 2.6 |  |  |  |  |  |
| Administered expenses |  | - | 5,454 | 25,628 | 76,392 | 86,648 |
| Departmental expenses |  | - | - | - | - | - |
| **Total** |  | **-** | **5,454** | **25,628** | **76,392** | **86,648** |
| Endeavour Leadership Program — efficiencies | 2.7 |  |  |  |  |  |
| Administered expenses |  | - | (8,391) | (16,418) | (18,494) | (24,578) |
| Departmental expenses |  | - | 445 | 551 | 555 | 566 |
| **Total** |  | **-** | **(7,946)** | **(15,867)** | **(17,939)** | **(24,012)** |
| Industry Workforce Training program — efficiencies | 2.8 |  |  |  |  |  |
| Administered expenses |  | - | (4,009) | (5,497) | (5,843) | (5,929) |
| Departmental expenses |  | - | - | - | - | - |
| **Total** |  | **-** | **(4,009)** | **(5,497)** | **(5,843)** | **(5,929)** |
| National Training System — Commonwealth Own Purpose Expenses program — efficiencies | 2.8 |  |  |  |  |  |
| Administered expenses |  | - | (1,067) | (2,075) | (1,884) | (3,219) |
| Departmental expenses |  | - | - | - | - | - |
| **Total** |  | **-** | **(1,067)** | **(2,075)** | **(1,884)** | **(3,219)** |
| Unique Student Identifier Initiative — additional funding | 2.8 |  |  |  |  |  |
| Administered expenses |  | - | - | - | - | - |
| Departmental expenses |  | - | - | - | - | - |
| **Total** |  | **-** | **-** | **-** | **-** | **-** |
| More Choices for a Longer Life ─ skills checkpoint for older workers program ─ establishment | 2.8 |  |  |  |  |  |
| Administered expenses |  | - | 3,875 | 3,929 | 3,988 | 4,044 |
| Departmental expenses |  | - | 475 | 344 | 346 | 348 |
| **Total** |  | **-** | **4,350** | **4,273** | **4,334** | **4,392** |
| Trades Recognition Australia — additional funding | 2.8 |  |  |  |  |  |
| Administered expenses |  | - | - | - | - | - |
| Departmental expenses |  | - | - | - | - | - |
| **Total** |  | **-** | **-** | **-** | **-** | **-** |
| VET Student Loans Ombudsman — additional resources (h) | 2.8 |  |  |  |  |  |
| Administered expenses |  | - | - | - | - | - |
| Departmental expenses |  | - | - | - | - | - |
| **Total** |  | **-** | **-** | **-** | **-** | **-** |
| Adult Migrant English Program- aligning access for migrants aged under 18 years | 2.8 |  |  |  |  |  |
| Administered expenses |  | - | - | - | - | - |
| Departmental expenses |  | - | - | - | - | - |
| **Total** |  | **-** | **-** | **-** | **-** | **-** |
| Managing the Skilling Australians Fund — revised implementation  arrangements (i) | 2.8 |  |  |  |  |  |
| Administered expenses |  | - | - | - | - | - |
| Departmental expenses |  | - | - | - | - | - |
| **Total** |  | **-** | **-** | **-** | **-** | **-** |
| **Total expense measures** |  |  |  |  |  |  |
| Administered |  | 2,546 | 16,920 | 40,875 | 106,063 | 125,158 |
| Departmental |  | - | 7,382 | 7,577 | 3,943 | 884 |
| **Total** |  | **2,546** | **24,302** | **48,452** | **110,006** | **126,042** |
| **Capital measures** |  |  |  |  |  |  |
| Trades Recognition Australia — additional funding | 2 |  |  |  |  |  |
| Administered capital |  | - | - | - | - | - |
| Departmental capital |  | - | 1,180 | - | - | - |
| **Total** |  | **-** | **1,180** | **-** | **-** | **-** |
| Combined Lifetime Limit for Tuition Fee Assistance — amendment | 2.4 |  |  |  |  |  |
| Administered capital |  | - | - | - | - | - |
| Departmental capital |  | - | 280 | - | 608 | - |
| **Total** |  | **-** | **280** | **-** | **608** | **-** |
| Endeavour Leadership Program — efficiencies | 2.7 |  |  |  |  |  |
| Administered capital |  | - | - | - | - | - |
| Departmental capital |  | - | 700 | 701 | 705 | 709 |
| **Total** |  | **-** | **700** | **701** | **705** | **709** |
| **Total capital measures** |  |  |  |  |  |  |
| Administered |  | - | - | - | - | - |
| Departmental |  | - | 2,160 | 701 | 1,313 | 709 |
| **Total** |  | **-** | **2,160** | **701** | **1,313** | **709** |

Prepared on a Government Finance Statistics (fiscal) basis. Figures displayed in brackets are negative and represent a decrease in funds. Non-bracketed figures are positive and represent an increase in funds.

(a) This measure has financial impacts for the Department of Social Services and Department of Human Services. Refer to the Social Services and Human Services 2018–19 Portfolio Budget Statements respectively.

(b) This measure is reported as having a nil financial impact in the 2018–19 Budget Paper No. 2 as the funding has already been provided for by the Government.

(c) Refer to the Education and Training 2017–18 Portfolio Supplementary Additional Estimates Statements for the 2017–18 financial year impact and to the 2018–19 Budget Paper No. 2 for the full measure impact.

(d) The Department of the Treasury will administered payments to states and territories for this measure. Refer to the Treasury 2018–19 Portfolio Budget Statements.

(e) The financial impact is not for publication (nfp).

(f) The lead entity for Australian Technology and Science Growth Plan — building Australia's Artificial Intelligence capability to support business is the Department of Industry, Innovation and Science. The full measure description and package details appear in the 2018–19 Budget Paper No. 2 under the Industry, Innovation and Science portfolio.

(g) This measure has financial impacts for the Department of Human Services. Refer to the Human Services 2018–19 Portfolio Budget Statements.

(h) This measure has financial impacts for the Office of the Commonwealth Ombudsman. Refer to the Prime Minister and Cabinet 2018–19 Portfolio Budget Statements.

(i) This measure has financial impacts for the Department of the Treasury. Refer to the Treasury 2018–19 Portfolio Budget Statements.

## 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. Detailed information on expenses for each outcome and program is also provided, 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 Education and Training can be found at: [education.gov.au/corporate-plan](https://www.education.gov.au/corporate-plan)

The most recent annual performance statement can be found in the Department of Education and Training Annual Report at: [education.gov.au/annual-reports](https://www.education.gov.au/annual-reports)

### 2.1 Budgeted expenses and performance for Outcome 1

| 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. |
| --- |

#### Programs contributing to Outcome 1

* Program 1.1: Support for the Child Care System
* Program 1.2: Child Care Benefit
* Program 1.3: Child Care Rebate
* Program 1.4: Child Care Subsidy
* Program 1.5: Government Schools National Support
* Program 1.6: Non-Government Schools National Support
* Program 1.7: Early Learning and Schools Support

The previously published ‘Program 1.8: Youth Support’ has ceased and does not appear in these Portfolio Budget Statements.

#### Linked programs

##### Department of Human Services

###### Programs

Program 1.1 - Services to the Community - Social Security and Welfare

###### Contribution to Outcome 1 made by linked programs

The linked program contributes to Outcome 1 by administering child care payments to eligible families.

##### Department of the Prime Minister and Cabinet

###### Programs

Program 2.1 - Jobs, Land and Economy

Program 2.2 - Children and Schooling

###### Contribution to Outcome 1 made by linked programs

The linked programs contributes to Outcome 1 by supporting school attendance, improved educational outcomes and access to further education, training and employment for Indigenous students.

##### Department of the Treasury

###### Programs

Program 1.9 - National Partnership Payments to the States

###### Contribution to Outcome 1 made by linked programs

The linked program contributes to Outcome 1 by making National Partnership Payments to the States.

##### 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: 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.**

|  | 2017–18 Estimated actual $'000 | 2018–19 Budget  $'000 | 2019–20 Forward estimate $'000 | 2020–21 Forward estimate $'000 | 2021–22 Forward estimate $'000 |
| --- | --- | --- | --- | --- | --- |
| **Program 1.1: Support for the Child Care System** |  |  |  |  |  |
| Administered expenses |  |  |  |  |  |
| Ordinary annual services  (Appropriation Bill No. 1) | 354,082 | 339,737 | 342,216 | 340,770 | 348,101 |
| **Total expenses for program 1.1** | **354,082** | **339,737** | **342,216** | **340,770** | **348,101** |
| **Program 1.2: Child Care Benefit** |  |  |  |  |  |
| Administered expenses |  |  |  |  |  |
| Special appropriations |  |  |  |  |  |
| *A New Tax System (Family   Assistance) (Administration)  Act 1999* | 3,418,101 | - | - | - | - |
| **Total expenses for program 1.2** | **3,418,101** | **-** | **-** | **-** | **-** |
| **Program 1.3: Child Care Rebate** |  |  |  |  |  |
| Special appropriations |  |  |  |  |  |
| *A New Tax System (Family   Assistance) (Administration)  Act 1999* | 3,764,078 | - | - | - | - |
| **Total expenses for program 1.3** | **3,764,078** | **-** | **-** | **-** | **-** |
| **Program 1.4: Child Care Subsidy** |  |  |  |  |  |
| Special appropriations |  |  |  |  |  |
| *A New Tax System (Family   Assistance) (Administration)  Act 1999* | - | 7,999,545 | 8,679,449 | 9,025,259 | 9,533,537 |
| **Total expenses for program 1.4** | **-** | **7,999,545** | **8,679,449** | **9,025,259** | **9,533,537** |
| **Program 1.5: Government Schools National Support** |  |  |  |  |  |
| Administered expenses |  |  |  |  |  |
| Other services (Appropriation  Bill No. 2) | 1,629 | 4,987 | 8,575 | 12,804 | 14,242 |
| Special appropriations |  |  |  |  |  |
| *Australian Education Act 2013* | 7,115,876 | 7,681,910 | 8,334,570 | 9,023,681 | 9,714,774 |
| **Total expenses for program 1.5** | **7,117,505** | **7,686,897** | **8,343,145** | **9,036,485** | **9,729,016** |
| **Program 1.6: Non-Government Schools National Support** |  |  |  |  |  |
| Administered expenses |  |  |  |  |  |
| Other services (Appropriation  Bill No. 2) | 37,592 | 55,527 | 54,214 | 55,057 | 53,829 |
| Special appropriations |  |  |  |  |  |
| *Australian Education Act 2013* | 11,191,698 | 11,773,654 | 12,398,605 | 13,090,270 | 13,766,736 |
| **Total expenses for program 1.6** | **11,229,290** | **11,829,181** | **12,452,819** | **13,145,327** | **13,820,565** |
| **Program 1.7: Early Learning and Schools Support** |  |  |  |  |  |
| Administered expenses |  |  |  |  |  |
| Ordinary annual services  (Appropriation Bill No. 1) | 125,736 | 129,941 | 113,953 | 83,630 | 72,944 |
| Other services (Appropriation  Bill No. 2) | 1,000 | 2,000 | 2,000 | 2,000 | 2,000 |
| Special accounts |  |  |  |  |  |
| SOETM - Students with Disabilities | 578 | - | - | - | - |
| **Total expenses for program 1.7** | **127,314** | **131,941** | **115,953** | **85,630** | **74,944** |
| **Outcome 1 Totals by appropriation type** |  |  |  |  |  |
| Administered expenses |  |  |  |  |  |
| Ordinary annual services  (Appropriation Bill No. 1) | 479,818 | 469,678 | 456,169 | 424,400 | 421,045 |
| Other services (Appropriation  Bill No. 2) | 40,221 | 62,514 | 64,789 | 69,861 | 70,071 |
| Special appropriations | 25,489,753 | 27,455,109 | 29,412,624 | 31,139,210 | 33,015,047 |
| Special accounts | 578 | - | - | - | - |
| **Administered total** | **26,010,370** | **27,987,301** | **29,933,582** | **31,633,471** | **33,506,163** |
| Departmental expenses |  |  |  |  |  |
| Departmental appropriation | 173,440 | 168,914 | 154,582 | 145,932 | 146,274 |
| s74 Retained revenue receipts (a) | 6,415 | 5,532 | 5,532 | 5,532 | 5,532 |
| Expenses not requiring  appropriation in the Budget  year (b) | 13,259 | 13,466 | 13,778 | 14,988 | 14,988 |
| **Departmental total** | 193,114 | 187,912 | 173,892 | 166,452 | 166,794 |
| **Total expenses for Outcome 1** | **26,203,484** | **28,175,213** | **30,107,474** | **31,799,923** | **33,672,957** |
| Outcome 1: |  |  |  |  |  |
| Program 1.7 Early Learning and   Schools Support | - | 2,000 | (2,000) | - | - |
| **Total movement of  administered funds** | **(1,200)** | **3,200** | **(2,000)** | **-** | **-** |

|  |  |  |
| --- | --- | --- |
|  | 2017–18 | 2018–19 |
| **Average staffing level (number)** | 890 | 862 |

(a) Estimated expenses incurred in relation to receipts retained under s74 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.

(c) Figures displayed in brackets are negative and represent a decrease in funds. Non-bracketed figures are positive and represent an increase in funds.

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

#### Performance criteria for Outcome 1

This section details the performance criteria for each program associated with Outcome 1. It also summarises how each program is delivered and where 2018–19 Budget measures have created new programs or materially changed existing programs.

| 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. |
| --- |

##### Program 1.1: Support for the Child Care System

| Item | Description |
| --- | --- |
| Objective | The program helps families to participate in the social and economic life of the community by promoting and supporting quality and affordable child care, and assisting services to improve access and inclusion for vulnerable or disadvantaged children and families, including children with disabilities and their families. |
| Delivery | Support for the Child Care System incorporates a number of activities and payment types that are tailored to different types of child care in different circumstances to meet the above objective. From 2 July 2018, funding will be provided directly to child care services on behalf of eligible recipients.  In 2018–19, the department will be focussed on the delivery of new child care arrangements, including the Child Care Safety Net, which involves:  grant funding under the Community Child Care Fund, Connected Beginnings and Inclusion Support Programme, and  payment of the Additional Child Care Subsidy, a top up payment to eligible recipients of Child Care Subsidy. |
| Purpose | Department of Education and Training Corporate Plan 2017–18:  Maximising opportunity and prosperity through national leadership on education and training. |

Measures impacting program 1.1:

Child Care Early Learning Projects — efficiencies

Australian Children's Education and Care Quality Authority — additional funding

###### Performance information 1.1 Support for the Child Care System

| Year | Performance criteria | Expected achievement |
| --- | --- | --- |
| 2017–18 | Prepare child care services and families to transition to new arrangements that apply from 2 July 2018, including launching the first round of the Community Child Care Fund and assisting services to reduce access barriers particularly in disadvantaged, regional and remote communities. | Services and families will have successfully transitioned to the new child care arrangements.  Closure plans have been implemented for the Community Support Program and the Budget Based Funded program, which ceases on 30 June 2018.  Budget Based Funded services that do not primarily deliver child care have been supported to transition to alternative administrative arrangements which will commence on 2 July 2018. The remaining services will transition to the new child care arrangements, including access to the Child Care Subsidy, Additional Child Care Subsidy and the Community Child Care Fund.  Community Child Care Fund grant agreements for successful funding recipients will be executed by 30 June 2018 to enable payments to be made from 2 July 2018. |
|  |  | Eligible families will be transitioned to the Additional Child Care Subsidy for 2 July 2018. |
|  | Provide support for child care services and families so that more children access quality child care and early learning services. | Inclusion Support Programme continued to build the capacity and capability of child care services to include children with additional needs. |
|  |  | The review of the existing In Home Care and evaluation of the Interim Home Based Carer Subsidy Programme were completed and published on the department’s website.  The policy and program design for the reset In Home Care service type takes into account the outcomes of the reviews. The program guidelines have been published and the revised program will be implemented by 2 July 2018. |
|  |  | The proportion of children attending child care has been maintained in priority groups:[[2]](#footnote-2) |
|  |  | 3% of Indigenous children |
|  |  | 22% of children from culturally and linguistically diverse backgrounds |
|  |  | 3% of children with disabilities. |

| **Year** | **Performance criteria** | Target |
| --- | --- | --- |
| 2018–19 | Child care support is targeted to vulnerable and disadvantaged families and communities. | 100% of the Child Care Safety Net supports vulnerable and disadvantaged families and communities. |
| 2019–20 and beyond | As per 2018–19. | As per 2018–19. |

###### Program expenses 1.1 Support for the Child Care System

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2017–18 Estimated actual $'000 | 2018–19 Budget  $'000 | 2019–20 Forward estimate $'000 | 2020–21 Forward estimate $'000 | 2021–22 Forward estimate $'000 |
| Annual administered expenses: |  |  |  |  |  |
| Ordinary annual services  (Appropriation Bill No. 1) |  |  |  |  |  |
| Child Care Services Support | 301,880 | 339,650 | 342,216 | 340,770 | 348,101 |
| Jobs Education and Training, Child   Care Fee Assistance (JETCCFA) | 36,335 | - | - | - | - |
| Child Care Subsidy   Communications Campaign | 15,867 | 87 | - | - | - |
| **Total expenses for program 1.1** | **354,082** | **339,737** | **342,216** | **340,770** | **348,101** |

##### Program 1.2: Child Care Benefit

| Item | Description |
| --- | --- |
| Objective | Child Care Benefit (CCB) reduces the cost barrier for families to access quality and flexible child care services. |
| Delivery | CCB funding is delivered through the Department of Human Services. CCB is usually paid directly to approved child care services to reduce the fees that eligible families pay.  CCB is income tested with the level of support dependent on family income, the number of children in care, the hours of care, and the type of child care used. Low income families receive the highest rate of CCB.  CCB will cease on 1 July 2018 and Child Care Subsidy will commence on 2 July 2018. |
| Purpose | Department of Education and Training Corporate Plan 2017–18:  Maximising opportunity and prosperity through national leadership on education and training. |

###### Performance information 1.2: Child Care Benefit

| Year | Performance criteria | Expected achievement |
| --- | --- | --- |
| 2017–18 | Ensure accurate, efficient and effective management of child care fee assistance. | Expected that at least 90% of child care payments to all services are accurate.[[3]](#footnote-3) |

###### Program expenses 1.2 Child Care Benefit

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2017–18 Estimated actual $'000 | 2018–19 Budget  $'000 | 2019–20 Forward estimate $'000 | 2020–21 Forward estimate $'000 | 2021–22 Forward estimate $'000 |
| Annual administered expenses: |  |  |  |  |  |
| Special appropriations: |  |  |  |  |  |
| *A New Tax System   (Family Assistance)   (Administration) Act 1999* | 3,418,101 | - | - | - | - |
| **Total expenses for program 1.2** | **3,418,101** | **-** | **-** | **-** | **-** |

##### Program 1.3: Child Care Rebate

| Item | Description |
| --- | --- |
| Objective | Child Care Rebate (CCR) aims to reduce the cost barrier for families to access quality and flexible child care services by providing additional financial assistance. |
| Delivery | CCR funding is delivered through the Department of Human Services. CCR may be paid fortnightly to approved child care services to reduce the fees that eligible families pay.  CCR is not income tested so working families using approved child care can receive this assistance regardless of their income. CCR assists families to cover up to 50 per cent of out-of-pocket approved child care expenses, after Child Care Benefit (CCB) has been received, up to a maximum limit of $7613 per child, per year.  CCR will cease on 1 July 2018 and Child Care Subsidy will commence on 2 July 2018. |
| Purpose | Department of Education and Training Corporate Plan 2017–18:  Maximising opportunity and prosperity through national leadership on education and training. |

###### Performance information 1.3 Child Care Rebate

| Year | Performance criteria | Expected achievement |
| --- | --- | --- |
| 2017–18 | Ensure accurate, efficient and effective management of child care fee assistance. | Expected that at least 90% of child care payments to all services are accurate.[[4]](#footnote-4) |

###### Program expenses 1.3 Child Care Rebate

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2017–18 Estimated actual $'000 | 2018–19 Budget  $'000 | 2019–20 Forward estimate $'000 | 2020–21 Forward estimate $'000 | 2021–22 Forward estimate $'000 |
| Annual administered expenses: |  |  |  |  |  |
| Special appropriations: |  |  |  |  |  |
| *A New Tax System   (Family Assistance)   (Administration) Act 1999* | 3,764,078 | - | - | - | - |
| **Total expenses for program 1.3** | **3,764,078** | **-** | **-** | **-** | **-** |

##### Program 1.4: Child Care Subsidy

| Item | Description |
| --- | --- |
| Objective | The Child Care Subsidy(CCS) aims to improve access to quality child care by providing assistance to meet the cost of child care for families engaged in work, training, study or other recognised activity. |
| Delivery | CCS will replace the Child Care Benefit and Child Care Rebate from 2 July 2018. CCS will be paid directly to services through the Department of Human Services, to reduce the fees that eligible families pay.  The rate of subsidy to which a family will be entitled will be based on family income. The number of subsidised hours per fortnight will be determined by families’ level of work, training, study or other recognised activity (which can be combined). For families earning $186,958 or less an annual subsidy cap will no longer apply. |
| Purpose | Department of Education and Training Corporate Plan 2017–18:  Maximising opportunity and prosperity through national leadership on education and training. |

###### Performance information 1.4 Child Care Subsidy

| Year | Performance criteria | Expected achievement |
| --- | --- | --- |
| 2017–18 | Implement, and successfully transition families and services to the Child Care Subsidy and related IT system built for 2 July 2018 commencement. | Eligible families and services have been provided with the required information to transition to the new child care arrangements. |
|  |  | The IT System will be ready for implementation on 2 July 2018. |

| Year | Performance criteria | Target |
| --- | --- | --- |
| 2018–19 | Existing families transition to the new child care arrangements. | At least 90% of families transition to the new Child Care Subsidy.[[5]](#footnote-5) |
|  | Ensuring accurate child care payments. | At least 90% of child care payments to all services are accurate.[[6]](#footnote-6) |
| 2019–20 and beyond | Ensuring accurate child care payments. | At least 90% of child care payments to all services are accurate.6 |

###### Program expenses 1.4 Child Care Subsidy

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2017–18 Estimated actual $'000 | 2018–19 Budget  $'000 | 2019–20 Forward estimate $'000 | 2020–21 Forward estimate $'000 | 2021–22 Forward estimate $'000 |
| Annual administered expenses: |  |  |  |  |  |
| Special appropriations: |  |  |  |  |  |
| *A New Tax System   (Family Assistance)   (Administration) Act 1999* | - | 7,999,545 | 8,679,449 | 9,025,259 | 9,533,537 |
| **Total expenses for program 1.4** | **-** | **7,999,545** | **8,679,449** | **9,025,259** | **9,533,537** |

##### Program 1.5: Government Schools National Support

| Item | Description |
| --- | --- |
| Objective | The program provides supplementary financial assistance to state and territory governments to facilitate the delivery of a quality education within government schools. |
| Delivery | The Government’s Quality Schools reform package provides consistent, transparent and needs-based school funding arrangements. Under the new arrangements, states and territories will be required to be party to a national schooling reform agreement to will help lift performance outcomes for Australian students.  Recurrent grants – government schools  Recurrent funding for all schools, both government and non-government, is delivered under the needs-based funding arrangements in the *Australian Education Act 2013* informed by the Schooling Resource Standard (SRS). The SRS includes a base amount for every primary and secondary school student plus additional loadings to target disadvantage, including loadings for:  students with low socioeconomic status  students with disability  Aboriginal and Torres Strait Islander students  students with low English proficiency  school size  location. |
| Purpose | Department of Education and Training Corporate Plan 2017–18:  Maximising opportunity and prosperity through national leadership on education and training. |

###### Performance information 1.5 Government Schools National Support

| **Year** | **Performance criteria** | **Expected achievement** |
| --- | --- | --- |
| 2017–18 | Support state and territory governments to deliver quality student outcomes by providing a needs-based funding contribution for all eligible students in government schools. | Funding for all eligible students attending government schools provided to state and territory governments in accordance with the *Australian Education Act 2013*. |

| **Year** | **Performance criteria** | **Target** |
| --- | --- | --- |
| 2018–19 | Lifting outcomes in Australian schools – student attainment. | Lift the Year 12 (or equivalent) or Certificate III attainment rate to 90% by 2020 (*measured as trend towards target*).[[7]](#footnote-7) |
|  | Closing the Gap for Aboriginal and Torres Strait Islander students in schools. | Halve the gap for Indigenous children in reading, writing and numeracy within a decade (2018).7  Reduce the gap in school attendance for Indigenous students (2018).[[8]](#footnote-8)  Halve the gap in attainment rates in Year 12 or equivalent, for Indigenous people aged 20–24 by 2020 (*measured as trend towards target*).8 |
| 2019–20 | Lifting outcomes in Australian schools – student attainment. | As per 2018–19. |
|  | Closing the Gap for Aboriginal and Torres Strait Islander students in schools. | Reduce the gap for Indigenous students in Year 12 or equivalent attainment rate by 2020.[[9]](#footnote-9) |
| 2020–21 and beyond | As per 2019–20. | As per 2019–20. |

###### Program expenses 1.5 Government Schools National Support

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2017–18 Estimated actual $'000 | 2018–19 Budget  $'000 | 2019–20 Forward estimate $'000 | 2020–21 Forward estimate $'000 | 2021–22 Forward estimate $'000 |
| Annual administered expenses: |  |  |  |  |  |
| Other services (Appropriation  Bill No. 2) |  |  |  |  |  |
| Additional Support for Northern  Territory | 1,629 | 4,987 | 8,575 | 12,804 | 14,242 |
| Special appropriations: |  |  |  |  |  |
| *Australian Education Act 2013* | 7,115,876 | 7,681,910 | 8,334,570 | 9,023,681 | 9,714,774 |
| **Total expenses for program 1.5** | **7,117,505** | **7,686,897** | **8,343,145** | **9,036,485** | **9,729,016** |

##### Program 1.6: Non-Government Schools National Support

| Item | Description |
| --- | --- |
| Objective | The program provides financial assistance to approved authorities for non-government schools to facilitate the delivery of a quality education within non-government schools. |
| Delivery | The Government’s Quality Schools reform package provides consistent, transparent and needs-based school funding arrangements. Under the new arrangements, states and territories will be required to be party to a national schooling reform agreement to help lift performance outcomes for Australian students.  Recurrent grants – non-government schools  Recurrent funding for all schools, both government and non-government, is delivered under the needs-based funding arrangements in the *Australian Education Act 2013* informed by the Schooling Resource Standard (SRS). The SRS includes a base amount for every primary and secondary school student plus additional loadings to target disadvantage, including loadings for:  students with low socioeconomic status  students with disability  Aboriginal and Torres Strait Islander students  students with low English proficiency  school size  location.  Recurrent funding for non-government schools supplements funding raised by schools from other sources. The base per-student amount is discounted by the capacity of non‑government school communities to contribute towards the operating costs of the school.  Transition support  Additional funding will be provided over 2018–2027 to ensure a smooth transition to the new arrangements. This includes additional financial assistance in 2018 for individual independent schools with low growth or reductions, support for schools with negative growth through the National Adjustment Assistance Fund and targeted support for non‑government schools in the Australian Capital Territory. Additional funding will also be provided for non-government schools that had the socioeconomic status (SES) scores calculated through a system-weighted average approach in 2017 while the National School Resourcing Board reviews the methodology to calculate school SES scores.  Non-government representative bodies  Funding is provided to state and territory Catholic Education Commissions and Associations of Independent Schools as approved non-government representative bodies. The funding is provided to assist with implementation of national reforms in non‑government schools.  Capital Grants Program  Capital funding is provided to assist non-government school communities to improve school capital infrastructure, particularly for the most educationally-disadvantaged students. Capital grants are supplementary to funding provided by school communities and non‑government school authorities. These bodies have primary responsibility for providing, maintaining and upgrading their school facilities.  Special Circumstances Funding  Special circumstances funding is provided under the Australian Education Act 2013 to provide financial assistance to schools that are experiencing unexpected circumstances causing severe, temporary financial difficulty. |
| Purpose | Department of Education and Training Corporate Plan 2017–18:  Maximising opportunity and prosperity through national leadership on education and training. |

Measures impacting program 1.6:

Non-Government Reform Support Fund — additional funding

###### Performance information 1.6 Non-Government Schools National Support

| **Year** | **Performance criteria** | **Expected achievement** |
| --- | --- | --- |
| 2017–18 | Support non-government education authorities to deliver quality student outcomes by providing a needs-based funding contribution for all eligible students in non-government schools. | Funding for all eligible students attending non-government schools provided to approved authorities in accordance with the *Australian Education Act 2013*. |

| **Year** | **Performance criteria** | **Target** |
| --- | --- | --- |
| 2018–19 | As per Program 1.5. | As per Program 1.5. |
| 2019–20 and beyond | As per Program 1.5. | As per Program 1.5. |

###### Program Expenses 1.6 Non-Government Schools National Support

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2017–18 Estimated actual $'000 | 2018–19 Budget  $'000 | 2019–20 Forward estimate $'000 | 2020–21 Forward estimate $'000 | 2021–22 Forward estimate $'000 |
| Annual administered expenses: |  |  |  |  |  |
| Other services (Appropriation  Bill No. 2) |  |  |  |  |  |
| Non-Government Representative  Bodies | 24,228 | 41,794 | 40,013 | 40,013 | 40,013 |
| Special Circumstances Funding (a) | 1,539 | 1,561 | 1,584 | 1,608 | 1,632 |
| Adjustment Assistance | 11,825 | 12,172 | 12,617 | 13,436 | 12,184 |
| Special appropriations |  |  |  |  |  |
| *Australian Education Act 2013* | 11,191,698 | 11,773,654 | 12,398,605 | 13,090,270 | 13,766,736 |
| **Total expenses for program 1.6** | **11,229,290** | **11,829,181** | **12,452,819** | **13,145,327** | **13,820,565** |

(a) Previously published as Short Term Emergency Assistance, known as Special Circumstances Funding as per the *Australian Education Act 2013*.

##### Program 1.7: Early Learning and Schools Support

| Item | Description |
| --- | --- |
| Objective | This program supports initiatives that contribute to improved access to high quality teaching and learning in early learning and school education for all Australian students. |
| Delivery | This program supports national leadership and work in partnerships with state and territory governments and non-government education authorities, the Australian Curriculum, Assessment and Reporting Authority (ACARA), the Australian Institute for Teaching and School Leadership (AITSL) and Education Services Australia (ESA) through various platforms, such as Education Council, to implement priority initiatives.  Priority initiatives include:  supporting early learning preschool programs to facilitate children’s transition to full‑time school  measuring educational outcomes through national assessments and international benchmarking and building the national evidence base to inform decision making  supporting students to successfully transition to further education, training or work by ensuring they gain the skills required for the jobs of the future through the development of a National Career Education Strategy  implementing science, technology, engineering and mathematics (STEM) initiatives, including the Pathways in Technology (P-TECH) pilot  supporting disadvantaged students through the Learning for Life program. |
| Purpose | Department of Education and Training Corporate Plan 2017–18:  Maximising opportunity and prosperity through national leadership on education and training. |

Measures impacting program 1.7:

National School Chaplaincy Programme — continuation

National Partnership Agreement on Universal Access to Early Childhood Education — extension

Quality Schools — communication campaign

Early Learning Languages Australia — expansion

High Achieving Teachers Program

Australian Technology and Science Growth Plan — building Australia's Artificial Intelligence capability to support business

###### Performance information 1.7 Early Learning and Schools Support

| **Year** | **Performance criteria** | **Expected achievement** |
| --- | --- | --- |
| 2017–18 | Preschool  Facilitate children’s early learning and development and transition to school, by maintaining universal access to, and improving participation in, affordable, quality early childhood education programs for all children.[[10]](#footnote-10) | Preschool  100% of children were enrolled in the year before full-time school in quality early childhood education program(s).10  100% of Indigenous children were enrolled in the year before full-time school in quality early childhood education program(s).10 |
|  |  | 96% of enrolled children were enrolled in the year before full-time school, in quality early childhood education program(s) for 600 hours per year.10 |
|  |  | 97% of enrolled Indigenous children were enrolled in the year before full-time school, in quality early childhood education program(s) for 600 hours per year.[[11]](#footnote-11) |
|  | School  The department works collaboratively with government and non-government sectors and stakeholders to improve the quality of school education for all Australian students. | School  Expected to demonstrate progress against the key performance indicators in the *Measurement Framework for Schooling in Australia 2015*.[[12]](#footnote-12) |

| **Year** | **Performance criteria** | **Target** |
| --- | --- | --- |
| 2018–19 | Preschool  Universal access to quality early childhood education. | Preschool  95% of Indigenous children enrolled in early childhood education in the year before full-time school are enrolled for 600 hours per year.[[13]](#footnote-13)  95% of vulnerable and disadvantaged children enrolled in the year before full‑time school are enrolled for 600 hours per year.13 |
|  | School  As per Program 1.5. | School  As per Program 1.5. |
| 2019–20 and beyond | As per 2018–19. | As per 2018–19. |

###### Program expenses 1.7 Early Learning and Schools Support

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2017–18 Estimated actual $'000 | 2018–19 Budget  $'000 | 2019–20 Forward estimate $'000 | 2020–21 Forward estimate $'000 | 2021–22 Forward estimate $'000 |
| Annual administered expenses: |  |  |  |  |  |
| Ordinary annual services  (Appropriation Bill No. 1) |  |  |  |  |  |
| Australian Early Development   Census | 10,381 | 10,581 | 4,408 | 12,180 | 10,309 |
| Australian Government Response   to TEMAG | 4,100 | 3,700 | - | - | - |
| Boost the Learning for Life   Program | 10,100 | 13,800 | 18,400 | - | - |
| Early Learning Languages   Australia (ELLA) | 1,622 | 4,177 | 5,021 | 1,470 | - |
| Educating Against Domestic   Violence | 2,057 | - | - | - | - |
| English Language Learning for  Indigenous Children (ELLIC) | 803 | 3,305 | 1,204 | 571 | - |
| Flexible Literacy Learning for   Remote Primary Schools | 5,420 | 300 | - | - | - |
| Grants and Awards | 1,353 | 1,353 | 1,373 | 1,394 | 1,415 |
| Helping Children with Autism | 5,818 | 5,899 | 5,988 | 6,078 | 6,169 |
| Inspiring all Australians in Digital   Literacy and STEM | 16,496 | 16,343 | 15,350 | - | - |
| Maths and Science Participation | 1,000 | - | - | - | - |
| National Assessment Reform | - | 2,200 | 2,200 | 2,200 | 2,200 |
| National Schools Reform | 14,020 | 19,905 | 17,390 | 15,993 | 12,286 |
| National School Resourcing Board | 295 | 813 | 937 | 953 | 968 |
| Quality Outcomes | 35,218 | 34,980 | 37,412 | 40,579 | 39,597 |
| Quality Schools Communication | 3,650 | 2,350 | - | - | - |
| Science, Technology, Engineering   and Mathematics (STEM) | 4,875 | 1,617 | 625 | 67 | - |
| Teach for Australia | 7,028 | 7,118 | 2,145 | 2,145 | - |
| Universal Access | 1,500 | 1,500 | 1,500 | - | - |
| Other services (Appropriation  Bill No. 2) |  |  |  |  |  |
| Literacy Support for Tasmanian   Students | 1,000 | 2,000 | 2,000 | 2,000 | 2,000 |
| Special account expenses: |  |  |  |  |  |
| SOETM - Students with Disabilities | 578 | - | - | - | - |
| **Total expenses for program 1.7** | **127,314** | **131,941** | **115,953** | **85,630** | **74,944** |

### 2.2 Budgeted expenses and performance for Outcome 2

| 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. |
| --- |

#### Programs contributing to Outcome 2

* Program 2.1: Commonwealth Grant Scheme
* Program 2.2: Higher Education Superannuation Program
* Program 2.3: Higher Education Support
* Program 2.4: Higher Education Loan Program
* Program 2.5: Investment in Higher Education Research
* Program 2.6: Research Capacity
* Program 2.7: International Education Support
* Program 2.8: Building Skills and Capability

#### Linked programs

##### Australian Trade and Investment Commission (Austrade)

###### Programs

Program 1.1 - Promotion of Australia's export and other international economic interests

###### Contribution to Outcome 2 made by linked programs

The linked program contributes to Outcome 2 by promoting the Australian education and training sector in international markets.

##### Department of Foreign Affairs and Trade

###### Programs

Program 1.6 - New Colombo Plan - Transforming Regional Relationships

Program 1.7 - Public Information Services and Public Diplomacy

###### Contribution to Outcome 2 made by linked programs

The linked programs contribute to Outcome 2 by promoting international education through advocacy and coordination roles at overseas missions.

##### Department of Home Affairs

###### Programs

Program 2.3 - Visas

###### Contribution to Outcome 2 made by linked programs

The linked program contributes to Outcome 2 by supporting a sustainable international education sector through administering student visas.

##### Department of Human Services

###### Programs

Program 1.1 - Services to the Community - Social Security and Welfare

###### Contribution to Outcome 2 made by linked programs

The linked program contributes to Outcome 2 by making payments to eligible job seekers and recent migrants participating in foundation skills programs.

##### Department of Social Services

###### Programs

Program 1.11 - Student Payments

###### Contribution to Outcome 2 made by linked programs

The linked program contributes to Outcome 2 by providing financial support to individuals and families to undertake further education and training. This also includes enhancing educational outcomes for Australian Indigenous students by increasing their access and participation in further education.

##### Department of the Prime Minister and Cabinet

###### Programs

Program 2.1 - Jobs, Land and Economy

Program 2.2 - Children and Schooling

###### Contribution to Outcome 2 made by linked programs

The linked programs contributes to Outcome 2 by supporting school attendance, improved educational outcomes and access to further education, training and employment for Indigenous students.

##### Department of the Treasury

###### Programs

Program 1.9 - National Partnership Payments to the States

###### Contribution to Outcome 2 made by linked programs

The linked program contributes to Outcome 2 by making National Partnership Payments to the States.

##### 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

**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.**

|  | 2017–18 Estimated actual $'000 | 2018–19 Budget  $'000 | 2019–20 Forward estimate $'000 | 2020–21 Forward estimate $'000 | 2021–22 Forward estimate $'000 |
| --- | --- | --- | --- | --- | --- |
| **Program 2.1: Commonwealth Grant Scheme** |  |  |  |  |  |
| Administered expenses |  |  |  |  |  |
| Special appropriations |  |  |  |  |  |
| *Higher Education Support   Act 2003* | 6,992,977 | 7,061,901 | 7,170,630 | 7,289,541 | 7,406,952 |
| **Total expenses for program 2.1** | **6,992,977** | **7,061,901** | **7,170,630** | **7,289,541** | **7,406,952** |
| **Program 2.2: Higher Education Superannuation Program** |  |  |  |  |  |
| Administered expenses |  |  |  |  |  |
| Special appropriations |  |  |  |  |  |
| *Higher Education Support   Act 2003* | 245,592 | 238,660 | 230,066 | 220,355 | 209,398 |
| **Total expenses for program 2.2** | **245,592** | **238,660** | **230,066** | **220,355** | **209,398** |
| **Program 2.3: Higher Education Support** |  |  |  |  |  |
| Administered expenses |  |  |  |  |  |
| Ordinary annual services  (Appropriation Bill No. 1) | 24,751 | 21,152 | 21,305 | 17,470 | 13,673 |
| Special appropriations |  |  |  |  |  |
| *Higher Education Support   Act 2003* | 393,637 | 429,572 | 389,504 | 512,989 | 459,541 |
| Special accounts |  |  |  |  |  |
| Education Investment Fund -   Higher Education | 2,000 | - | - | - | - |
| **Total expenses for program 2.3** | **420,388** | **450,724** | **410,809** | **530,459** | **473,214** |
| **Program 2.4: Higher Education Loan Program** |  |  |  |  |  |
| Administered expenses |  |  |  |  |  |
| Special appropriations |  |  |  |  |  |
| *Higher Education Support   Act 2003* | 1,204,800 | 1,165,259 | 1,195,359 | 1,224,875 | 1,246,756 |
| *VET Student Loans Act 2016* | 191,144 | 251,333 | 268,012 | 275,243 | 276,892 |
| **Total expenses for program 2.4** | **1,395,944** | **1,416,592** | **1,463,371** | **1,500,118** | **1,523,648** |
| **Program 2.5: Investment in Higher Education Research** |  |  |  |  |  |
| Administered expenses |  |  |  |  |  |
| Special appropriations |  |  |  |  |  |
| *Higher Education Support   Act 2003* | 1,943,204 | 1,940,267 | 2,017,404 | 2,100,279 | 2,148,562 |
| **Total expenses for program 2.5** | **1,943,204** | **1,940,267** | **2,017,404** | **2,100,279** | **2,148,562** |
|  |  |  |  |  |  |
| **Program 2.6: Research Capacity** |  |  |  |  |  |
| Administered expenses |  |  |  |  |  |
| Ordinary annual services  (Appropriation Bill No. 1) | 421,767 | 162,472 | 185,605 | 240,080 | 254,435 |
| Special appropriations |  |  |  |  |  |
| *Higher Education Support   Act 2003* | 5,346 | 5,447 | 5,562 | 5,194 | 5,309 |
| Payments to corporate entities (a)(b) | 16,318 | - | - | - | - |
| **Total expenses for program 2.6** | **443,431** | **167,919** | **191,167** | **245,274** | **259,744** |
| **Program 2.7: International Education Support** |  |  |  |  |  |
| Administered expenses |  |  |  |  |  |
| Ordinary annual services  (Appropriation Bill No. 1) | 49,832 | 38,316 | 35,307 | 33,230 | 27,146 |
| Special accounts |  |  |  |  |  |
| Overseas Student Tuition Fund | 9,592 | 8,499 | 8,528 | 8,560 | 8,988 |
| **Total expenses for program 2.7** | **59,424** | **46,815** | **43,835** | **41,790** | **36,134** |
| **Program 2.8: Building Skills and Capability** |  |  |  |  |  |
| Administered expenses |  |  |  |  |  |
| Ordinary annual services  (Appropriation Bill No. 1) | 1,096,689 | 1,113,404 | 1,061,427 | 1,064,775 | 1,068,876 |
| Special appropriations |  |  |  |  |  |
| *Trade Support Loans Act 2014* | 73,352 | 71,211 | 73,460 | 75,775 | 78,213 |
| Special accounts |  |  |  |  |  |
| Growth Fund Skills and Training (c) | 21,436 | 16,486 | 15,521 | - | - |
| **Total expenses for program 2.8** | **1,191,477** | **1,201,101** | **1,150,408** | **1,140,550** | **1,147,089** |
| **Outcome 2 Totals by appropriation type** |  |  |  |  |  |
| Administered expenses |  |  |  |  |  |
| Ordinary annual services  (Appropriation Bill No. 1) | 1,593,039 | 1,335,344 | 1,303,644 | 1,355,555 | 1,364,130 |
| Special appropriations | 11,050,052 | 11,163,650 | 11,349,997 | 11,704,251 | 11,831,623 |
| Special accounts | 33,028 | 24,985 | 24,049 | 8,560 | 8,988 |
| Payments to corporate entities (a) | 16,318 | - | - | - | - |
| **Administered total** | **12,692,437** | **12,523,979** | **12,677,690** | **13,068,366** | **13,204,741** |
| Departmental expenses |  |  |  |  |  |
| Departmental appropriation | 183,039 | 175,355 | 170,366 | 167,824 | 165,238 |
| s74 Retained revenue receipts (a) | 7,531 | 6,495 | 6,495 | 6,495 | 6,495 |
| Special appropriations |  |  |  |  |  |
| Special accounts | 521 | 5,981 | 5,837 | 5,279 | 5,195 |
| Expenses not requiring  appropriation in the Budget  year (b) | 30,223 | 21,141 | 20,835 | 22,647 | 22,647 |
| **Departmental total** | 221,314 | 208,972 | 203,533 | 202,245 | 199,575 |
| **Total expenses for Outcome 2** | **12,913,751** | **12,732,951** | **12,881,223** | **13,270,611** | **13,404,316** |

|  |  |  |
| --- | --- | --- |
|  | 2017–18 | 2018–19 |
| **Average staffing level (number)** | 927 | 897 |

(a) Further information on payments to corporate entities can be found in the ‘Third Party Payments’ section of Table 1.1: Department of Education and Training Resource Statement.

(b) This reflects the 19 April 2018 Administrative Arrangements Order transfer of the Australian Institute for Aboriginal and Torres Strait Islander Studies from this portfolio to the Prime Minister and Cabinet Portfolio.

(c) This special account is funded by Annual Appropriation Bill (No. 1) and receipts from independent sources.

(d) Estimated expenses incurred in relation to receipts retained under s74 of the PGPA Act.

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

(f) Figures displayed in brackets are negative and represent a decrease in funds. Non-bracketed figures are positive and represent an increase in funds.

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

#### Performance criteria for Outcome 2

This section details the performance criteria for each program associated with Outcome 2. It also summarises how each program is delivered and where 2018–19 Budget measures have created new programs or materially changed existing programs.

| 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. |
| --- |

##### Program 2.1: Commonwealth Grant Scheme

| Item | Description |
| --- | --- |
| Objective | A highly skilled workforce and educated community is important for economic productivity and social wellbeing. The Commonwealth Grant Scheme (CGS) contributes to achieving this objective through:  making a direct contribution to the cost of educating Commonwealth supported students enrolled in undergraduate and postgraduate degrees  increasing the number of regional students participating in higher education by providing additional funding to regional universities to meet the higher costs associated with delivery of higher education in regional locations  supporting educationally disadvantaged students to prepare for and successfully complete higher education through funding for enabling courses  meeting medical workforce training needs through the provision of targeted support for initial-entry medical programs. |
| Delivery | The CGS subsidises the tuition costs for higher education students enrolled in undergraduate and selected postgraduate degrees at public universities. CGS funding also supports a limited number of student places in designated national priority areas at other higher education providers.  The Government provides funding to universities, in instalments, for domestic students enrolled in a bachelor degree at a public university. This funding reduces the direct cost to students in Commonwealth supported places.  Limited funding is also provided for students enrolled in a sub-degree and postgraduate degree programs based on an agreed amount in Funding Agreements with public universities. |
| Purpose | Department of Education and Training Corporate Plan 2017–18:  Maximising opportunity and prosperity through national leadership on education and training. |

Measures impacting program 2.1:

Investment in Regional University Campuses — additional study places

Response to the Independent Review into Regional, Rural and Remote Education — additional support for students

###### Performance information 2.1 Commonwealth Grant Scheme

| Year | Performance criteria | Expected achievement |
| --- | --- | --- |
| 2017–18 | Government makes a direct contribution to the cost of higher education to provide equitable access and support Australia’s intellectual and economic development. | All domestic students accepted into bachelor programs at public universities were able to access Commonwealth supported places. |

| Year | Performance criteria | Target |
| --- | --- | --- |
| 2018–19 | Creating a highly skilled workforce and educated community. | The proportion of the 20–34 year old population with a tertiary qualification is stable or increases from previous year.  The rate of attrition for domestic bachelor students is less than 15%.  At least 85% of undergraduates are employed within four months of completing degree. |
| 2019–20 and beyond | As per 2018–19. | As per 2018–19. |

###### Program expenses 2.1 Commonwealth Grant Scheme

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2017–18 Estimated actual $'000 | 2018–19 Budget  $'000 | 2019–20 Forward estimate $'000 | 2020–21 Forward estimate $'000 | 2021–22 Forward estimate $'000 |
| Special appropriations: |  |  |  |  |  |
| *Higher Education Support Act 2003* |  |  |  |  |  |
| Cluster Fund and Place Loadings | 6,921,125 | 6,988,826 | 7,096,093 | 7,213,326 | 7,328,985 |
| Regional Loading | 71,852 | 73,075 | 74,537 | 76,215 | 77,967 |
| **Total expenses for program 2.1** | **6,992,977** | **7,061,901** | **7,170,630** | **7,289,541** | **7,406,952** |

##### Program 2.2: Higher Education Superannuation Program

| Item | Description |
| --- | --- |
| Objective | The program provides supplementary funding to assist eligible universities to meet certain superannuation expenses for eligible current and former university employees who are members of identified state government emerging cost superannuation schemes.  Cost-share arrangements are in place with relevant state governments and a proportion of Higher Education Superannuation Program (HESP) funding is recovered from these states as a result of their historical responsibilities for funding higher education.  These schemes have been closed to new members for some time but are still active for existing members. |
| Delivery | The program is demand driven. Funding is paid to eligible universities in instalments based on verified annual claims for payment. University claims are based on the emerging costs charged by the identified state government emerging cost superannuation funds for payments to eligible retirees. Funding is administered in accordance with the Higher Education Support Act 2003 Other Grants Guidelines (Education) 2012. |
| Purpose | Department of Education and Training Corporate Plan 2017–18:  Maximising opportunity and prosperity through national leadership on education and training. |

###### Performance information 2.2 Higher Education Superannuation Program

| Year | Performance criteria | Expected achievement |
| --- | --- | --- |
| 2017–18 | The department works with eligible universities to provide payments to meet certain superannuation expenses for eligible current and former university employees. | Superannuation payments to all eligible universities were paid and processed in a timely manner. |

| Year | Performance criteria | Target |
| --- | --- | --- |
| 2018–19 | Eligible current and former university employees receive support for certain superannuation expenses. | All 27 eligible universities are able to meet specified superannuation expenses.[[14]](#footnote-14) |
| 2019–20 and beyond | As per 2018–19. | As per 2018–19. |

###### Program expenses 2.2 Higher Education Superannuation Program

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2017–18 Estimated actual $'000 | 2018–19 Budget  $'000 | 2019–20 Forward estimate $'000 | 2020–21 Forward estimate $'000 | 2021–22 Forward estimate $'000 |
| Special appropriations: |  |  |  |  |  |
| *Higher Education Support Act 2003* |  |  |  |  |  |
| Higher Education Superannuation   Program | 245,592 | 238,660 | 230,066 | 220,355 | 209,398 |
| **Total expenses for program 2.2** | **245,592** | **238,660** | **230,066** | **220,355** | **209,398** |

##### Program 2.3: Higher Education Support

| Item | Description |
| --- | --- |
| Objective | The program aims to ensure the quality of our higher education system is maintained and improved, including improving the quality of training for teachers of mathematics and science. The program also aims to improve access to, and the education outcomes for, students from disadvantaged backgrounds. |
| Delivery | Quality in learning and teaching  The program includes a range of activities that focus on quality, promote the enhancement of learning and teaching, and provide better information for student choice, including:  administering the Quality Indicators for Learning and Teaching (QILT), which is delivered through the QILT website and captures and publishes data on the student life-cycle from commencement to employment  supporting for the ongoing operations of quality National Institutes  supporting the quality and teaching of mathematics and science through grants  improving the quality of PhD student research training, and supporting more women into STEM careers, through research based industry internships.  Access and participation in higher education  The program includes a range of activities to improve access to and participation in higher education, including:  improving access to, and participation and success in higher education for, students from low socioeconomic status backgrounds through the Higher Education Participation and Partnerships Program  removing barriers to access and participation by students with disability by providing specialised equipment (Higher Education Disability Support Program) and providing a national network of regionally based officers to assisting in the transition from school to tertiary education and employment (National Disability Coordination Officer Program)  supporting regional and remote access to higher education, by establishing Regional Study Hubs and offering Rural and Regional Enterprise Scholarships in STEM studies. |
| Purpose | Department of Education and Training Corporate Plan 2017–18:  Maximising opportunity and prosperity through national leadership on education and training. |

###### Performance information 2.3 Higher Education Support

| Year | Performance criteria | Expected achievement |
| --- | --- | --- |
| 2017–18 | A focus on quality and informed student choice is maintained in the higher education system. | In 2017, 80% of undergraduate students rated the teaching quality at their institution positively.  Future earnings data will be made available on the Quality Indicators for Learning and Teaching website in 2018. |
|  | Increase student participation in higher education, including by previously under‑represented groups. | In 2017, there will be at least 127,000 undergraduate students from low socioeconomic backgrounds, up from 125,000 in 2016 and representing 16.1% of all students (16.0% in 2016).[[15]](#footnote-15)  Indigenous students will increase to 19,400 in 2017, up from 17,800 in 2016 and representing 1.8% of all students (1.7% in 2016). |
|  | Rural and Regional Enterprise Scholarships support participation in higher education by regional and remote students. | In 2017–18, 574 scholarships accepted.  On track to reach cumulative total of 1200 awarded by 2020–21. |

| Year | Performance criteria | Target |
| --- | --- | --- |
| 2018–19 | Improving participation in higher education for students from previously disadvantaged groups. | At least 18% of domestic undergraduates are from a low socioeconomic background (based on postcode).[[16]](#footnote-16)  At least 16% of domestic undergraduates are from a low socioeconomic background (based on Statistical Area level 1).15  At least 2% of higher education students are Indigenous.[[17]](#footnote-17) |
|  | Maintaining the quality of higher education | At least 80% of undergraduate students rate the teaching quality at their institution positively  At least 85% of employers are satisfied with the skills of graduates (overall across all skills). |
| 2019–20 and beyond | As per 2018–19. | As per 2018–19. |

###### Program expenses 2.3 Higher Education Support

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2017–18 Estimated actual $'000 | 2018–19 Budget  $'000 | 2019–20 Forward estimate $'000 | 2020–21 Forward estimate $'000 | 2021–22 Forward estimate $'000 |
| Annual administered expenses: |  |  |  |  |  |
| Ordinary annual services  (Appropriation Bill No. 1) |  |  |  |  |  |
| National Disability Coordination Officer | 4,309 | 4,309 | 4,370 | 4,435 | 4,502 |
| Quality Indicators for Learning   and Teaching | 8,842 | 8,843 | 8,935 | 9,035 | 9,171 |
| Rural and Regional Enterprise   Scholarships | 4,000 | 8,000 | 8,000 | 4,000 | - |
| Teaching Awards - Universities Australia | 600 | - | - | - | - |
| Menzies Institute and Library | 7,000 | - | - | - | - |
| Special appropriations: |  |  |  |  |  |
| *Higher Education Support Act 2003* |  |  |  |  |  |
| Central Coast Health and   Wellbeing Precinct | 1,250 | 2,500 | 2,500 | 2,500 | 2,500 |
| Disability Support Program | 7,445 | 7,572 | 7,724 | 7,897 | 8,079 |
| Diversity and Structural Reform | 7,000 | - | - | - | - |
| Higher Education Partnerships and   Participation Program | 138,321 | 156,593 | 108,783 | 187,021 | 197,989 |
| Improved Support for Regional   Universities | - | 9,974 | 2,199 | 2,249 | 2,301 |
| Jobs and Growth in Tasmania | 10,000 | 20,000 | 30,000 | 80,000 | 10,000 |
| National Institutes | 218,905 | 222,630 | 227,085 | 232,197 | 237,535 |
| Promotion of Excellence in   Learning and Teaching in   Higher Education | 3,621 | - | - | - | - |
| Quality Initiatives | 495 | 503 | 513 | 525 | 537 |
| Supporting more women into STEM   Careers (AMSI Intern) | 6,600 | 9,200 | 10,100 | - | - |
| Teaching Awards - Universities Australia | - | 600 | 600 | 600 | 600 |
| Special account expenses: |  |  |  |  |  |
| Education Investment Fund -   Higher Education | 2,000 | - | - | - | - |
| **Total expenses for program 2.3** | **420,388** | **450,724** | **410,809** | **530,459** | **473,214** |

##### Program 2.4: Higher Education Loan Program

| Item | Description |
| --- | --- |
| Objective | The program aims to remove the up-front cost barriers to tertiary education and training in order to increase access and participation. This is achieved through the provision of income contingent loans for students undertaking higher education courses and in certain higher level vocational education and training (VET) courses. |
| Delivery | The program is delivered through the following activities:  HECS-HELP—provides loans to eligible Commonwealth supported higher education students to pay their student contributions  FEE-HELP—provides loans to eligible fee-paying higher education students to pay all or part of their tuition fees  OS-HELP—provides loans to eligible Commonwealth supported higher education students who wish to undertake some of their Australian course of study overseas  SA-HELP—provides loans to eligible higher education students to pay Student Services and Amenities Fees charged by their higher education providers  VET-FEE-HELP—provides loans to eligible students to pay all or part of their tuition fees for VET accredited diploma, advanced diploma, graduate certificate and graduate diploma courses. The VET-FEE-HELP scheme closed to new students on 31 December 2016 and is only accessible to students who are grandfathered within the scheme to complete their studies  VET Student Loans—provides loans to eligible students to pay for all or part of tuition fees for eligible higher level VET courses, subject to loan caps for each eligible course and fee limits for approved providers. VET Student Loans commenced on 1 January 2017, replacing VET-FEE-HELP.  Student HELP loan amounts are paid by the Government directly, in instalments, to approved providers on a demand-driven basis for all domestic students who have accessed a HELP loan.  Repayment of debt commences once an individual’s HELP repayment income reaches a prescribed level. Repayments are made to the Australian Taxation Office through the taxation system. |
| Purpose | Department of Education and Training Corporate Plan 2017–18:  Maximising opportunity and prosperity through national leadership on education and training. |

Measures impacting program 2.4:

Combined Lifetime Limit for Tuition Fee Assistance — amendment

Investment in Regional University Campuses — additional study places

Response to the Independent Review into Regional, Rural and Remote Education — additional support for students

###### Performance information 2.4 Higher Education Loan Program

| **Year** | **Performance criteria** | **Expected achievement** |
| --- | --- | --- |
| 2017–18 | Growth in access to higher education and eligible VET courses for students who may have been otherwise deterred by upfront costs – as evidenced by growth in HELP loans. | The expected number of Australians accessing HELP loans:  555,200 Commonwealth supported places for which HECS‑HELP loans paid  83,500 fee paying places for which FEE-HELP loans paid  15,900 OS‑HELP loans to assist students to undertake some of their course overseas  492,000 SA‑HELP loans to assist students to pay their services and amenities fees. |
|  | HELP debts are affordable for both students and the community. | Average amount of outstanding HELP debt expected: $21,500.  Average number of years to repay HELP debt expected: 8.2 years.  Debt not expected to be repaid: 17%. |
|  | VET students have improved employment prospects as training choices are better aligned with industry needs. | Proportion of VET Student Loans students studying for job or business‑related reasons expected to be 60% (against target of 80%).[[18]](#footnote-18) |

| **Year** | **Performance criteria** | **Target** |
| --- | --- | --- |
| 2018–19 | Tertiary education is affordable for students and the community. | HELP  The proportion of debt not expected to be repaid is stable or reduces from the previous year. |
|  | VET training choices are better aligned with industry needs. | VET Student Loans  The proportion of students surveyed that report studying for business or job related reasons remains stable or increases from the previous year. |
| 2019–20 and beyond | As per 2018–19 | As per 2018–19. |

###### Program expenses 2.4 Higher Education Loan Program

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2017–18 Estimated actual $'000 | 2018–19 Budget  $'000 | 2019–20 Forward estimate $'000 | 2020–21 Forward estimate $'000 | 2021–22 Forward estimate $'000 |
| Special appropriations: |  |  |  |  |  |
| *Higher Education Support Act 2003* |  |  |  |  |  |
| Higher Education Loan Program | 1,204,800 | 1,165,259 | 1,195,359 | 1,224,875 | 1,246,756 |
| *VET Student Loans Act 2016* |  |  |  |  |  |
| VET Student Loans | 191,144 | 251,333 | 268,012 | 275,243 | 276,892 |
| **Total expenses for program 2.4** | **1,395,944** | **1,416,592** | **1,463,371** | **1,500,118** | **1,523,648** |

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

| Item | Description |
| --- | --- |
| Objective | The Australian Government is committed to a world-class research system, that encourages innovation and economic growth. Quality collaboration, engagement, diversity, impact and sustainability are the key priorities for the Government and drive its investment in Australian research and research capacity. |
| Delivery | The program is delivered through annual research block grants to eligible Australian higher education providers to support:  their research activities and ensure the delivery of a world-class research system  the research training of higher degree by domestic and international research students and meet the skills needs of the Australian and international research community.  Together with competitive research grants and world-class infrastructure, research block grants will support Australia’s high performing research system. |
| Purpose | Department of Education and Training Corporate Plan 2017–18:  Maximising opportunity and prosperity through national leadership on education and training. |

###### Performance information 2.5 Investment in Higher Education Research

| **Year** | **Performance criteria** | **Expected achievement** |
| --- | --- | --- |
| 2017–18 | The performance of the block grants in supporting the university research system will be measured in terms of capacity, quality, collaboration, student completions and student employability. | Australian universities continue to be ranked highly in measures such as research outputs and international research rankings.  In 2017, 84.4% of higher degree by research students were satisfied with their degree, and 90.6% were employed within four months of completing their degree and earned a median annual salary of $87,800. |

| **Year** | **Performance criteria** | **Target** |
| --- | --- | --- |
| 2018–19 | Australian universities continue to rank highly in research excellence. | Australia’s share of the world’s top 10% most highly-cited research publications remains above the OECD average |
|  | Research postgraduates continue to have high employability. | At least 90% of research postgraduates are employed within four months of completing their degree. |
|  | More Indigenous Australians attain higher degrees by research. | Indigenous higher degree by research (HDR) completions, as a proportion of all domestic HDR completions, increases from the previous year. |
| 2019–20 and beyond | As per 2018–19. | As per 2018–19. |

###### Program expenses 2.5 Investment in Higher Education Research

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2017–18 Estimated actual $'000 | 2018–19 Budget  $'000 | 2019–20 Forward estimate $'000 | 2020–21 Forward estimate $'000 | 2021–22 Forward estimate $'000 |
| Special appropriations: |  |  |  |  |  |
| *Higher Education Support Act 2003* |  |  |  |  |  |
| Research Support Program | 923,709 | 903,425 | 959,816 | 1,018,879 | 1,042,302 |
| Research Training Program | 1,019,495 | 1,036,842 | 1,057,588 | 1,081,400 | 1,106,260 |
| **Total expenses for program 2.5** | **1,943,204** | **1,940,267** | **2,017,404** | **2,100,279** | **2,148,562** |

##### Program 2.6: Research Capacity

| Item | Description |
| --- | --- |
| Objective | Research advances our knowledge and drives our potential for innovation, economic competitiveness and social change. The program aims to increase the production, use and awareness of research knowledge and to improve collaboration between government, industry and the research sector in the production of research knowledge. |
| Delivery | The program invests in Australia’s research capacity by providing financial support to organisations, including universities, learned academies and other research organisations.  Activities under this program include:  supporting the costs of operating capabilities, and updating associated research infrastructure, funded through grants under the National Collaborative Research Infrastructure Strategy (NCRIS)  supporting training of specialised cyber security professionals in Academic Centres of Cyber Security Excellence (ACCSE) in Australian universities  promoting the central role of research, science and technology, including through funding provided to Australia’s learned academies and other organisations under the Higher Education Research Promotion (HERP) scheme  improved measurement of educational outcomes through creation of the National Education Evidence Base (NEEB) to inform decision making. |
| Purpose | Department of Education and Training Corporate Plan 2017–18:  Maximising opportunity and prosperity through national leadership on education and training. |

Measures impacting program 2.6:

National Research Infrastructure Investment Plan — implementation of Government response

###### Performance information 2.6 Research Capacity

| **Year** | **Performance criteria** | **Expected achievement** |
| --- | --- | --- |
| 2017–18 | Australia’s learned academies provide the Government and the Australian community with access to quality, independent advice informed by the latest research and scientific evidence on national and international matters. | Australia’s learned academies delivered a range of submissions and reports that provided cutting edge research and advice to the government and private sector. In addition, over 54,000 attendees participated in research based awareness activities delivered by Australia’s learned academies. |
|  | NCRIS network research infrastructure provides services to researchers from the public and private sectors. | NCRIS network is used by 36,000 researchers. |

| **Year** | **Performance criteria** | **Target** |
| --- | --- | --- |
| 2018–19 | Investments are prioritised to ensure researchers have access to the resources needed to undertake world-class research. | At least 85% of research conducted by Australian universities and related to priority investment areas is rated as world standard or above.  At least 90% of researchers report access to NCRIS facilities and projects improved research quality and outputs. |
| 2019–20 and beyond | As per 2018–19. | As per 2018–19. |

###### Program expenses 2.6 Research Capacity

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2017–18 Estimated actual $'000 | 2018–19 Budget  $'000 | 2019–20 Forward estimate $'000 | 2020–21 Forward estimate $'000 | 2021–22 Forward estimate $'000 |
| Annual administered expenses: |  |  |  |  |  |
| Ordinary annual services  (Appropriation Bill No. 1) |  |  |  |  |  |
| Commonwealth - ANU Strategic   Relationships | 500 | - | - | - | - |
| National Collaborative Research   Infrastructure Strategy | 421,267 | 162,472 | 185,605 | 240,080 | 254,435 |
| Special appropriations: |  |  |  |  |  |
| *Higher Education Support Act 2003* |  |  |  |  |  |
| Academic Centres of Cyber   Security Excellence | 470 | 479 | 489 | - | - |
| Higher Education Research Promotion | 4,876 | 4,968 | 5,073 | 5,194 | 5,309 |
| Payments to Corporate Entities (a) |  |  |  |  |  |
| AIATSIS (b) | 16,318 | - | - | - | - |
| **Total expenses for program 2.6** | **443,431** | **167,919** | **191,167** | **245,274** | **259,744** |

(a) Further information on payments to corporate entities can be found in the ‘Third Party Payments’ section of Table 1.1: Department of Education and Training Resource Statement.

(b) This reflects the 19 April 2018 Administrative Arrangements Order transfer of the Australian Institute for Aboriginal and Torres Strait Islander Studies from this portfolio to the Prime Minister and Cabinet Portfolio.

##### Program 2.7: International Education Support

| Item | Description |
| --- | --- |
| Objective | International education is increasingly important to Australia’s prosperity and our engagement with the world. The program aims to support the sustainable growth of Australia’s high quality international education, training and research through strong government-to-government engagement, international mobility, strategic policy and legislation. |
| Delivery | The *National Strategy for International Education 2025* sets a ten-year vision for Australian international education and provides a framework of priorities to sustainably grow the sector, while maintaining Australia’s reputation for high quality. The program delivers this vision through the following activities:  big picture projects that develop Australia’s role as a global leader in education, training and research through the Enabling Growth and Innovation program  individual and institutional grants to support in-bound and out-bound students, researchers and professionals to undertake projects and study exchanges through the Endeavour program  government-to-government engagement including bilateral working groups and multilateral agreements to facilitate institutional relationships, student and researcher mobility, and strengthen Australia’s position in the highly competitive global international education marketplace  policy and legislation for international students to receive an effective, risk-based, quality assured education, including consumer protection underpinned by the Education Services for Overseas Students Act 2000. |
| Purpose | Department of Education and Training Corporate Plan 2017–18:  Maximising opportunity and prosperity through national leadership on education and training. |

Measures impacting program 2.7:

Endeavour Leadership Program — efficiencies

###### Performance information 2.7 International Education Support

| **Year** | **Performance criteria** | **Expected achievement** |
| --- | --- | --- |
| 2017–18 | Build strategic connections that benefit both international and Australian students and lead to enduring relationships with other nations to support world-class education and research. | The department’s International Counsellor Network has been re-positioned to focus on key priority markets, including by establishing a new post in Mexico City. |
|  | National Strategy for International Education supports a range of activities to enhance international education’s contribution to Australia’s economic prosperity and social well‑being. | Eight projects to advance the objectives of the National Strategy will have been rolled out in 2017–18. |

| **Year** | **Performance criteria** | **Target** |
| --- | --- | --- |
| 2018–19 | Sustainably grow Australia’s international education sector by maintaining quality and increasing diversity. | * Average annual growth rate of 3% to 5% in international education export earnings. * At least 85% of international students are satisfied or very satisfied with studying and living in Australia.[[19]](#footnote-19) * At least 60% of international students employed or enrolled in further study after graduation * Maintain positive growth in the number of students enrolled in offshore and transnational education and training delivered by Australian providers. |
| 2019–20 and beyond | As per 2018–19. | As per 2018–19. |

###### Program expenses 2.7 International Education Support

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2017–18 Estimated actual $'000 | 2018–19 Budget  $'000 | 2019–20 Forward estimate $'000 | 2020–21 Forward estimate $'000 | 2021–22 Forward estimate $'000 |
| Annual administered expenses: |  |  |  |  |  |
| Ordinary annual services  (Appropriation Bill No. 1) |  |  |  |  |  |
| International Education Support | 49,832 | 38,316 | 35,307 | 33,230 | 27,146 |
| Special account expenses: |  |  |  |  |  |
| Overseas Student Tuition Fund | 9,592 | 8,499 | 8,528 | 8,560 | 8,988 |
| **Total expenses for program 2.7** | **59,424** | **46,815** | **43,835** | **41,790** | **36,134** |

##### Program 2.8: Building Skills and Capability

| Item | Description |
| --- | --- |
| Objective | The Australian Government is working to create an effective and efficient skills and training system that is industry led and delivers the skills Australian employers need. Building skills and capabilities is central to Australia’s economic growth, competitiveness, and business productivity. The national training system provides employees or potential employees with the skills and capabilities required for a job or pathway into a job. |
| Delivery | ***Industry competitiveness***  This program component facilitates training to ensure Australian businesses’ competitiveness in domestic and global markets. The Industry Skills Fund (ISF) provided employers with training grants in priority areas and in other industries that are focused on growth opportunities. The ISF is a co-contribution reimbursement funding model.  The ISF closed to new applications on 31 December 2016. The ISF will continue to deliver assistance to businesses already participating until 30 June 2019.  ***Skills development***  This program component is designed to develop the skills of the Australian workforce through support for skills-based training, including:  Australian Apprenticeships  Assistance is provided in the form of financial incentives to employers and through allowances and loans to individuals participating in apprenticeships. The program includes contractual arrangements with a national network of Australian Apprenticeship Support providers who administer incentives, loans and support apprentices and their employers through to completion of the apprenticeship.  Industry Specialist Mentoring for Australian Apprentices  The Industry Specialist Mentoring for Australian Apprentices program aims to increase apprentice retention rates in the first two years of training in order to improve completion rates and support the supply of skilled workers in industries undergoing structural change. The program was launched on 31 January 2018 and will finish on 31 December 2019.  South Australian Enterprise Scholarships  Scholarships will be provided to support undergraduate, postgraduate and vocational education and training students to undertake study or training and an industry based work placement in priority industries in South Australia.  ***Access to training***  This program component is designed to provide clearer pathways and improved access to training which allows Australians to obtain jobs and progress to better career opportunities.  Funding is provided through the Adult Migrant English Program and the Skills for Education and Employment Program to organisations to deliver foundation skills training to eligible individuals, including job seekers and recent migrants. Improved foundation skills enable people to access further training, or gain employment, and better participate in Australian society.  ***Support for the national training system***  This program component is designed to develop an effective and efficient national training system that meets the needs of Australia’s current and emerging industries. It is delivered in collaboration with industry, business and state and territory governments. Activities include:  developing and reviewing nationally recognised training packages  enhancing the transparency and performance of the system through data collection and research  promoting the system to potential participants locally and internationally  ensuring the ongoing operation of key functions to support the effective operation of national training arrangements. |
| Purpose | Department of Education and Training Corporate Plan 2017–18:  Maximising opportunity and prosperity through national leadership on education and training. |

Measures impacting program 2.8:

Industry Workforce Training program — efficiencies

National Training System — Commonwealth Own Purpose Expenses program — efficiencies

Unique Student Identifier Initiative — additional funding

More Choices for a Longer Life — skills checkpoint for older workers program — establishment

Trades Recognition Australia — additional funding

VET Student Loans Ombudsman — additional resources

Adult Migrant English Program — aligning access for migrants aged under 18 years

Managing the Skilling Australians Fund — revised implementation arrangements

###### Performance information 2.8: Building Skills and Capability

| Year | Performance criteria | Expected achievement |
| --- | --- | --- |
| 2017–18 | Increase the completion rates of Australian Apprentices. | Completion rates of Australian Apprentices will be compared to the prior reporting period. The data is not yet available.[[20]](#footnote-20) |
|  | Scholarships are awarded in priority industries in South Australia. | More than 800 (of up to 1200) scholarships have been offered to date. |
|  | Improvement in LLN skills through the Skills for Education and Employment Program training enabling more effective participation in further training or the labour force. | 17,100 job seekers expected to commence training under the Skills for Education and Employment Program. |
|  | Improved English language skills through participation in Adult Migrant English Program training. | At least 54,590 eligible migrants and humanitarian entrants (against a target of 63,671) are expected to be supported by the Adult Migrant English Program. |
|  | Ongoing operation of programs and systems, including data collections, continue to support the national training system. Further reforms will be implemented as needed. | The department continued to support the Australian Industry and Skills Committee (AISC) in transitioning training products to meet the updated standards for nationally accredited, industry-focused training.  100% of Industry Reference Committees were refreshed to ensure training is fit‑for‑industry. |
|  |  | Training.gov.au was maintained as the authoritative source for regulatory decisions and other relevant information on RTOs, training packages and accredited courses. Training.gov.au received 7 million visitors in 2017–18. |
|  |  | My Skills received 2 million visitors from 1.4 million unique users in 2017–18. |
|  |  | Data on 2017 fee for service and government supported training activity was collected and will be published by the National Centre for Vocational Education Research in July 2018. |

| Year | Performance criteria | Target |
| --- | --- | --- |
| 2018–19 | Maintaining the quality of vocational education and training (VET). | * At least 85% of graduates are satisfied with the overall quality of the training. |
|  | Responding to industry and employers through access to VET graduates with the required skills. | * Positive growth in the apprenticeship completion rate from the previous year.[[21]](#footnote-21) * At least 80% of VET graduates are employed or enrolled in further study after training. |
|  | Improving language, literacy and numeracy for target groups. | * At least 80% of participants in targeted programs increase one or more levels on the Australian Core Skills Framework. |
| 2019–20 and beyond | Maintaining the quality of vocational education and training (VET). | As per 2018–19, with the additional target:   * At least 53% of employers report use of the VET system. |
|  | Responding to industry and employers through access to VET graduates with the required skills | As per 2018–19. |
|  | Improving language, literacy and numeracy for target groups. | As per 2018–19. |

###### Program expenses 2.8 Building Skills and Capability

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2017–18 Estimated actual $'000 | 2018–19 Budget  $'000 | 2019–20 Forward estimate $'000 | 2020–21 Forward estimate $'000 | 2021–22 Forward estimate $'000 |
| **Sub-program 2.8.1: Industry Competitiveness** |  |  |  |  |  |
| Annual administered expenses: |  |  |  |  |  |
| Ordinary annual services  (Appropriation Bill No. 1) |  |  |  |  |  |
| Industry Skills Fund | 15,316 | 1,994 | - | - | - |
| National Workforce Development Fund | 702 | - | - | - | - |
| **Sub-program 2.8.2: Skills Development** |  |  |  |  |  |
| Annual administered expenses: |  |  |  |  |  |
| Ordinary annual services  (Appropriation Bill No. 1) |  |  |  |  |  |
| Australian Apprenticeship Support   Network | 189,473 | 189,447 | 189,447 | 189,447 | 189,447 |
| Australian Apprenticeships   Incentives Program | 392,083 | 392,083 | 392,083 | 392,083 | 392,083 |
| Industry Specialist Mentoring for   Australian Apprentices | 19,375 | 39,038 | - | - | - |
| Job Ready Program - Trades   Recognition Australia | 4,634 | 4,634 | 4,634 | 4,634 | 4,634 |
| South Australian Enterprise Scholarships | 8,180 | 8,557 | 4,973 | 2,290 | - |
| Rollout Skills Checkpoint for Older   Workers Program | - | 3,875 | 3,929 | 3,988 | 4,044 |
| Special appropriations: |  |  |  |  |  |
| *Trade Support Loans Act 2014* |  |  |  |  |  |
| Trade Support Loans | 73,352 | 71,211 | 73,460 | 75,775 | 78,213 |
| Special account expenses: |  |  |  |  |  |
| Growth Fund Skills and Training (a) | 21,436 | 16,486 | 15,521 | - | - |
| **Sub-program 2.8.3: Access to Training** |  |  |  |  |  |
| Annual administered expenses: |  |  |  |  |  |
| Ordinary annual services  (Appropriation Bill No. 1) |  |  |  |  |  |
| Adult Migrant English Program | 275,037 | 303,568 | 303,481 | 308,033 | 311,786 |
| National Foundation Skills Strategy | 50 | - | - | - | - |
| Skills for Education and   Employment Program | 103,642 | 93,153 | 87,960 | 88,198 | 90,971 |
| **Sub-program 2.8.4: Support for the National Training System** |  |  |  |  |  |
| Annual administered expenses: |  |  |  |  |  |
| Ordinary annual services  (Appropriation Bill No. 1) |  |  |  |  |  |
| Australian Industry and Skills Committee | 1,489 | 1,490 | 1,512 | 1,534 | 1,557 |
| Industry Workforce Training | 49,880 | 39,041 | 37,443 | 37,857 | 38,421 |
| My Skills Website | 552 | 562 | 569 | 578 | 587 |
| National Centre for Vocational   Education Research | 686 | 686 | 696 | 707 | 718 |
| National Training System COPE | 34,607 | 34,023 | 33,507 | 34,233 | 33,435 |
| Licensing of International   Vocational Education and   Training (VET) courses | 983 | 1,253 | 1,193 | 1,193 | 1,193 |
| **Total expenses for program 2.8** | **1,191,477** | **1,201,101** | **1,150,408** | **1,140,550** | **1,147,089** |

(a) This special account is funded by Annual Appropriation Bill (No. 1) and receipts from independent sources.

## Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2018–19 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 entity resources table and the budgeted financial statements are due to amounts in Bill 5 not being included in the resource table, as they are yet to receive Royal Assent.

#### 3.1.2 Explanatory notes and analysis of Budgeted Financial Statements

An analysis of the department’s budgeted financial statements, which consists of the budgeted departmental statements and administered schedules, is provided below. The 2017–18 estimated actual is used as the comparative year.

##### Budgeted departmental comprehensive income statement

The department’s income statement reflects a deficit across the forward estimates. These deficits are predominately attributed to depreciation expenses. The estimated deficit in 2017–18 also accounts for the write down of intangibles to reflect their useful life. Expenses for 2018–19 are estimated to be $396.9 million. This reflects a decrease of $17.5 million from the estimated actual expense for 2017–18.

##### Budget departmental balance sheet

The budgeted net asset position of $60.7 million for 2018–19 represents an increase of $6.2 million from the 2017–18 estimated actual. The accumulated deficit apparent in the balance sheet predominately represents the accounting treatment applicable to depreciation expense.

The structure of the balance sheet reflects the nature of the organisation. Key assets are office fit‑out (included in land and buildings), computer and office machines (included in property, plant and equipment), and computer software (included in intangibles). The most significant liability relates to employees and the leave provisions that are accrued as a result of their employment.

##### Schedule of budgeted income and expenses administered on behalf of Government

The schedule reflects the revenues / gains and expenses relating to the programs administered by the department on behalf of Government.

The administered revenue estimates predominately relate to the loan programs administered by the department, including Higher Education Loan Program (HELP) and Trade Support Loans. The 2017–18 ‘other gain’ reflects the fair value gain as a result of reducing the HELP repayment threshold.

##### Schedule of budgeted assets and liabilities administered on behalf of Government

Total administered assets are projected to increase from $46.2 billion to $58.2 billion over the period 2017–18 to 2021–22, mainly attributable to HELP. The total administered liabilities predominately relate to the unfunded superannuation provision for Australian Universities.

### 3.2. Budgeted financial statements tables

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2017–18 Estimated actual $'000 | 2018–19 Budget  $'000 | 2019–20 Forward estimate $'000 | 2020–21 Forward estimate $'000 | 2021–22 Forward estimate $'000 |
| **EXPENSES** |  |  |  |  |  |
| Employee benefits | 224,145 | 219,491 | 214,682 | 204,994 | 203,323 |
| Suppliers | 156,136 | 152,121 | 137,465 | 135,403 | 134,746 |
| Depreciation and amortisation (a) | 24,454 | 25,272 | 25,278 | 28,300 | 28,300 |
| Write-down and impairment of assets | 9,693 | - | **-** | **-** | **-** |
| **Total expenses** | **414,428** | **396,884** | **377,425** | **368,697** | **366,369** |
| **LESS:** |  |  |  |  |  |
| **OWN-SOURCE INCOME** |  |  |  |  |  |
| **Own-source revenue** |  |  |  |  |  |
| Sale of goods and rendering of  services | 5,387 | 3,468 | 3,468 | 3,468 | 3,468 |
| Rental income | 8,559 | 8,559 | 8,559 | 8,559 | 8,559 |
| Other | 1,721 | 6,281 | 6,152 | 5,613 | 5,550 |
| **Total own-source revenue** | **15,667** | **18,308** | **18,179** | **17,640** | **17,577** |
| **Gains** |  |  |  |  |  |
| Sale of assets | 14 | **-** | - | - | - |
| Other | 9,335 | 9,335 | 9,335 | 9,335 | 9,335 |
| **Total gains** | **9,349** | **9,335** | **9,335** | **9,335** | **9,335** |
| **Total own-source income** | **25,016** | **27,643** | **27,514** | **26,975** | **26,912** |
| **Net (cost of)/contribution by  services** | **(389,412)** | **(369,241)** | **(349,911)** | **(341,722)** | **(339,457)** |
| Revenue from Government | 356,479 | 344,269 | 324,948 | 313,756 | 311,512 |
| **Surplus/(deficit) attributable to the  Australian Government** | **(32,933)** | **(24,972)** | **(24,963)** | **(27,966)** | **(27,945)** |
| **Total comprehensive income/(loss)  attributable to the Australian  Government** | **(32,933)** | **(24,972)** | **(24,963)** | **(27,966)** | **(27,945)** |
|  |  |  |  |  |  |
| **Note: Impact of net cash appropriation arrangements** |  |  |  |  |  |
|  | 2017–18 $'000 | 2018–19 $'000 | 2019–20 $'000 | 2020–21 $'000 | 2021–22 $'000 |
| **Total comprehensive income/(loss)  excluding depreciation/  amortisation expenses previously  funded through revenue  appropriations** | **(8,479)** | **300** | **315** | **334** | **355** |
| less depreciation/amortisation  expenses previously funded through  revenue appropriations (a) | 24,454 | 25,272 | 25,278 | 28,300 | 28,300 |
| **Total comprehensive income/(loss)  - as per the statement of  comprehensive income** | **(32,933)** | **(24,972)** | **(24,963)** | **(27,966)** | **(27,945)** |

(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)

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2017–18 Estimated actual $'000 | 2018–19 Budget  $'000 | 2019–20 Forward estimate $'000 | 2020–21 Forward estimate $'000 | 2021–22 Forward estimate $'000 |
| **ASSETS** |  |  |  |  |  |
| **Financial assets** |  |  |  |  |  |
| Cash and cash equivalents | 5,956 | 5,956 | 5,956 | 5,956 | 5,956 |
| Trade and other receivables | 70,103 | 58,953 | 58,859 | 58,847 | 58,841 |
| Other financial assets | 4,183 | 4,183 | 4,183 | 4,183 | 4,183 |
| ***Total financial assets*** | ***80,242*** | ***69,092*** | ***68,998*** | ***68,986*** | ***68,980*** |
| **Non-financial assets** |  |  |  |  |  |
| Land and buildings | 34,354 | 30,767 | 27,129 | 25,055 | 21,370 |
| Property, plant and equipment | 1,034 | 8,741 | 15,975 | 24,691 | 30,722 |
| Intangibles | 51,410 | 64,640 | 65,423 | 56,045 | 50,519 |
| Other non-financial assets | 2,765 | 2,765 | 2,765 | 2,765 | 2,765 |
| ***Total non-financial assets*** | ***89,563*** | ***106,913*** | ***111,292*** | ***108,556*** | ***105,376*** |
| Assets held for sale |  |  |  |  |  |
| **Total assets** | **169,805** | **176,005** | **180,290** | **177,542** | **174,356** |
| **LIABILITIES** |  |  |  |  |  |
| **Payables** |  |  |  |  |  |
| Suppliers | 29,677 | 29,677 | 29,677 | 29,677 | 29,677 |
| Other payables | 14,315 | 14,325 | 14,302 | 14,300 | 14,299 |
| ***Total payables*** | ***43,992*** | ***44,002*** | ***43,979*** | ***43,977*** | ***43,976*** |
| **Provisions** |  |  |  |  |  |
| Employee provisions | 70,760 | 70,732 | 70,661 | 70,651 | 70,646 |
| Other provisions | 532 | 532 | 532 | 532 | 532 |
| ***Total provisions*** | ***71,292*** | ***71,264*** | ***71,193*** | ***71,183*** | ***71,178*** |
| **Total liabilities** | **115,284** | **115,266** | **115,172** | **115,160** | **115,154** |
| **Net assets** | **54,521** | **60,739** | **65,118** | **62,382** | **59,202** |
| **EQUITY\*** |  |  |  |  |  |
| **Parent entity interest** |  |  |  |  |  |
| Contributed equity | 178,239 | 209,429 | 238,771 | 264,001 | 288,766 |
| Reserves | 1,244 | 1,244 | 1,244 | 1,244 | 1,244 |
| Retained surplus (accumulated  deficit) | (124,962) | (149,934) | (174,897) | (202,863) | (230,808) |
| ***Total parent entity interest*** | ***54,521*** | ***60,739*** | ***65,118*** | ***62,382*** | ***59,202*** |
| ***Total non-controlling interest*** | ***-*** | ***-*** | ***-*** | ***-*** | ***-*** |
| **Total equity** | **54,521** | **60,739** | **65,118** | **62,382** | **59,202** |

\* 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 2018–19)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | Retained earnings  $'000 | Asset revaluation reserve $'000 | Contributed equity/ capital $'000 | Total equity   $'000 |
| **Opening balance as at 1 July 2018** |  |  |  |  |
| Balance carried forward from  previous period | (124,962) | 1,244 | 178,239 | 54,521 |
| ***Adjusted opening balance*** | ***(124,962)*** | ***1,244*** | ***178,239*** | ***54,521*** |
| **Comprehensive income** |  |  |  |  |
| Other comprehensive income |  |  |  |  |
| Surplus/(deficit) for the period | (24,972) | - | - | (24,972) |
| ***Total comprehensive income*** | ***(24,972)*** | ***-*** | ***-*** | ***(24,972)*** |
| of which: |  |  |  |  |
| Attributable to the Australian  Government | (24,972) | - | - | (24,972) |
| **Transactions with owners** |  |  |  |  |
| ***Distributions to owners*** |  |  |  |  |
| Returns on capital: |  |  |  |  |
| Other | - | - | - | - |
| ***Contributions by owners*** |  |  |  |  |
| Equity injection - Appropriation | - | - | 8,519 | 8,519 |
| Departmental Capital Budget (DCB) | - | - | 22,671 | 22,671 |
| ***Sub-total transactions with  owners*** | ***-*** | ***-*** | ***31,190*** | ***31,190*** |
| **Estimated closing balance as at  30 June 2019** | **(149,934)** | **1,244** | **209,429** | **60,739** |
| **Closing balance attributable to  the Australian Government** | **(149,934)** | **1,244** | **209,429** | **60,739** |

Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2017–18 Estimated actual $'000 | 2018–19 Budget  $'000 | 2019–20 Forward estimate $'000 | 2020–21 Forward estimate $'000 | 2021–22 Forward estimate $'000 |
| **OPERATING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Appropriations | 352,642 | 355,419 | 325,042 | 313,768 | 311,518 |
| Sale of goods and rendering of  services | 13,946 | 12,027 | 12,027 | 12,027 | 12,027 |
| Other | 1,721 | 6,281 | 6,152 | 5,613 | 5,550 |
| ***Total cash received*** | ***368,309*** | ***373,727*** | ***343,221*** | ***331,408*** | ***329,095*** |
| **Cash used** |  |  |  |  |  |
| Employees | 223,840 | 219,509 | 214,776 | 205,006 | 203,329 |
| Suppliers | 146,801 | 142,786 | 128,130 | 126,068 | 125,411 |
| ***Total cash used*** | ***370,641*** | ***362,295*** | ***342,906*** | ***331,074*** | ***328,740*** |
| **Net cash from/(used by)  operating activities** | **(2,332)** | **11,432** | **315** | **334** | **355** |
| **INVESTING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Proceeds from sales of property,  plant and equipment | 124 | - | - | - | - |
| ***Total cash received*** | ***124*** | ***-*** | ***-*** | ***-*** | ***-*** |
| **Cash used** |  |  |  |  |  |
| Purchase of property, plant and  equipment and intangibles | 23,634 | 42,622 | 29,657 | 25,564 | 25,120 |
| ***Total cash used*** | ***23,634*** | ***42,622*** | ***29,657*** | ***25,564*** | ***25,120*** |
| **Net cash from/(used by)  investing activities** | **(23,510)** | **(42,622)** | **(29,657)** | **(25,564)** | **(25,120)** |
| **FINANCING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Contributed equity | 25,966 | 31,190 | 29,342 | 25,230 | 24,765 |
| ***Total cash received*** | ***25,966*** | ***31,190*** | ***29,342*** | ***25,230*** | ***24,765*** |
| **Cash used** |  |  |  |  |  |
| Other | - | - | - | - | - |
| ***Total cash used*** | ***-*** | ***-*** | ***-*** | ***-*** | ***-*** |
| **Net cash from/(used by)  financing activities** | **25,966** | **31,190** | **29,342** | **25,230** | **24,765** |
| **Net increase/(decrease) in cash  held** | **124** | **-** | **-** | **-** | **-** |
| Cash and cash equivalents at the  beginning of the reporting period | 5,832 | 5,956 | 5,956 | 5,956 | 5,956 |
| Effect of exchange rate  movements on cash and  cash equivalents at the  beginning of reporting period | - | - | - | - | - |
| **Cash and cash equivalents at  the end of the reporting period** | **5,956** | **5,956** | **5,956** | **5,956** | **5,956** |

Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2017–18 Estimated actual $'000 | 2018–19 Budget  $'000 | 2019–20 Forward estimate $'000 | 2020–21 Forward estimate $'000 | 2021–22 Forward estimate $'000 |
| **NEW CAPITAL APPROPRIATIONS** |  |  |  |  |  |
| Capital budget - Bill 1 (DCB) | 10,187 | 22,671 | 23,755 | 23,917 | 24,056 |
| Equity injections - Bill 2 | 15,779 | 8,519 | 5,587 | 1,313 | 709 |
| **Total new capital appropriations** | **25,966** | **31,190** | **29,342** | **25,230** | **24,765** |
| ***Provided for:*** |  |  |  |  |  |
| *Purchase of non-financial assets* | *25,966* | *31,190* | *29,342* | *25,230* | *24,765* |
| ***Total items*** | ***25,966*** | ***31,190*** | ***29,342*** | ***25,230*** | ***24,765*** |
| **PURCHASE OF NON-FINANCIAL  ASSETS** |  |  |  |  |  |
| Funded by capital appropriations (a) | 9,147 | 19,651 | 5,587 | 1,313 | 709 |
| Funded by capital appropriation -  DCB (b) | 13,287 | 22,671 | 23,755 | 23,917 | 24,056 |
| Funded internally from departmental  resources (c) | 1,200 | 300 | 315 | 334 | 355 |
| **TOTAL** | **23,634** | **42,622** | **29,657** | **25,564** | **25,120** |
| **RECONCILIATION OF CASH USED  TO ACQUIRE ASSETS TO ASSET  MOVEMENT TABLE** |  |  |  |  |  |
| Total purchases | 23,634 | 42,622 | 29,657 | 25,564 | 25,120 |
| **Total cash used to acquire assets** | **23,634** | **42,622** | **29,657** | **25,564** | **25,120** |

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

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

(c) Includes the following sources of funding: internally developed assets.

Prepared on Australian Accounting Standards basis.

Table 3.6: Statement of asset movements (Budget year 2018–19)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | Buildings   $'000 | Other property, plant and equipment $'000 | Computer software and intangibles $'000 | Total   $'000 |
| **As at 1 July 2018** |  |  |  |  |
| Gross book value | 43,054 | 3,076 | 126,448 | 172,578 |
| Accumulated depreciation/ amortisation and impairment | (8,700) | (2,042) | (75,038) | (85,780) |
| **Opening net book balance** | **34,354** | **1,034** | **51,410** | **86,798** |
| **Capital asset additions** |  |  |  |  |
| **Estimated expenditure on new  or replacement assets** |  |  |  |  |
| By purchase - appropriation equity (a) | - | - | 19,651 | 19,651 |
| By purchase – appropriation  ordinary annual services (b) | 576 | 8,724 | 13,371 | 22,671 |
| By purchase - other | - | - | 300 | 300 |
| **Total additions** | **576** | **8,724** | **33,322** | **42,622** |
| **Other movements** |  |  |  |  |
| Depreciation/amortisation expense | (4,163) | (1,017) | (20,092) | (25,272) |
| **Total other movements** | **(4,163)** | **(1,017)** | **(20,092)** | **(25,272)** |
| **As at 30 June 2019** |  |  |  |  |
| Gross book value | 43,630 | 11,800 | 159,770 | 215,200 |
| Accumulated depreciation/  amortisation and impairment | (12,863) | (3,059) | (95,130) | (111,052) |
| **Closing net book balance** | **30,767** | **8,741** | **64,640** | **104,148** |

(a) 'Appropriation equity' refers to equity injections appropriations provided through Appropriation Bill (No. 2) 2017–18, including CDABs.

(b) 'Appropriation ordinary annual services' refers to funding provided through Appropriation Bill (No. 1) 2017–18 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)

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2017–18 Estimated actual $'000 | 2018–19 Budget  $'000 | 2019–20 Forward estimate $'000 | 2020–21 Forward estimate $'000 | 2021–22 Forward estimate $'000 |
| **EXPENSES** |  |  |  |  |  |
| Suppliers | 720,620 | 732,773 | 669,904 | 664,986 | 666,512 |
| Subsidies | 398,515 | 402,418 | 408,314 | 393,441 | 393,530 |
| Personal benefits | 7,250,005 | 8,097,406 | 8,784,219 | 9,135,067 | 9,649,934 |
| Grants | 28,874,969 | 29,817,010 | 31,238,960 | 32,960,255 | 34,427,767 |
| Finance costs | 312,682 | 318,360 | 315,065 | 312,802 | 330,006 |
| Write-down and impairment of assets | 1,129,698 | 1,143,313 | 1,194,810 | 1,235,286 | 1,243,155 |
| Payments to corporate entities | 16,318 | - | - | - | - |
| Other expenses | - | - | - | - | - |
| **Total expenses administered on  behalf of Government** | **38,702,807** | **40,511,280** | **42,611,272** | **44,701,837** | **46,710,904** |
| **LESS:** |  |  |  |  |  |
| **OWN-SOURCE INCOME** |  |  |  |  |  |
| **Own-source revenue** |  |  |  |  |  |
| **Taxation revenue** |  |  |  |  |  |
| Other taxes | 6,574 | 6,123 | 5,649 | 5,087 | 5,153 |
| ***Total taxation revenue*** | ***6,574*** | ***6,123*** | ***5,649*** | ***5,087*** | ***5,153*** |
| **Non-taxation revenue** |  |  |  |  |  |
| Interest | 701,649 | 857,633 | 1,106,916 | 1,132,792 | 1,199,336 |
| Other revenue | 551,253 | 490,902 | 338,647 | 402,786 | 882,123 |
| ***Total non-taxation revenue*** | ***1,252,902*** | ***1,348,535*** | ***1,445,563*** | ***1,535,578*** | ***2,081,459*** |
| **Total own-source revenue  administered on behalf of  Government** | **1,259,476** | **1,354,658** | **1,451,212** | **1,540,665** | **2,086,612** |
| **Gains** |  |  |  |  |  |
| Other gains | 2,766,000 | - | - | - | - |
| **Total gains administered on  behalf of Government** | **2,766,000** | **-** | **-** | **-** | **-** |
| **Total own-sourced income  administered on behalf of  Government** | **4,025,476** | **1,354,658** | **1,451,212** | **1,540,665** | **2,086,612** |
| **Net (cost of)/contribution by  services** | **(34,677,331)** | **(39,156,622)** | **(41,160,060)** | **(43,161,172)** | **(44,624,292)** |
| **Surplus/(deficit) before income tax** | **(34,677,331)** | **(39,156,622)** | **(41,160,060)** | **(43,161,172)** | **(44,624,292)** |
| Income tax expense |  |  |  |  |  |
| **Surplus/(deficit) after income tax** | (34,677,331) | (39,156,622) | (41,160,060) | (43,161,172) | (44,624,292) |
| **Total comprehensive income/(loss)** | **(34,677,331)** | **(39,156,622)** | **(41,160,060)** | **(43,161,172)** | **(44,624,292)** |

Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2017–18 Estimated actual $'000 | 2018–19 Budget  $'000 | 2019–20 Forward estimate $'000 | 2020–21 Forward estimate $'000 | 2021–22 Forward estimate $'000 |
| **ASSETS** |  |  |  |  |  |
| **Financial assets** |  |  |  |  |  |
| Cash and cash equivalents | 70,263 | 64,052 | 60,613 | 57,140 | 53,305 |
| Trade and other receivables | 924,625 | 748,708 | 718,936 | 707,266 | 711,548 |
| Other investments | 2,301,628 | 2,301,628 | 2,301,628 | 2,301,628 | 2,301,628 |
| Other financial assets | 42,860,946 | 46,098,509 | 49,190,739 | 52,071,267 | 55,155,455 |
| ***Total financial assets*** | ***46,157,462*** | ***49,212,897*** | ***52,271,916*** | ***55,137,301*** | ***58,221,936*** |
| **Total assets administered on  behalf of Government** | **46,157,462** | **49,212,897** | **52,271,916** | **55,137,301** | **58,221,936** |
| **LIABILITIES** |  |  |  |  |  |
| **Payables** |  |  |  |  |  |
| Suppliers | 95,137 | 95,137 | 95,137 | 95,137 | 95,137 |
| Personal benefits | 115,722 | 123,128 | 219,800 | 226,722 | 239,083 |
| Grants | 13,744 | 13,744 | 13,744 | 13,744 | 13,744 |
| Other payables | 15,194 | 15,194 | 15,194 | 15,194 | 15,194 |
| ***Total payables*** | ***239,797*** | ***247,203*** | ***343,875*** | ***350,797*** | ***363,158*** |
| **Provisions** |  |  |  |  |  |
| Personal benefits provision | 981,241 | 843,128 | 986,660 | 1,065,697 | 1,152,661 |
| Provision for grants | 6,345,437 | 6,149,880 | 5,934,239 | 5,672,995 | 5,384,478 |
| ***Total provisions*** | ***7,326,678*** | ***6,993,008*** | ***6,920,899*** | ***6,738,692*** | ***6,537,139*** |
| **Total liabilities administered on  behalf of Government** | **7,566,475** | **7,240,211** | **7,264,774** | **7,089,489** | **6,900,297** |
| **Net assets/(liabilities)** | **38,590,987** | **41,972,686** | **45,007,142** | **48,047,812** | **51,321,639** |

Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2017–18 Estimated actual $'000 | 2018–19 Budget  $'000 | 2019–20 Forward estimate $'000 | 2020–21 Forward estimate $'000 | 2021–22 Forward estimate $'000 |
| **OPERATING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Interest | 858,707 | 1,110,323 | 1,229,076 | 1,368,276 | 1,525,417 |
| Taxes | 6,574 | 6,123 | 5,649 | 5,087 | 5,153 |
| Net GST received | 1,102,103 | 1,161,752 | 1,223,475 | 1,291,608 | 1,358,221 |
| Other | 92,124 | 94,736 | 102,550 | 103,898 | 104,332 |
| ***Total cash received*** | ***2,059,508*** | ***2,372,934*** | ***2,560,750*** | ***2,768,869*** | ***2,993,123*** |
| **Cash used** |  |  |  |  |  |
| Grant | 28,996,532 | 30,012,567 | 31,454,601 | 33,221,499 | 34,716,284 |
| Subsidies paid | 398,515 | 402,418 | 408,314 | 393,441 | 393,530 |
| Personal benefits | 7,226,947 | 8,067,883 | 8,530,401 | 9,054,080 | 9,572,033 |
| Suppliers | 720,620 | 732,773 | 669,904 | 664,986 | 666,512 |
| Net GST paid | 1,102,103 | 1,161,752 | 1,223,475 | 1,291,608 | 1,358,221 |
| Payments to corporate entities | 16,318 | - | - | - | - |
| ***Total cash used*** | ***38,461,035*** | ***40,377,393*** | ***42,286,695*** | ***44,625,614*** | ***46,706,580*** |
| **Net cash from/(used by)  operating activities** | **(36,401,527)** | **(38,004,459)** | **(39,725,945)** | **(41,856,745)** | **(43,713,457)** |
| **INVESTING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Repayments of advances and loans | 2,065,994 | 2,697,921 | 3,016,283 | 3,407,454 | 3,846,476 |
| ***Total cash received*** | ***2,065,994*** | ***2,697,921*** | ***3,016,283*** | ***3,407,454*** | ***3,846,476*** |
| **Cash used** |  |  |  |  |  |
| Advances and loans made | 7,085,681 | 7,236,237 | 7,486,334 | 7,753,826 | 8,032,514 |
| Other | 74 | - | - | - | - |
| ***Total cash used*** | ***7,085,755*** | ***7,236,237*** | ***7,486,334*** | ***7,753,826*** | ***8,032,514*** |
| **Net cash from/(used by)  investing activities** | **(5,019,761)** | **(4,538,316)** | **(4,470,051)** | **(4,346,372)** | **(4,186,038)** |
| **FINANCING ACTIVITIES** |  |  |  |  |  |
| ***Net increase/(decrease) in cash  held*** | ***(41,421,288)*** | ***(42,542,775)*** | ***(44,195,996)*** | ***(46,203,117)*** | ***(47,899,495)*** |
| Cash and cash equivalents at  beginning of reporting period | 85,476 | 70,263 | 64,052 | 60,613 | 57,140 |
| Cash from Official Public Account  for: |  |  |  |  |  |
| - Appropriations | 44,416,450 | 46,436,164 | 48,540,586 | 51,079,392 | 53,372,005 |
| *Total cash from Official Public  Account* | *44,416,450* | *46,436,164* | *48,540,586* | *51,079,392* | *53,372,005* |
| Cash to Official Public Account for: |  |  |  |  |  |
| - Appropriations | (3,010,375) | (3,899,600) | (4,348,029) | (4,879,748) | (5,476,345) |
| *Total cash to Official Public  Account* | *(3,010,375)* | *(3,899,600)* | *(4,348,029)* | *(4,879,748)* | *(5,476,345)* |
| **Cash and cash equivalents at  end of reporting period** | **70,263** | **64,052** | **60,613** | **57,140** | **53,305** |

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 budget therefore Table 3.10 is not presented.

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

The department has no administered asset movements therefore Table 3.11 is not presented.

Australian Curriculum, Assessment and Reporting Authority

Entity resources and planned performance

Australian Curriculum, Assessment and Reporting Authority

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# Australian Curriculum, Assessment and Reporting Authority

## Section 1: Entity overview and resources

### 1.1 Strategic direction statement

The Australian Curriculum, Assessment and Reporting Authority (ACARA) was established under the *Australian Curriculum, Assessment and Reporting Authority Act 2008* of the Parliament of the Commonwealth of Australia. ACARA’s mission is to improve the learning of all young Australians through world‑class school curriculum, assessment and reporting.

ACARA’s strategic directions are set through its Charter, issued by the Council of Australian Government’s (COAG) Education Council (Council). The Charter reflects ACARA’s role as an independent statutory authority and provides guidance about the nature of the activities ACARA is expected to undertake in fulfilling its functions and executing the policy directions set by the Council.

ACARA’s budget is agreed to by Council and provided in accordance with the Council’s agreed funding formula. ACARA’s high-level 2017–18 to 2020–21 work plan and budget was endorsed by the Council in January 2018. ACARA’s high-level 2021–22 work plan and budget will be submitted to the Council for consideration early in 2019 as part of its 2018–19 to 2021–22 rolling quadrennial plan.

A priority for ACARA during 2018–19 is to work in collaboration with Education Services Australia (ESA) and all Australian governments to ensure the successful transition to online assessment, with the goal to move the National Assessment Program – Literacy and Numeracy (NAPLAN) online by 2020. During this period, ACARA will also continue to assemble the necessary data and information needed to provide for future evidence based policy and curriculum development.

ACARA’s strategic directions, endorsed by the Council in November 2016, are:

**National Curriculum**

* provide a world-class curriculum from Foundation to Year 12 in specified learning areas agreed to by Council
* assemble the evidence base required to review, develop and refine curriculum

**National Assessment**

* provide a quality, comprehensive and cohesive suite of assessments (including NAPLAN and NAP Sample)

**National Data and Reporting**

* provide and apply a comprehensive and reliable national measurement framework
* facilitate the use and dissemination of data for research and policy development in accordance with agreed protocols
* present detailed, accessible, timely and meaningful school education performance information

**National Collaboration and Leadership**

* provide effective national leadership in curriculum development, educational assessment and national reporting
* closely collaborate with jurisdictions, the non-government education sector and relevant stakeholders in pursuing the national education agenda

ACARA works collaboratively with a wide range of stakeholders including teachers, principals, government, state and territory education authorities, professional education associations, business and industry, community groups and the broader public in undertaking its work.

The management of risk is fundamental in supporting ACARA to achieve its strategic directions in a complex stakeholder environment. ACARA’s Board, Audit and Risk Committee and executive, as well as staff, are actively involved in risk management for ACARA. This work is supported by an internal audit program that tests ACARA’s compliance framework and controls.

### 1.2 Entity resource statement

Table 1.1 shows the total funding from all sources available to ACARA 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 1’ tables in Section 2 and the financial statements in Section 3 are presented on an accrual basis.

Table 1.1: ACARA resource statement — Budget estimates for 2018–19 as at Budget May 2018

|  |  |  |
| --- | --- | --- |
|  | *2017–18 Estimated actual $'000* | 2018–19 Estimate  $'000 |
| **Opening balance/cash reserves at 1 July** | *6,779* | 4,912 |
| **Funds from Government** |  |  |
| Amounts received from related entities |  |  |
| Amounts from portfolio department (a) | *15,291* | 15,216 |
| Total amounts received from related entities | *15,291* | 15,216 |
| **Total funds from Government** | ***15,291*** | **15,216** |
| **Funds from other sources** |  |  |
| Interest | *195* | 180 |
| Other | *13,057* | 13,082 |
| **Total funds from other sources** | ***13,252*** | **13,262** |
| **Total net resourcing for Australian Curriculum, Assessment and Reporting Authority** | ***35,322*** | **33,390** |
|  |  |  |
|  | *2017–18* | 2018–19 |
| **Average staffing level (number)** | *93* | 93 |

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

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

(a) Funding provided by the portfolio department that is not specified within the Annual Appropriation Bills as a payment to that corporate entity (for example, a grant awarded to a corporate entity from one of its portfolio department's administered programs).

## 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 ACARA can be found at [acara.edu.au](http://acara.edu.au/docs/default-source/corporate-publications/acara-2017-18-corporate-plan.pdf)

The most recent annual performance statement can be found in the ACARA Annual Report at [acara.edu.au](http://acara.edu.au/docs/default-source/corporate-publications/20171031-acara-annual-report-2016-17.pdf)

### 2.1 Budgeted expenses and performance for Outcome 1

**Outcome 1: Improved quality and consistency of school education in Australia through a national curriculum, national assessment, data collection, and performance reporting system.**

#### Budgeted expenses for Outcome 1

This table shows how much ACARA 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: Improved quality and consistency of school education in Australia through a national curriculum, national assessment, data collection and performance reporting system**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2017–18 Estimated actual $'000 | 2018–19 Budget  $'000 | 2019–20 Forward estimate $'000 | 2020–21 Forward estimate $'000 | 2021–22 Forward estimate $'000 |
| **Program 1.1: National Curriculum** |  |  |  |  |  |
| Revenue from Government |  |  |  |  |  |
| Payment from related entities | 4,863 | 4,701 | 4,825 | 2,680 | - |
| Revenues from other independent  sources | 2,121 | 2,520 | 2,514 | 2,716 | - |
| **Total expenses for Program 1.1** | **6,984** | **7,221** | **7,339** | **5,396** | **-** |
| **Program 1.2: National Assessment** |  |  |  |  |  |
| Revenue from Government |  |  |  |  |  |
| Payment from related entities | 8,212 | 7,789 | 7,816 | 7,772 | - |
| Revenues from other independent  sources | 8,746 | 7,957 | 7,938 | 7,876 | - |
| **Total expenses for Program 1.2** | **16,958** | **15,746** | **15,754** | **15,648** | **-** |
| **Program 1.3: National Data Collection and Reporting** |  |  |  |  |  |
| Revenue from Government |  |  |  |  |  |
| Payment from related entities | 1,695 | 2,077 | 2,084 | 2,278 | - |
| Revenues from other independent  sources | 1,855 | 2,122 | 2,117 | 2,309 | - |
| **Total expenses for Program 1.3** | **3,550** | **4,199** | **4,201** | **4,587** | **-** |
| **Program 1.4: National Collaboration and Leadership** |  |  |  |  |  |
| Revenue from Government |  |  |  |  |  |
| Payment from related entities | 521 | 649 | 651 | 670 | - |
| Revenues from other independent  sources | 530 | 663 | 662 | 679 | - |
| **Total expenses for Program 1.4** | **1,051** | **1,312** | **1,313** | **1,349** | **-** |
| **Outcome 1 totals by resource type** |  |  |  |  |  |
| Revenue from Government |  |  |  |  |  |
| Payment from related entities | 15,291 | 15,216 | 15,376 | 13,400 | - |
| Revenues from other independent  sources | 13,252 | 13,262 | 13,230 | 13,580 | - |
| **Total expenses for Outcome 1** | **28,543** | **28,478** | **28,606** | **26,980** | **-** |
|  |  |  |  |  |  |
|  | 2017–18 | 2018–19 |  |  |  |
| **Average staffing level (number)** | 93 | 93 |  |  |  |

#### Performance criteria for Outcome 1

This section details the performance criteria for each program associated with Outcome 1. It summarises how each program is delivered and where 2018–19 Budget measures have created new programs or materially changed existing programs.

**Outcome 1: Improved quality and consistency of school education in Australia through a national curriculum, national assessment, data collection, and performance reporting system.**

##### Program 1.1 – National Curriculum

| Item | Description |
| --- | --- |
| Objective | The program aims to improve the quality, equity and transparency of Australia’s education system.  A national curriculum ensures that every child in Australia, regardless of where they live or the school they attend, has access to a world-class curriculum. |
| Delivery | Delivering the Foundation – Year 10 and senior secondary Australian Curriculum.  Strengthening assessment of student learning of the Australian Curriculum through provision of student work samples, NAP development and data analysis.  Providing authoritative curriculum advice to stakeholders and facilitate information-sharing and collaboration in support of the Australian Curriculum.  Monitoring the effectiveness of the Australian Curriculum by collecting, analysing and reporting annually on feedback.  Reviewing, and reporting on, recent developments in research and international curriculum practice to inform national policy and practice and to further improve the Australian Curriculum. |
| Purposes | Program 1.1 contributes to the following purposes of ACARA:  provide a world-class curriculum from Foundation to Year 12 in specified learning areas agreed to by Council  assemble the evidence base required to review, develop and refine curriculum. |

###### Performance information 1.1 – National Curriculum

| Year | Performance criteria | Expected achievement |
| --- | --- | --- |
| 2017–18 | Activities relating to monitoring the national curriculum, international comparisons and research on developments in school curriculum design undertaken. | 2017 Monitoring Report published by end of January 2018.  The 2017 Monitoring Report was published in January 2018. |
| 2017–18 | Level of satisfaction with the Australian Curriculum website. | Strong satisfaction with the ACARA website recorded by end of June 2018.  It is anticipated that an overall rating of ‘satisfied’ will be recorded by the end of June 2018. |

| Year | Performance criteria | Targets |
| --- | --- | --- |
| 2018–19 | Activities relating to monitoring the national curriculum, international comparisons and research on developments in school curriculum design undertaken.  Portfolios of work samples for all published curriculum available. | Reports on national curriculum monitoring, international comparison(s) and research on developments in school curriculum design published by the end of the third quarter of the reporting year.  Portfolios of work samples that exemplify the curriculum finalised and published by end 2018–19. |
| 2019–20 and beyond | Activities relating to monitoring the national curriculum, international comparisons and research on developments in school curriculum design activities completed and the scope of the refinement of the Australian Curriculum ready for approval by the ACARA Board.  Commence refinements to the Australian Curriculum. | Reports on national curriculum monitoring, international comparisons and research on developments in school curriculum design submitted to the Board by the end of the third quarter of the reporting year.  The scope for refinement of the Australian Curriculum, (informed by analysis of monitoring, comparative and research activities 2016–17 to 2019–20) approved by the ACARA Board and agreed to by jurisdictions.  Agreed actions being addressed in the drafting of refinements to the Australian Curriculum. |

##### Program 1.2 – National Assessment

| Item | Description |
| --- | --- |
| Objective | The program aims to provide school education leaders, teachers and parents with the means to periodically assess students against previous performance, national benchmarks and their peers using an objective measure. |
| Delivery | Researching, developing and supporting activities required for online assessment.  Managing the planning and development and oversee the delivery and reporting for the National Assessment Program Literacy and Numeracy (NAPLAN), managing the transition from pen and paper form to online delivery.  Managing the development and overseeing the delivery of assessments and reporting for the National Assessment Program (NAP) sample assessments. |
| Purposes | Program 1.2 contributes to the following purposes of ACARA:  provide a quality, comprehensive and cohesive suite of national assessments. |

###### Performance information 1.2 – National Assessment

| Year | Performance criteria | Expected achievement |
| --- | --- | --- |
| 2017–18 | National Assessment Program (NAP) – NAPLAN and NAP sample assessments delivered.  ACARA research relating to online assessment completed. | NAP successfully delivered, reported on (including delivery of NAPLAN online in 2018 to schools, as determined by state and territory authorities) and successfully and fully transitioned online in the timeframe agreed by ministers.  2017 NAP Information and Communication Technology Literacy successfully delivered in the second quarter of 2017–18.  2017 NAPLAN National Report published in December 2017, following Council endorsement.  2018 NAPLAN expected to be delivered online in May 2018 to approximately 20% of students across Australia with remaining schools undertaking paper and pencil NAPLAN assessment.  Research relating to online assessment completed and findings communicated and implemented.  Research on Automated Essay Scoring published in early 2018.  Roadmap to maximise participation of Students with Disability online was reviewed by the ACARA’s National Testing Working Group and endorsed by the Online Assessment Working Group and being implemented. |

|  |  |  |
| --- | --- | --- |
| Year | Performance criteria | Targets |
| 2018–19 | National Assessment Program (NAP) – NAPLAN and NAP sample assessments delivered.  Evaluation of NAPLAN online processes undertaken and potential enhancements identified (including the potential addition of gain scores to individual student reports (ISRs)). | NAP successfully delivered, reported on (including delivery of NAPLAN online in 2019 to schools, as determined by state and territory authorities).  NAPLAN online processes reviewed with enhancements prioritised for future implementation. |
| 2019–20 and beyond | National Assessment Program (NAP) – NAPLAN and NAP sample assessments delivered.  NAP sample assessments available to schools participating voluntarily.  Level of stakeholder satisfaction with online assessment. | NAP successfully delivered, reported on (including delivery of NAPLAN online in 2020).  Schools beyond the sample cohort participate voluntarily in NAP sample assessment.  Strong level of satisfaction with online assessment recorded. |

##### Program 1.3 – National Data and Reporting

| Item | Description |
| --- | --- |
| Objective | The program aims to provide public reporting to promote accountability and engagement in school education.  Provision of quality information on schooling is important for schools and their students, for parents and their families and for the community and governments. |
| Delivery | Monitoring and where necessary reviewing the existing national key performance measures for schools.  Producing a comprehensive and authoritative national report on schooling in Australia related to national key performance measures.  Managing the collection and quality assurance of data and providing national school information through the My School website and national reports.  Managing the sharing and dissemination of data with government and non-government school authorities and with other applicants in accordance with agreed protocols. |
| Purposes | Program 1.3 contributes to the following purpose of ACARA:  provide and apply a comprehensive and reliable national measurement framework  facilitate the use and dissemination of data for research and policy development in accordance with agreed protocols  present detailed, accessible, timely and meaningful school education performance information. |

###### Performance information 1.3 – National Data and Reporting

| Year | Performance criteria | Expected achievement |
| --- | --- | --- |
| 2017–18 | The National Report on Schooling in Australia is approved by the ACARA Board before the end of the subsequent calendar year.  A review and revision of the Measurement Framework for Schooling in Australia, in consultation with stakeholders and advisory groups undertaken. | The National Report on Schooling drafted and approved by the ACARA Board by the end of December of the following year; the data portal updated in December and March with the most up‑to‑date available data, allowing public access to the various agreed national data sets for schooling.  It is expected that the 2016 National Report on Schooling will be published before the end of 2017–18. The Data Portal was updated in December 2017 and in April 2018.  Scope of the review of the Measurement Framework for Schooling in Australia agreed to, with review underway in consultation with advisory groups and stakeholders.  Discussion around the review of the Measurement Framework will commence in the last quarter of 2017–18, taking into account consideration by AESOC of a performance framework. |

|  |  |  |
| --- | --- | --- |
| Year | Performance criteria | Targets |
| 2018–19 | The National Report on Schooling in Australia is approved by the ACARA Board before the end of the subsequent calendar year.  Level of stakeholder satisfaction with the My School website. | The National Report on Schooling drafted and approved by the ACARA Board by the end of December of the following year; the data portal updated in December and March with the most up‑to‑date available data, allowing public access to the various agreed national data sets for schooling.  Strong level of satisfaction with the revamped My School website recorded. |
| 2019–20 and beyond | The National Report on Schooling in Australia is approved by the ACARA Board before the end of the subsequent calendar year.  Enhancements to My School considered and agreed to by the Education Council in September 2015 progressed.  The presentation of data / reports (e.g. NAP reports) revised to reflect best practice. | The National Report on Schooling drafted and approved by the ACARA Board by the end of December of the following year; the data portal updated in December and March with the most up‑to‑date available data, allowing public access to the various agreed national data sets for schooling.  All enhancements (My School) consulted on with key stakeholders and implemented as agreed.  Data/reports developed and presented in line with proposal agreed to by jurisdictions. |

##### Program 1.4 – National Collaboration and Leadership

| Item | Description |
| --- | --- |
| Objective | The program aims to ensure ACARA works in a transparent and collaborative manner with Commonwealth/state/territory departments of education and government and, non-government school authorities.  ACARA will share its proposals and work with a range of advisory groups to enable all stakeholders to provide input. |
| Delivery | Communicating information about ACARA’s work and achievements to partners, stakeholders and the broader community.  Providing national leadership in curriculum, assessment, data collection and reporting directly and in collaboration with the Commonwealth, states, territories, non-government sector, AITSL, ESA and other stakeholder groups and ensure liaison with key stakeholders across all matters relating to curriculum, assessment and reporting.  Collaborating with international education bodies to ensure ACARA’s work and advice to ministers is informed by leading research and better practice and provide support services internationally where this aligns with ACARA's core areas of work. |
| Purposes | Program 1.4 contributes to the following purpose of ACARA:  provide effective national leadership in curriculum development, educational assessment and national reporting.  closely collaborate with jurisdictions, the non-government education sector and relevant stakeholders in pursuing the national education agenda. |

###### Performance information 1.4 National Collaboration and Leadership

| Year | Performance criteria | Expected achievement |
| --- | --- | --- |
| 2017–18 | An advisory structure that is fit for purpose is in place.  A transparent and timely reporting process and structure is maintained.  Collaboration with partners (government and non-government school sectors), national stakeholders and international education bodies clearly maintained. | Advisory structure published.  A revised advisory structure was published in February on ACARA’s website in the second half of 2017–18.  Progress reports against the annual work plan submitted to the Council and/or AESOC each year and at each meeting of the ACARA Board and all advice provided on time and of high quality.  Progress reports have been submitted to at each meeting of the ACARA Board and to the Council in April 2018. All advice provided on time and of high quality.  Evidence of collaboration through scheduled meetings of ACARA’s key advisory groups, ACARA’s attendance at key working groups and peak body opportunities, and evidence of communication with international education bodies.  ACARA has maintained all scheduled meetings of ACARA’s key advisory groups to date and has attended key working group meetings and peak body opportunities. It is expected that communication with international bodies (e.g. OECD) will continue through 2017–18. |

|  |  |  |
| --- | --- | --- |
| Year | Performance criteria | Targets |
| 2018–19 | As per 2017–18. | Advisory structure published (strong level of satisfaction received as measured through surveys in 2019 and 2021).  Progress reports against the annual work plan submitted to the Council and/or AESOC each year and at each meeting of the ACARA Board and all advice provided on time and of high quality.  Evidence of collaboration through scheduled meetings of ACARA’s key advisory groups, ACARA’s attendance at key working groups and peak body opportunities, and evidence of communication with international education bodies. |
| 2019–20 and beyond | As per 2017–18. | As per 2018–19. |

## Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2018–19 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 are no material variances between the entity resources table and the budgeted financial statements.

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

ACARA’s work is undertaken through agreement by the COAG Education Council (the Council) and set through its Charter, its rolling quadrennial plan and any other written instructions from the Council. ACARA’s budget is agreed to by the Council and provided in accordance with the Council’s agreed funding formula. ACARA’s high level 2017–18 to 2020–21 work plan and budget was endorsed by the Council in January 2018. ACARA’s high level 2021–22 work plan and budget has yet to be endorsed by Council as part of ACARA’s 2018–19 to 2021–22 rolling quadrennial plan.

### 3.2. Budgeted financial statements tables

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2017–18 Estimated actual $'000 | 2018–19 Budget  $'000 | 2019–20 Forward estimate $'000 | 2020–21 Forward estimate $'000 | 2021–22 Forward estimate $'000 |
| **EXPENSES** |  |  |  |  |  |
| Employee benefits | 14,630 | 15,517 | 15,827 | 14,819 | - |
| Suppliers | 13,191 | 12,253 | 12,114 | 11,453 | - |
| Depreciation and amortisation | 722 | 708 | 665 | 708 | - |
| **Total expenses** | **28,543** | **28,478** | **28,606** | **26,980** | **-** |
| **LESS:** |  |  |  |  |  |
| **OWN-SOURCE INCOME** |  |  |  |  |  |
| **Own-source revenue** |  |  |  |  |  |
| Interest | 195 | 180 | 180 | 180 | - |
| Other | 28,348 | 28,298 | 28,426 | 26,800 | - |
| **Total own-source revenue** | **28,543** | **28,478** | **28,606** | **26,980** | **-** |
| **Total own-source income** | **28,543** | **28,478** | **28,606** | **26,980** | **-** |
| **Net (cost of)/contribution by  services** | **-** | **-** | **-** | **-** | **-** |
| **Surplus/(deficit) attributable to the  Australian Government** | **-** | **-** | **-** | **-** | **-** |
| **OTHER COMPREHENSIVE INCOME** |  |  |  |  |  |
| **Total other comprehensive income** | **-** | **-** | **-** | **-** | **-** |
| **Total comprehensive income/(loss)** | **-** | **-** | **-** | **-** | **-** |
| **Total comprehensive income/(loss)  attributable to the Australian  Government** | **-** | **-** | **-** | **-** | **-** |

Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2017–18 Estimated actual $'000 | 2018–19 Budget  $'000 | 2019–20 Forward estimate $'000 | 2020–21 Forward estimate $'000 | 2021–22 Forward estimate $'000 |
| **ASSETS** |  |  |  |  |  |
| **Financial assets** |  |  |  |  |  |
| Cash and cash equivalents | 4,912 | 4,940 | 4,225 | 4,255 | - |
| Trade and other receivables | 6,715 | 6,740 | 6,915 | 7,065 | - |
| ***Total financial assets*** | ***11,627*** | ***11,680*** | ***11,140*** | ***11,320*** | ***-*** |
| **Non-financial assets** |  |  |  |  |  |
| Property, plant and equipment | 1,154 | 696 | 481 | 531 | - |
| Other non-financial assets | 61 | 61 | 61 | 61 | - |
| ***Total non-financial assets*** | ***1,215*** | ***757*** | ***542*** | ***592*** | ***-*** |
| Assets held for sale |  |  |  |  |  |
| **Total assets** | **12,842** | **12,437** | **11,682** | **11,912** | **-** |
| **LIABILITIES** |  |  |  |  |  |
| **Payables** |  |  |  |  |  |
| Suppliers | 850 | 850 | 850 | 900 | - |
| Grants | 8,000 | 7,525 | 6,700 | 6,850 | - |
| ***Total payables*** | ***8,850*** | ***8,375*** | ***7,550*** | ***7,750*** | ***-*** |
| **Provisions** |  |  |  |  |  |
| Employee provisions | 1,930 | 2,000 | 2,070 | 2,100 | - |
| Other provisions | 355 | 355 | 355 | 355 | - |
| ***Total provisions*** | ***2,285*** | ***2,355*** | ***2,425*** | ***2,455*** | ***-*** |
| **Total liabilities** | **11,135** | **10,730** | **9,975** | **10,205** | **-** |
| **Net assets** | **1,707** | **1,707** | **1,707** | **1,707** | **-** |
| **EQUITY\*** |  |  |  |  |  |
| Retained surplus (accumulated  deficit) | 1,707 | 1,707 | 1,707 | 1,707 | - |
| ***Total parent entity interest*** | ***1,707*** | ***1,707*** | ***1,707*** | ***1,707*** | ***-*** |
| **Total equity** | **1,707** | **1,707** | **1,707** | **1,707** | **-** |

\* 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 2018–19)

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | Retained earnings  $'000 | Asset revaluation reserve $'000 | Other reserves  $'000 | Contributed equity/ capital $'000 | Total equity   $'000 |
| **Opening balance as at 1 July 2018** |  |  |  |  |  |
| Balance carried forward from  previous period | 1,784 | (77) | - | - | 1,707 |
| ***Adjusted opening balance*** | ***1,784*** | ***(77)*** | ***-*** | ***-*** | ***1,707*** |
| **Comprehensive income** |  |  |  |  |  |
| Surplus/(deficit) for the period | - | - | - | - | - |
| ***Total comprehensive income*** | ***-*** | ***-*** | ***-*** | ***-*** | ***-*** |
| **Estimated closing balance as at  30 June 2019** | **1,784** | **(77)** | **-** | **-** | **1,707** |
| **Closing balance attributable to  the Australian Government** | **1,784** | **(77)** | **-** | **-** | **1,707** |

Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2017–18 Estimated actual $'000 | 2018–19 Budget  $'000 | 2019–20 Forward estimate $'000 | 2020–21 Forward estimate $'000 | 2021–22 Forward estimate $'000 |
| **OPERATING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Receipts from Government | 28,252 | 27,798 | 27,426 | 26,800 | - |
| Interest | 170 | 180 | 180 | 180 | - |
| Net GST received | 65 | - | - | - | - |
| ***Total cash received*** | ***28,487*** | ***27,978*** | ***27,606*** | ***26,980*** | ***-*** |
| **Cash used** |  |  |  |  |  |
| Employees | 14,935 | 14,998 | 15,450 | 15,042 | - |
| Suppliers | 15,404 | 12,702 | 12,421 | 11,458 | - |
| ***Total cash used*** | ***30,339*** | ***27,700*** | ***27,871*** | ***26,500*** | ***-*** |
| **Net cash from/(used by)  operating activities** | **(1,852)** | **278** | **(265)** | **480** | **-** |
| **INVESTING ACTIVITIES** |  |  |  |  |  |
| **Cash used** |  |  |  |  |  |
| Purchase of property, plant and  equipment and intangibles | 15 | 250 | 450 | 450 | - |
| ***Total cash used*** | ***15*** | ***250*** | ***450*** | ***450*** | ***-*** |
| **Net cash from/(used by)  investing activities** | **(15)** | **(250)** | **(450)** | **(450)** | **-** |
| **Net increase/(decrease) in cash  held** | **(1,867)** | **28** | **(715)** | **30** | **-** |
| Cash and cash equivalents at the  beginning of the reporting period | 6,779 | 4,912 | 4,940 | 4,225 | - |
| **Cash and cash equivalents at  the end of the reporting period** | 4,912 | 4,940 | 4,225 | 4,255 | - |

Prepared on Australian Accounting Standards basis.

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

ACARA does not have a departmental capital budget therefore Table 3.5 is not presented.

Table 3.6: Statement of asset movements (Budget year 2018–19)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | Other property, plant and equipment $'000 | Computer software and intangibles $'000 | Other    $'000 | Total    $'000 |
| **As at 1 July 2018** |  |  |  |  |
| Gross book value | 2,594 | - | - | 2,594 |
| Accumulated depreciation/ amortisation and impairment | (1,440) | - | - | (1,440) |
| **Opening net book balance** | **1,154** | **-** | **-** | **1,154** |
| **Capital asset additions** |  |  |  |  |
| **Estimated expenditure on new  or replacement assets** |  |  |  |  |
| By purchase - other | 250 | - | - | 250 |
| **Total additions** | **250** | **-** | **-** | **250** |
| **Other movements** |  |  |  |  |
| Depreciation/amortisation expense | (708) | - | - | (708) |
| **Total other movements** | **(708)** | **-** | **-** | **(708)** |
|  |  |  |  |  |
| **As at 30 June 2019** |  |  |  |  |
| Gross book value | 2,844 | - | - | 2,844 |
| Accumulated depreciation/  amortisation and impairment | (2,148) | - | - | (2,148) |
| **Closing net book balance** | **696** | **-** | **-** | **696** |

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)

ACARA has no income and expenses administered on behalf of Government therefore Table 3.7 is not presented.

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

ACARA has no assets and liabilities administered on behalf of Government therefore Table 3.8 is not presented.

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

ACARA has no administered cash flows therefore Table 3.9 is not presented.

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

ACARA has no administered capital budget statement therefore Table 3.10 is not presented.

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

ACARA has no administered asset movements therefore Table 3.11 is not presented.

Australian Institute for Teaching and School Leadership

Entity resources and planned performance

Australian Institute for Teaching and School Leadership

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# Australian Institute for Teaching and School Leadership

## Section 1: Entity overview and resources

### 1.1 Strategic direction statement

The Australian Institute for Teaching and School Leadership (AITSL) commenced operations on 1 January 2010. AITSL is a public company limited by guarantee under the *Corporations Act 2001* and is subject to the *Public Governance, Performance and Accountability Act 2013*. The Minister for Education and Training is the owner and sole member of the company. AITSL operates under its own constitution, with priorities set through letters from the Minister from time to time. Its primary purpose is to promote excellence in the profession of teaching and school leadership.

The eleven-member Board, appointed by the Minister for Education and Training, includes a Chair and Deputy Chair and nine further Directors nominated by the Australian Government for their educational expertise.

AITSL plays a key role in leading significant national educational reform so that teachers and school leaders have the maximum impact on student learning in all Australian schools.

AITSL’s policy direction and work priorities give particular attention to three key areas: Initial Teacher Education; School Leadership; and Quality Teaching.

The Teacher Education Ministerial Advisory Group reported to the Australian Government early in 2015. The Government response set out a major role for AITSL in actioning the recommendations accepted by Government, which remains a focus for the final year of work in 2018–19.

### 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 1’ tables in Section 2 and the financial statements in Section 3 are presented on an accrual basis.

Table 1.1: AITSL resource statement — Budget estimates for 2018–19 as at Budget May 2018

|  |  |  |
| --- | --- | --- |
|  | *2017–18 Estimated actual $'000* | 2018–19 Estimate  $'000 |
| **Opening balance/cash reserves at 1 July** | *4,235* | 4,267 |
| **Funds from Government** |  |  |
| Amounts received from related entities |  |  |
| Amounts from portfolio department (a) | *12,661* | 11,761 |
| Total amounts received from related entities | *12,661* | 11,761 |
| **Total funds from Government** | ***12,661*** | **11,761** |
|  |  |  |
| **Funds from other sources** |  |  |
| Interest | *60* | 60 |
| Sale of goods and services | *2,472* | 2,756 |
| Other | *104* | 108 |
| Total funds from other sources | *2,636* | 2,924 |
| **Total net resourcing for AITSL** | ***19,532*** | **18,952** |
|  |  |  |
|  | *2017–18* | 2018–19 |
| **Average staffing level (number)** | *64* | 66 |

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

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

(a) Funding provided by the portfolio department that is not specified within the Annual Appropriation Bills as a payment to that corporate entity (for example, a grant awarded to a corporate entity from one of its portfolio department's administered programs).

## 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 AITSL can be found at: [www.aitsl.edu.au](https://www.aitsl.edu.au/docs/default-source/default-document-library/aitsl-corporate-plan.pdf)

The most recent performance reporting for AITSL can be found in the Annual Report   
at: [www.aitsl.edu.au](https://www.aitsl.edu.au/docs/default-source/default-document-library/annual-report-2017_final_annual-report_interactive.pdf)

### 2.1 Budgeted expenses and performance for Outcome 1

Outcome 1: Enhance the quality of teaching and school leadership through developing standards, recognising teaching excellence, providing professional development opportunities, and supporting the teaching profession.

#### 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: Enhance the quality of teaching and school leadership through developing standards, recognising teaching excellence, providing professional development opportunities and supporting the teaching profession.**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2017–18 Estimated actual $'000 | 2018–19 Budget  $'000 | 2019–20 Forward estimate $'000 | 2020–21 Forward estimate $'000 | 2021–22 Forward estimate $'000 |
| **Program 1.1: Assistance for Quality Teaching and Learning** |  |  |  |  |  |
| Revenue from Government |  |  |  |  |  |
| Payment from related entities | 12,661 | 11,761 | 7,823 | 7,886 | 7,950 |
| Revenues from other independent  sources | 2,636 | 2,924 | 2,591 | 2,610 | 1,410 |
| **Total expenses for Program 1.1** | **15,297** | **14,685** | **10,414** | **10,496** | **9,360** |
|  |  |  |  |  |  |
| **Outcome 1 totals by resource type** |  |  |  |  |  |
| Revenue from Government |  |  |  |  |  |
| Payment from related entities | 12,661 | 11,761 | 7,823 | 7,886 | 7,950 |
| Revenues from other independent  sources | 2,636 | 2,924 | 2,591 | 2,610 | 1,410 |
| **Total expenses for Outcome 1** | **15,297** | **14,685** | **10,414** | **10,496** | **9,360** |
|  |  |  |  |  |  |
|  | 2017–18 | 2018–19 |  |  |  |
| **Average staffing level (number)** | 64 | 66 |  |  |  |

#### Performance criteria for Outcome 1

This section details the performance criteria for each program associated with Outcome 1. It also summarises how each program is delivered and where 2018–19 Budget measures have created new programs or materially changed existing programs.

Outcome 1: Enhance the quality of teaching and school leadership through developing standards, recognising teaching excellence, providing professional development opportunities, and supporting the teaching profession.

##### Program 1.1 – Assistance for Quality Teaching and Learning

| Item | Description |
| --- | --- |
| Objective | This program enables AITSL to work collaboratively with the eight state and territory education departments and their Ministers, the Catholic and independent school sectors, teacher educators, teacher regulatory authorities, teacher unions, professional and community organisations and teachers and principals throughout Australia to strengthen the profession. |
| Delivery | The program includes a range of targeted initiatives which lead, shape and complement the work of other education agencies, to enhance the quality of initial teacher education, teaching and school leadership. |
| Purposes | AITSL Corporate Plan 2017–2018  AITSL plays a key role in leading significant educational reform across Australian governments, and its work program is set in accordance with directions received from the Minister for Education and Training. Our key areas of focus include:  Placing impact of initial teacher education, teaching and leadership at the centre of our work.  Building, enhancing and sustaining effective teaching and leadership at every level.  Advocating for quality and rigour in the design and implementation of national policies, tools and resources.  Supporting the professional education community to make evidence-based decisions.  Affirming the status of the profession. |

###### Performance information 1.1 – Assistance for Quality Teaching and Learning

| Year | Performance criteria | Expected achievement |
| --- | --- | --- |
| 2017–18 | AITSL continues to promote excellence in the profession of teaching and school leadership. | Initial Teacher Education (ITE) Programs in Australia  Implemented relevant elements of the Government response to the recommendations of TEMAG including monitoring and maintaining the agreed strengthened approach to the Accreditation of Initial Teacher Education programs and implementing National Initial Teacher Education and Teacher Workforce Data Strategy.  Australian Professional Standards for Teachers  Developed standards and support materials/research, including for Australian Teacher Performance and Development Framework and the Australian Charter for the Professional Learning of Teachers and School Leaders, certification of Highly Accomplished and Lead teachers and teacher registration, promulgated effectively. |

|  |  |  |
| --- | --- | --- |
| Year | Performance criteria | Targets |
| 2018–19 and beyond | As per 2017–18 | Initial Teacher Education (ITE) Programs in Australia  Continue to implement relevant elements of the Government response to the recommendations of TEMAG including monitoring and maintaining the agreed strengthened approach to the Accreditation of Initial Teacher Education programs and implementing Australian Teacher Workforce Data Strategy.  Australian Professional Standards for Teachers  Standards and support materials/research, including for Australian Teacher Performance and Development Framework and the Australian Charter for the Professional Learning of Teachers and School Leaders, certification of Highly Accomplished and Lead teachers and teacher registration, promulgated effectively and a national review of teacher registration.  Australian Professional Standard for Principals  Standard and support materials/ research, including Leadership Development Guidelines and Principal Profiles, promulgated effectively. Development of a process for pre-appointment certification of principals.  Assessment for Migration  The role of assessing authority under the Migration Regulations 1994 for the purpose of skilled migration to Australia, or special education school teacher successfully fulfilled. |

## Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2018–19 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 are no material variances between the entity resources table and the budgeted financial statements.

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

In November 2015 the Department of Education and Training agreed to a funding arrangement for the three year period 2015–16 to 2017–18. The agreement provided committed funding of $35.8 million for the three years, including $12.7 million to enable AITSL to implement the government’s response to the recommendation of the Teacher Education Ministerial Advisory Group (TEMAG). The TEMAG funding was in addition to AITSL’s core funding. In February 2017, the Department of Education and Training agreed to provide additional funding of $11.46 million to enable AITSL to continue to pursue its work through the 2018–19 year.

In February 2018 the Department of Education and Training agreed to provide further funding of $0.6 million to enable AITSL to deliver Australian guidelines for school leadership development and $0.5 million to enable AITSL to undertake a national review of teacher registration. Funding of $0.8 million was provided in the year ending 30 June 2018 and $0.3 million will be provided in the year ending 30 June 2019.

The funding for the 2018–19 budget year will be $11.761 million, a slight decrease from the 2017–18 year of $12.661 million. In the same year the income from Overseas Skills Assessment is estimated to be $1.2 million. Income for AITSL to create a national data platform for the teaching workforce is budgeted to be $1.4 million and income earned for other services provided to third parties is estimated to be $0.2 million.

AITSL is budgeting for a break even result in the financial year 2017–18. The budget for the 2018–19 financial year is a break even result.

The net asset position of $4.7 million as at 30 June 2017 is expected to be unchanged at 30 June 2018. Total assets at 30 June 2018 are estimated to be $6.3 million, comprising $5.8 million of financial assets and $0.5 million of non-financial assets.

Total liabilities at 30 June 2018 are estimated to be $1.6 million of which $0.6 million will be accrued employee entitlements, $0.7 million being supplier payables and $0.3 million of other provisions.

Additional funding of $7.823 million for 2019–20, $7.886 million for 2020–21 and $7.950 million for 2021–22 is provided to AITSL predominantly for operational purposes and continued implementation of national frameworks. It does not include funding for any future work which may be directed by the Minister for Education and Training.

### 3.2. Budgeted financial statements tables

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2017–18 Estimated actual $'000 | 2018–19 Budget  $'000 | 2019–20 Forward estimate $'000 | 2020–21 Forward estimate $'000 | 2021–22 Forward estimate $'000 |
| **EXPENSES** |  |  |  |  |  |
| Employee benefits | 7,335 | 7,930 | 8,088 | 8,250 | 8,168 |
| Suppliers | 7,653 | 6,407 | 2,176 | 2,125 | 1,167 |
| Depreciation and amortisation | 309 | 348 | 150 | 121 | 25 |
| **Total expenses** | **15,297** | **14,685** | **10,414** | **10,496** | **9,360** |
| **LESS:** |  |  |  |  |  |
| **OWN-SOURCE INCOME** |  |  |  |  |  |
| **Own-source revenue** |  |  |  |  |  |
| Sale of goods and rendering of  services | 2,472 | 2,756 | 2,531 | 2,550 | 1,350 |
| Fees and fines |  |  |  |  |  |
| Interest | 60 | 60 | 60 | 60 | 60 |
| Rental income | 104 | 108 | - | - | - |
| Other | 12,661 | 11,761 | 7,823 | 7,886 | 7,950 |
| **Total own-source revenue** | **15,297** | **14,685** | **10,414** | **10,496** | **9,360** |
| **Total own-source income** | **15,297** | **14,685** | **10,414** | **10,496** | **9,360** |
| **Net (cost of)/contribution by  services** | **-** | **-** | **-** | **-** | **-** |
| Revenue from Government |  |  |  |  |  |
| **Surplus/(deficit) attributable to the  Australian Government** | **-** | **-** | **-** | **-** | **-** |
| **OTHER COMPREHENSIVE INCOME** |  |  |  |  |  |
| **Total other comprehensive income** | **-** | **-** | **-** | **-** | **-** |
| **Total comprehensive income/(loss)** | **-** | **-** | **-** | **-** | **-** |
| **Total comprehensive income/(loss)  attributable to the Australian  Government** | **-** | **-** | **-** | **-** | **-** |

Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2017–18 Estimated actual $'000 | 2018–19 Budget  $'000 | 2019–20 Forward estimate $'000 | 2020–21 Forward estimate $'000 | 2021–22 Forward estimate $'000 |
| **ASSETS** |  |  |  |  |  |
| **Financial assets** |  |  |  |  |  |
| Cash and cash equivalents | 4,267 | 4,466 | 4,029 | 4,161 | 4,137 |
| Trade and other receivables | 235 | 238 | 138 | 136 | 116 |
| Other financial assets | 1,316 | 1,316 | 1,316 | 1,316 | 1,316 |
| ***Total financial assets*** | ***5,818*** | ***6,020*** | ***5,483*** | ***5,613*** | ***5,569*** |
| **Non-financial assets** |  |  |  |  |  |
| Property, plant and equipment | 506 | 183 | 83 | 12 | 12 |
| Intangibles | - | 125 | 75 | 25 | - |
| ***Total non-financial assets*** | ***506*** | ***308*** | ***158*** | ***37*** | ***12*** |
| Assets held for sale |  |  |  |  |  |
| **Total assets** | **6,324** | **6,328** | **5,641** | **5,650** | **5,581** |
| **LIABILITIES** |  |  |  |  |  |
| **Payables** |  |  |  |  |  |
| Suppliers | 658 | 560 | 190 | 185 | 102 |
| ***Total payables*** | ***658*** | ***560*** | ***190*** | ***185*** | ***102*** |
| **Provisions** |  |  |  |  |  |
| Employee provisions | 640 | 742 | 756 | 770 | 784 |
| Other provisions | 331 | 331 | - | - | - |
| ***Total provisions*** | ***971*** | ***1,073*** | ***756*** | ***770*** | ***784*** |
|  |  |  |  |  |  |
| **Total liabilities** | **1,629** | ***1,633*** | **946** | **955** | **886** |
| **Net assets** | **4,695** | **4,695** | **4,695** | **4,695** | **4,695** |
| **EQUITY\*** |  |  |  |  |  |
| **Parent entity interest** |  |  |  |  |  |
| Retained surplus (accumulated  deficit) | 4,695 | 4,695 | 4,695 | 4,695 | 4,695 |
| ***Total parent entity interest*** | ***4,695*** | ***4,695*** | ***4,695*** | ***4,695*** | ***4,695*** |
| **Total equity** | **4,695** | **4,695** | **4,695** | **4,695** | **4,695** |

\* 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 2018–19)

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | Retained earnings  $'000 | Asset revaluation reserve $'000 | Other reserves  $'000 | Contributed equity/ capital $'000 | Total equity   $'000 |
| **Opening balance as at 1 July 2018** |  |  |  |  |  |
| Balance carried forward from  previous period | 4,695 | - | - | - | 4,695 |
| ***Adjusted opening balance*** | ***4,695*** | ***-*** | ***-*** | ***-*** | ***4,695*** |
| **Comprehensive income** |  |  |  |  |  |
| Surplus/(deficit) for the period | - | - | - | - | - |
| ***Total comprehensive income*** | ***-*** | ***-*** | ***-*** | ***-*** | ***-*** |
| **Estimated closing balance as at  30 June 2019** | **4,695** | **-** | **-** | **-** | **4,695** |
| Less: non-controlling interests | - | - | - | - | - |
| **Closing balance attributable to  the Australian Government** | **4,695** | **-** | **-** | **-** | **4,695** |

Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2017–18 Estimated actual $'000 | 2018–19 Budget  $'000 | 2019–20 Forward estimate $'000 | 2020–21 Forward estimate $'000 | 2021–22 Forward estimate $'000 |
| **OPERATING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Grants received | 13,927 | 12,937 | 8,605 | 8,675 | 8,745 |
| Sale of goods and rendering of  services | 2,622 | 2,912 | 2,667 | 2,690 | 1,368 |
| Interest | 60 | 60 | 60 | 60 | 60 |
| Other | 114 | 119 | - | - | - |
| ***Total cash received*** | ***16,723*** | ***16,028*** | ***11,332*** | ***11,425*** | ***10,173*** |
| **Cash used** |  |  |  |  |  |
| Employees | 7,290 | 7,826 | 8,074 | 8,236 | 8,154 |
| Suppliers | 8,687 | 7,120 | 2,982 | 2,330 | 1,340 |
| Net GST paid | 657 | 733 | 713 | 727 | 703 |
| ***Total cash used*** | ***16,634*** | ***15,679*** | ***11,769*** | ***11,293*** | ***10,197*** |
| **Net cash from/(used by)  operating activities** | **89** | **349** | **(437)** | **132** | **(24)** |
| **INVESTING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Proceeds from sales of property,  plant and equipment | 3 | - | - | - | - |
| ***Total cash received*** | ***3*** | ***-*** | ***-*** | ***-*** | ***-*** |
| **Cash used** |  |  |  |  |  |
| Purchase of property, plant and  equipment and intangibles | 60 | 150 | - | - | - |
| ***Total cash used*** | ***60*** | ***150*** | ***-*** | ***-*** | ***-*** |
| **Net cash from/(used by)  investing activities** | **(57)** | **(150)** | **-** | **-** | **-** |
| **Net increase/(decrease) in cash  held** | **32** | **199** | **(437)** | **132** | **(24)** |
| Cash and cash equivalents at the  beginning of the reporting period | 4,235 | 4,267 | 4,466 | 4,029 | 4,161 |
| **Cash and cash equivalents at  the end of the reporting period** | **4,267** | **4,466** | **4,029** | **4,161** | **4,137** |

Prepared on Australian Accounting Standards basis.

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

AITSL does not have a departmental capital budget therefore Table 3.5 is not presented.

Table 3.6: Statement of asset movements (Budget year 2018–19)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | Other property, plant and equipment $'000 | Heritage and cultural  $'000 | Computer software and intangibles $'000 | Total    $'000 |
| **As at 1 July 2018** |  |  |  |  |
| Gross book value | 1,837 | 12 | - | 1,849 |
| Accumulated depreciation/ amortisation and impairment | (1,343) | - | - | (1,343) |
| **Opening net book balance** | **494** | **12** | **-** | **506** |
| **Capital asset additions** |  |  |  |  |
| **Estimated expenditure on new  or replacement assets** |  |  |  |  |
| By purchase - other | - | - | 150 | 150 |
| **Total additions** | **-** | **-** | **150** | **150** |
| **Other movements** |  |  |  |  |
| Depreciation/amortisation expense | (323) |  | (25) | (348) |
| **Total other movements** | **(323)** | **-** | **(25)** | **(348)** |
|  |  |  |  |  |
| **As at 30 June 2019** |  |  |  |  |
| Gross book value | 1,837 | 12 | 150 | 1,999 |
| Accumulated depreciation/  amortisation and impairment | (1,666) | - | (25) | (1,691) |
| **Closing net book balance** | **171** | **12** | **125** | **308** |

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)

AITSL has no income and expenses administered on behalf of Government therefore Table 3.7 is not presented.

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

AITSL has no assets and liabilities administered on behalf of Government therefore Table 3.8 is not presented.

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

AITSL has no administered cash flows therefore Table 3.9 is not presented.

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

AITSL has no administered capital budget therefore Table 3.10 is not presented.

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

AITSL has no administered asset movements therefore Table 3.11 is not presented.

Australian Research Council

Entity resources and planned performance

Australian Research Council

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# Australian Research Council

## Section 1: Entity overview and resources

### 1.1 Strategic direction statement

The Australian Research Council (ARC) is a non-corporate Commonwealth entity established under the *Australian Research Council Act 2001*. The ARC is responsible for administering the National Competitive Grants Program (NCGP), assessing the quality, engagement and impact of research and providing advice on research matters.

Through the NCGP, the ARC supports excellent research and research training across all disciplines, awarding funding based on a competitive peer review process. The NCGP comprises two programs, Discovery and Linkage, which fund a range of complementary schemes that provide funding for basic and applied research, research training, research collaboration and infrastructure.

The ARC administers 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. The ARC is also responsible for implementing an Engagement and Impact (EI) assessment, announced by the Australian Government in December 2015 as part of the National Science and Innovation Agenda (NISA).

The ARC’s priorities for 2018–19 include:

* delivering the NCGP effectively and efficiently
* conducting the ERA 2018 evaluation
* continuing to support the Government’s NISA by:
* conducting a continuous application process under the Linkage Projects scheme
* conducting an EI assessment as a companion to ERA
* contributing to other NISA initiatives as required
* continuing to provide high quality advice to the Minister on research matters including in areas of Government focus (for example, strengthening linkages between research and business)
* working with stakeholders in delivering program and policy responsibilities, including through consultations and in raising awareness of research funded by the ARC
* continuing to monitor the performance of selected NCGP schemes through scheduled reviews and evaluations
* ensuring that the NCGP supports participation by all researchers, including Aboriginal and Torres Strait Islander researchers, women researchers and early and mid-career researchers
* maintaining a strong governance framework to support delivery against legislative requirements as well as the Government’s expectations for the agency as articulated in the ARC outcome statement.

### 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: ARC resource statement — Budget estimates for 2018–19 as at Budget May 2018

|  |  |  |
| --- | --- | --- |
|  | *2017–18 Estimated actual  $'000* | 2018–19 Estimate  $'000 |
| **Departmental** |  |  |
| Annual appropriations - ordinary annual services (a) |  |  |
| Prior year appropriations available | *15,824* | 17,829 |
| Departmental appropriation (b) | *21,186* | 21,440 |
| s74 Retained receipts (c) | *2,005* | - |
| Departmental capital budget (d) | *1,235* | 1,228 |
| Annual appropriations - other services - non-operating (e) |  |  |
| Prior year appropriations available | *3,480* | 2,389 |
| Equity injection | *674* | - |
| Total departmental annual appropriations | *44,404* | 42,886 |
| ***Total departmental resourcing*** | ***44,404*** | **42,886** |
| **Administered** |  |  |
| Annual appropriations - ordinary annual services (a) |  |  |
| Prior year appropriations available | *1,260* | 1,260 |
| Outcome 1 | *6,521* | 14,145 |
| Total administered annual appropriations | *7,781* | 15,405 |
| Special Appropriation - *Australian Research Council Act 2001*(f) | *758,055* | 759,925 |
| Total administered special appropriations | *758,055* | 759,925 |
| Special accounts (g) |  |  |
| Opening balance | *-* | - |
| Appropriation receipts (h) | *-* | 6,525 |
| *Total special account receipts* | *-* | 6,525 |
| *less administered appropriations drawn from annual  appropriations and credited to special accounts* | *-* | 6,525 |
| **Total administered resourcing** | ***765,836*** | **775,330** |
| **Total resourcing for the ARC** | ***810,240*** | **818,216** |
|  |  |  |
|  | *2017–18* | 2018–19 |
| **Average staffing level (number)** | *133* | 136 |

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

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

(a) Appropriation Bill (No. 1) 2018–19.

(b) Excludes departmental capital budget (DCB).

(c) Estimated retained revenue receipts under s74 of the PGPA Act.

(d) 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'.

(e) Appropriation Bill (No. 2) 2018–19.

(f) Excludes trust money and ‘other CRF 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 Moneys accounts (SOETM)). For further information on special appropriations and special accounts, please refer to Budget Paper No. 4 - Agency Resourcing. Please also see Table 2.1.1 for further information on outcome and program expenses broken down by various funding sources, e.g. annual appropriations, special appropriations and special accounts.

(g) ARC Research Endowment Account - s80 PGPA Act [s62 *Australian Research Council Act 2001*].

(h) Administered appropriations drawn from annual appropriations and credited to special account.

### 1.3 Budget measures

Budget measures in Part 1 relating to the Australian Research Council are detailed in Budget Paper No. 2 and are summarised below.

Table 1.2: ARC 2018–19 Budget measures

Part 1: Measures announced since the 2017–18 Mid-Year Economic and Fiscal Outlook (MYEFO)

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | Program | 2017–18 $'000 | 2018–19 $'000 | 2019–20 $'000 | 2020–21 $'000 | 2021–22 $'000 |
| **Expense measures** |  |  |  |  |  |  |
| Australian Antarctic Science | 1.1, 1.2 |  |  |  |  |  |
| Administered expenses |  | - | - | - | - | - |
| **Total** |  | **-** | **-** | **-** | **-** | **-** |
| Per- and Poly-Fluorinated Alkyl Substances — research and associated activities | 1.2 |  |  |  |  |  |
| Administered expenses |  | - | 6,525 | 4,325 | 2,150 | - |
| **Total** |  | **-** | **6,525** | **4,325** | **2,150** | **-** |
| **Total expense measures** |  |  |  |  |  |  |
| Administered |  | - | 6,525 | 4,325 | 2,150 | - |
| **Total** |  | **-** | **6,525** | **4,325** | **2,150** | **-** |

Prepared on a Government Finance Statistics (fiscal) basis. Figures displayed in brackets are negative and represent a decrease in funds. Non-bracketed figures are positive and 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 ARC can be found at: www.arc.gov.au > About Us > Publications > Corporate Plan](http://www.arc.gov.au/corporate-plan)

[The most recent annual performance statement can be found in the Australian Research Council Annual Report at: www.arc.gov.au > About Us > Publications > Annual Report](http://www.arc.gov.au/annual-reports)

### 2.1 Budgeted expenses and performance for Outcome 1

Outcome 1: Growth of knowledge and innovation through managing research funding schemes, measuring research excellence and providing advice.

#### Linked programs

##### Department of Environment and Energy

###### Programs

Program 3.1 – Antarctic Science Policy and Presence

###### Contribution to Outcome 1 made by linked programs

The ARC is responsible for the management of the Special Research Initiative in Excellence in Antarctic Science. The Department of the Environment and Energy is responsible for the Australian Antarctic Program. As these two programs support the Australian Antarctic Science Strategic Plan 2011–12 to   
2020–21, the ARC and the Department will work together to ensure effective delivery of these initiatives.

#### 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: Growth of knowledge and innovation through managing research funding schemes, measuring research excellence and providing advice**

|  | 2017–18 Estimated actual $'000 | 2018–19 Budget  $'000 | 2019–20 Forward estimate $'000 | 2020–21 Forward estimate $'000 | 2021–22 Forward estimate $'000 |
| --- | --- | --- | --- | --- | --- |
| **Program 1.1: Discovery - research and research training** |  |  |  |  |  |
| Administered expenses |  |  |  |  |  |
| Ordinary annual services  (Appropriation Bill No. 1) | 1,122 | 1,148 | 1,174 | 1,200 | 1,230 |
| Special appropriations |  |  |  |  |  |
| *Australian Research Council Act 2001* | 492,736 | 493,951 | 507,791 | 515,306 | 527,342 |
| **Administered total** | 493,858 | 495,099 | 508,965 | 516,506 | 528,572 |
| **Total expenses for program 1.1** | **493,858** | **495,099** | **508,965** | **516,506** | **528,572** |
| **Program 1.2: Linkage - cross-sector research partnerships** |  |  |  |  |  |
| Administered expenses |  |  |  |  |  |
| Ordinary annual services  (Appropriation Bill No. 1) (a) | 1,449 | 1,491 | 1,528 | 1,562 | 1,601 |
| Special appropriations |  |  |  |  |  |
| *Australian Research Council Act 2001* | 265,319 | 265,974 | 279,579 | 289,780 | 296,261 |
| Special accounts |  |  |  |  |  |
| *ARC Research Endowment Account* - s80 PGPA Act [s62 *Australian Research Council Act 2001*] | - | 6,525 | 4,325 | 2,150 | - |
| **Administered total** | 266,768 | 273,990 | 285,432 | 293,492 | 297,862 |
| **Total expenses for program 1.2** | **266,768** | **273,990** | **285,432** | **293,492** | **297,862** |
| **Program 1.3: Excellence in Research for Australia** |  |  |  |  |  |
| Administered expenses |  |  |  |  |  |
| Ordinary annual services  (Appropriation Bill No. 1) | 3,950 | 4,981 | 3,093 | 3,161 | 3,240 |
| **Administered total** | 3,950 | 4,981 | 3,093 | 3,161 | 3,240 |
| **Total expenses for program 1.3** | **3,950** | **4,981** | **3,093** | **3,161** | **3,240** |
| **Outcome 1 Totals by appropriation type** |  |  |  |  |  |
| Administered expenses |  |  |  |  |  |
| Ordinary annual services  (Appropriation Bill No. 1) (a) | 6,521 | 7,620 | 5,795 | 5,923 | 6,071 |
| Special appropriations | 758,055 | 759,925 | 787,370 | 805,086 | 823,603 |
| Special accounts | - | 6,525 | 4,325 | 2,150 | - |
| **Administered total** | **764,576** | **774,070** | **797,490** | **813,159** | **829,674** |
| Departmental expenses |  |  |  |  |  |
| Departmental appropriation | 21,186 | 21,440 | 21,247 | 21,384 | 21,503 |
| s74 Retained revenue receipts (b) | 600 | 500 | 500 | 400 | - |
| Expenses not requiring appropriation in the Budget year (c) | 3,802 | 3,167 | 2,903 | 2,568 | 2,505 |
| **Departmental total** | **25,588** | **25,107** | **24,650** | **24,352** | **24,008** |
| **Total expenses for Outcome 1** | **790,164** | **799,177** | **822,140** | **837,511** | **853,682** |
|  |  |  |  |  |  |
|  | 2017–18 | 2018–19 |  |  |  |
| **Average staffing level (number)** | 133 | 136 |  |  |  |

Prepared on Australian Accounting Standards basis. Figures displayed in brackets are negative and represent a decrease in funds. Non-bracketed figures are positive and represent an increase in funds.

(a) Figures displayed are expenses only. This does not align to resourcing because appropriations credited to special account are not recognised as expense.

(b) Estimated expenses incurred in relation to receipts retained under s74 of the PGPA Act.

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

#### Performance criteria for Outcome 1

This section details the performance criteria for each program associated with Outcome 1. It summarises how each program is delivered and where 2018–19 Budget measures have created new programs or materially changed existing programs.

**Outcome 1: Growth of knowledge and innovation through managing research funding schemes, measuring research excellence and providing advice.**

##### Program 1.1: Discovery – Research and Research Training

| Item | Description |
| --- | --- |
| Objective | Through the Discovery program, the ARC aims to build Australia’s research capacity by supporting excellent, internationally competitive research projects, fellowships and awards.  This contributes to Outcome 1 by: providing training and career opportunities for current and emerging researchers; fostering international engagement; and encouraging research that will strengthen Australia’s capacity in areas of priority. |
| Delivery | The Discovery program is delivered through the following activities:  administering the Discovery funding schemes—Australian Laureate Fellowships, Discovery Early Career Researcher Award (DECRA), Discovery Indigenous, Discovery Projects and Future Fellowships—which provide funding to eligible administering organisations for excellent, internationally competitive research projects, fellowships and awards  informing policy on research and research training. |
| Purposes | The ARC’s purpose is to grow knowledge and innovation for the benefit of the Australian community through funding the highest quality research, assessing the quality, engagement and impact of research and providing advice on research matters. |

###### Performance information 1.1 Discovery – Research and Research Training

| Year | Performance criteria | Expected achievement |
| --- | --- | --- |
| 2017–18 | The Discovery program contributes to the growth of knowledge and innovation in Australia by funding:  excellent research and researchers  research training and career development  international collaboration  research in areas of priority.  The Discovery program produces outcomes that improve our fundamental understanding of the world and/or provide economic, environmental, social, health and/or cultural benefits to Australia. | Final reporting data for targets will be available at the end of 2017–18 and compared against baseline data in the annual report. To date:  17% of Discovery program funding allocated for commencement in 2017–18 was allocated under the DECRA scheme  80% of Discovery program research projects commencing in 2017–18 involve international collaboration  56% of Discovery program research projects commencing in 2017–18 address an Australian Government Science and Research Priority area.  Case studies demonstrating the benefits arising from Discovery research will be provided in the ARC annual report. |

|  |  |  |
| --- | --- | --- |
| Year | Performance criteria | Targets |
| 2018–19 | The Discovery program contributes to the growth of knowledge and innovation in Australia by funding:  excellent research and researchers  research training and career development  international collaboration  research in areas of priority.  The Discovery program produces outcomes that improve our fundamental understanding of the world and/or provide economic, environmental, social, health and/or cultural benefits to Australia. | Target: Maintain proportion of Discovery program funding allocated to support early career researchers under the DECRA scheme.  Target: Maintain or increase the proportion of Discovery research projects, fellowships and awards that support international collaboration.  Target: Maintain the proportion of Discovery research projects, fellowships and awards that involve research in one of the Australian Government’s Science and Research Priority areas.  Target: Evidence of outcomes arising from Discovery research projects, fellowships and awards improving our fundamental understanding of the world and/or providing economic, environmental, social, health and/or cultural benefits to Australia. |
| 2019–20 and beyond | As per 2018–19 | As per 2018–19 |

##### Program 1.2: Linkage – Cross Sector Research Partnerships

| Item | Description |
| --- | --- |

| Objective | Through the Linkage program, the ARC aims to build Australia’s research and innovation capacity by supporting excellent, internationally competitive research projects, infrastructure, hubs and centres that involve collaboration among researchers within and beyond the research sector.  This contributes to Outcome 1 by: providing training and career opportunities for current and emerging researchers; fostering industry and other end-user engagement; supporting international collaboration; and encouraging research that will strengthen Australia’s capacity in areas of priority. |
| --- | --- |
| Delivery | The Linkage program is delivered through the following activities:  Administering the Linkage funding schemes—ARC Centres of Excellence, Industrial Transformation Research Hubs, Industrial Transformation Training Centres, Linkage Infrastructure, Equipment and Facilities, Linkage Learned Academies Special Projects, Linkage Projects and Special Research Initiatives—which provide funding to eligible administering organisations for excellent, internationally competitive research projects, infrastructure, hubs and centres  informing policy on cross sector research partnerships. |
| Purposes | The ARC’s purpose is to grow knowledge and innovation for the benefit of the Australian community through funding the highest quality research, assessing the quality, engagement and impact of research and providing advice on research matters. |

Budget measures impacting program 1.2

Australian Antarctic Science

Per- and Poly-Fluorinated Alkyl Substances — research and associated activities

###### Performance information 1.2 Linkage – Cross Sector Research Partnerships

| Year | Performance criteria | Expected achievement |
| --- | --- | --- |
| 2017–18 | The Linkage program contributes to the growth of knowledge and innovation in Australia by funding:  excellent collaborative research and researchers  industrial research training and career development  partnerships between universities and research end-users  research in areas of priority. | Final reporting data for targets will be available at the end of 2017–18 and compared against baseline data in the annual report. To date:  partner organisations involved in Linkage Projects have pledged $1.76 for every dollar awarded by the ARC  results indicate the Linkage Projects scheme is on track to maintain the level of stakeholder satisfaction with the research partnerships supported through the scheme  78% of Linkage program research projects commencing in 2017–18 address an Australian Government Science and Research Priority area  100% of recommendations to the Minister under the Linkage Projects scheme have been made within six months of submission.  In relation to the target for expenditure on the Industrial Transformation Training Centres scheme as a proportion of Linkage program funding the selection round for Industrial Transformation Training Centres 2018 has not been finalised. |

|  |  |  |
| --- | --- | --- |
| Year | Performance criteria | Targets |
| 2018–19 | The Linkage program contributes to the growth of knowledge and innovation in Australia by funding:  excellent collaborative research and researchers  industrial research training and career development  partnerships between universities and research end-users  research in areas of priority. | Target: Maintain proportion of Linkage program funding to support industrial research training under the Industrial Transformation Training Centres scheme.  Target: Maintain or increase the level of co-funding from partner organisations under the Linkage Projects scheme [≥$1 for every ARC dollar].  Target: Maintain stakeholder satisfaction with the research partnerships supported through Linkage research projects, infrastructure, hubs and centres [with baseline based on 4 year rolling average].  Target: Maintain or increase the proportion of Linkage research projects, infrastructure, hubs and centres that involve research in one of the Australian Government’s Science and Research Priority areas.  Target: Linkage Projects scheme is delivered efficiently [100% of recommendations are made to the Minister within six months of submission]. |
| 2019–20 and beyond | As per 2018–19 | As per 2018–19 |

##### Program 1.3: Excellence in Research for Australia

| Item | Description |
| --- | --- |
| Objective | Through the Excellence in Research for Australia (ERA) program the ARC aims to improve Australia’s research capacity by evaluating research at eligible Australian higher education institutions against international benchmarks and identifying excellence across the full spectrum of research activities. The program includes both the research quality evaluation framework, Excellence in Research for Australia, and an Engagement and Impact (EI) assessment framework, which will assess the engagement of researchers with end-users, and show how universities are translating their research into economic, social, environmental and other impacts.  This contributes to Outcome 1 by: providing a unique, evidence-based resource to inform Australian government research policy and the strategic direction of higher education institutions; and encouraging researchers to produce high-quality and impactful research with real world benefits. |
| Delivery | The program is delivered through the following activities:  administering an evaluation framework to measure and report on the quality of research conducted at Australia’s higher education institutions  administering a framework to assess engagement and show how universities are translating their research into economic, social, environmental and other impacts  informing strategic policy advice on research quality, engagement and impact. |
| Purposes | The ARC’s purpose is to grow knowledge and innovation for the benefit of the Australian community through funding the highest quality research, assessing the quality, engagement and impact of research and providing advice on research matters. |

###### Performance information 1.3 Excellence in Research for Australia

| **Year** | **Performance criteria** | **Expected achievement** |
| --- | --- | --- |
| 2017–18 | The ERA program, including the research quality evaluation framework and the development and implementation of the EI assessment framework, contributes to the growth of knowledge and innovation in Australia by:  providing assurance of the quality of research in Australia  encouraging excellent, internationally competitive research  encouraging impactful engagement within and beyond the research sector. | Reporting information for the following targets will be in the ARC annual report: [[22]](#footnote-22)  ERA program reports and activities inform Australian Government policy  ERA program reports and activities inform strategic planning at eligible Australian higher education institutions. |

|  |  |  |
| --- | --- | --- |
| **Year** | **Performance criteria** | **Targets** |
| 2018–19 | The ERA program, including the research quality evaluation framework and EI assessment framework, contributes to the growth of knowledge and innovation in Australia by:  providing assurance of the quality of research in Australia  encouraging excellent, internationally competitive research  encouraging impactful engagement within and beyond the research sector. | Reporting information for the following targets will be in the ARC annual report:  ERA program reports and activities inform Australian Government policy  ERA program reports and activities inform strategic planning at eligible Australian higher education institutions  engagement within and beyond the research sector is benchmarked  impact studies submitted for the EI assessment publicly demonstrate how universities are translating their research into economic, social, environmental and other impacts  Research performance of Australian higher education institutions improves. |
| 2019–20 and beyond | As per 2018–19 | ERA program reports and activities inform Australian Government policy.  ERA program reports and activities inform strategic planning at eligible Australian higher education institutions.  The following targets will not be measured in 2019–20, as ERA and EI are triennial exercises, with the next evaluations to be conducted in 2021:  improvements to the research performance of Australian higher education institutions  engagement within and beyond the research sector is benchmarked  impact studies submitted for the EI assessment publicly demonstrate how universities are translating their research into economic, social, environmental and other impacts. |

## Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2018–19 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 are no material variances between the entity resources table and the budgeted financial statements. There is a minor variance between resourcing and expenses, which reflects the administered annual appropriation being credited to the ARC Research Endowment Special Account.

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

The budgeted financial statements have been updated to reflect measures announced and other variations since the 2017–18 MYEFO/Portfolio Additional Estimates Statements 2017–18 - Education and Training Portfolio.

##### Budgeted departmental comprehensive income statement

The ARC’s income statement reflects a deficit across the forward estimates. These deficits are solely attributable to the depreciation expense for the year. Expenses for 2018–19 are estimated to be $25.1 million.

##### Budgeted departmental balance sheet

The budgeted net asset position of $22.6 million for 2018–19 represents a decrease of $1.9 million from 2017–18. This is mainly attributable to the estimated decrease in financial assets resulting from the estimated capital purchase in 2018–19 using prior year appropriations and the expenditure of funds received for the administration of PFAS.

##### Schedule of budgeted income and expenses administered on behalf of Government

The schedule of budgeted income and expenses reflects the revenues and expense relating to programs administered by the ARC on behalf of Government.

The majority of the expenditure is on grants as provided under the National Competitive Grants Program.

##### Schedules of budgeted assets and liabilities administered on behalf of government

The ARC recognises grant liabilities to the extent that the grant eligibility criteria or reporting requirements have been satisfied. The closing liability reflects the remaining commitment, as at 30 June, for the relevant calendar year.

### 3.2. Budgeted financial statements tables

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2017–18 Estimated actual $'000 | 2018–19 Budget  $'000 | 2019–20 Forward estimate $'000 | 2020–21 Forward estimate $'000 | 2021–22 Forward estimate $'000 |
| **EXPENSES** |  |  |  |  |  |
| Employee benefits | 15,884 | 16,553 | 16,873 | 17,201 | 17,534 |
| Suppliers | 5,698 | 5,216 | 4,737 | 4,479 | 3,895 |
| Depreciation and amortisation (a) | 3,742 | 3,107 | 2,843 | 2,508 | 2,445 |
| Finance costs | 264 | 231 | 197 | 164 | 134 |
| **Total expenses** | **25,588** | **25,107** | **24,650** | **24,352** | **24,008** |
| **LESS:** |  |  |  |  |  |
| **OWN-SOURCE INCOME** |  |  |  |  |  |
| **Own-source revenue** |  |  |  |  |  |
| Sale of goods and rendering of  services | 600 | 500 | 500 | 400 | - |
| Other | 60 | 60 | 60 | 60 | 60 |
| **Total own-source revenue** | **660** | **560** | **560** | **460** | **60** |
| **Total own-source income** | **660** | **560** | **560** | **460** | **60** |
| **Net (cost of)/contribution by  services** | **(24,928)** | **(24,547)** | **(24,090)** | **(23,892)** | **(23,948)** |
| Revenue from Government | 21,186 | 21,440 | 21,247 | 21,384 | 21,503 |
| **Surplus/(deficit) attributable to the  Australian Government** | **(3,742)** | **(3,107)** | **(2,843)** | **(2,508)** | **(2,445)** |
| **Total comprehensive income/(loss)** | **(3,742)** | **(3,107)** | **(2,843)** | **(2,508)** | **(2,445)** |
| **Total comprehensive income/(loss)  attributable to the Australian  Government** | **(3,742)** | **(3,107)** | **(2,843)** | **(2,508)** | **(2,445)** |
|  |  |  |  |  |  |
| **Note: Impact of net cash appropriation arrangements** |  |  |  |  |  |
|  | 2017–18 $'000 | 2018–19 $'000 | 2019–20 $'000 | 2020–21 $'000 | 2021–22 $'000 |
| **Total comprehensive income/(loss)  excluding depreciation/  amortisation expenses previously  funded through revenue  appropriations** | **-** | **-** | **-** | **-** | **-** |
| less depreciation/amortisation  expenses previously funded through  revenue appropriations (a) | 3,742 | 3,107 | 2,843 | 2,508 | 2,445 |
| **Total comprehensive income/(loss)  - as per the statement of  comprehensive income** | **(3,742)** | **(3,107)** | **(2,843)** | **(2,508)** | **(2,445)** |

(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)

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2017–18 Estimated actual $'000 | 2018–19 Budget  $'000 | 2019–20 Forward estimate $'000 | 2020–21 Forward estimate $'000 | 2021–22 Forward estimate $'000 |
| **ASSETS** |  |  |  |  |  |
| **Financial assets** |  |  |  |  |  |
| Cash and cash equivalents | 467 | 467 | 467 | 467 | 467 |
| Trade and other receivables | 19,400 | 17,191 | 16,462 | 15,813 | 15,616 |
| ***Total financial assets*** | ***19,867*** | ***17,658*** | ***16,929*** | ***16,280*** | ***16,083*** |
| **Non-financial assets** |  |  |  |  |  |
| Land and buildings | 1,647 | 1,500 | 1,343 | 1,180 | 1,008 |
| Property, plant and equipment | 789 | 565 | 361 | 254 | 214 |
| Intangibles | 10,467 | 10,307 | 9,054 | 8,053 | 7,065 |
| Other non-financial assets | 360 | 360 | 360 | 360 | 360 |
| ***Total non-financial assets*** | ***13,263*** | ***12,732*** | ***11,118*** | ***9,847*** | ***8,647*** |
| **Total assets** | **33,130** | **30,390** | **28,047** | **26,127** | **24,730** |
| **LIABILITIES** |  |  |  |  |  |
| **Payables** |  |  |  |  |  |
| Suppliers | 457 | 457 | 457 | 457 | 457 |
| Other payables | 1,509 | 1,015 | 634 | 298 | 365 |
| ***Total payables*** | ***1,966*** | ***1,472*** | ***1,091*** | ***755*** | ***822*** |
| **Interest bearing liabilities** |  |  |  |  |  |
| Leases | 2,376 | 2,009 | 1,661 | 1,348 | 1,084 |
| ***Total interest bearing liabilities*** | ***2,376*** | ***2,009*** | ***1,661*** | ***1,348*** | ***1,084*** |
| **Provisions** |  |  |  |  |  |
| Employee provisions | 3,979 | 3,979 | 3,979 | 3,979 | 3,979 |
| Other provisions | 324 | 324 | 324 | 324 | 324 |
| ***Total provisions*** | ***4,303*** | ***4,303*** | ***4,303*** | ***4,303*** | ***4,303*** |
| **Total liabilities** | **8,645** | **7,784** | **7,055** | **6,406** | **6,209** |
| **Net assets** | **24,485** | **22,606** | **20,992** | **19,721** | **18,521** |
| **EQUITY\*** |  |  |  |  |  |
| **Parent entity interest** |  |  |  |  |  |
| Contributed equity | 36,283 | 37,511 | 38,740 | 39,977 | 41,222 |
| Reserves | 58 | 58 | 58 | 58 | 58 |
| Retained surplus (accumulated  deficit) | (11,856) | (14,963) | (17,806) | (20,314) | (22,759) |
| ***Total parent entity interest*** | ***24,485*** | ***22,606*** | ***20,992*** | ***19,721*** | ***18,521*** |
| **Total equity** | **24,485** | **22,606** | **20,992** | **19,721** | **18,521** |

\* 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 2018–19)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | Retained earnings  $'000 | Asset revaluation reserve $'000 | Contributed equity/ capital $'000 | Total equity   $'000 |
| **Opening balance as at 1 July 2018** |  |  |  |  |
| Balance carried forward from  previous period | (11,856) | 58 | 36,283 | 24,485 |
| ***Adjusted opening balance*** | ***(11,856)*** | ***58*** | ***36,283*** | ***24,485*** |
| **Comprehensive income** |  |  |  |  |
| Surplus/(deficit) for the period | (3,107) | - | - | (3,107) |
| ***Total comprehensive income*** | ***(3,107)*** | ***-*** | ***-*** | ***(3,107)*** |
| of which: |  |  |  |  |
| Attributable to the Australian  Government | (3,107) | - | - | (3,107) |
| **Transactions with owners** |  |  |  |  |
| ***Contributions by owners*** |  |  |  |  |
| Departmental Capital Budget (DCB) | - | - | 1,228 | 1,228 |
| ***Sub-total transactions with  owners*** | ***-*** | ***-*** | ***1,228*** | ***1,228*** |
| **Estimated closing balance as at  30 June 2019** | **(14,963)** | **58** | **37,511** | **22,606** |
| **Closing balance attributable to  the Australian Government** | **(14,963)** | **58** | **37,511** | **22,606** |

Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2017–18 Estimated actual $'000 | 2018–19 Budget  $'000 | 2019–20 Forward estimate $'000 | 2020–21 Forward estimate $'000 | 2021–22 Forward estimate $'000 |
| **OPERATING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Appropriations | 22,616 | 23,649 | 21,976 | 22,033 | 21,700 |
| Sale of goods and rendering of  services | 2,005 | - | - | - | - |
| Net GST received | 550 | 550 | 550 | 550 | 550 |
| ***Total cash received*** | ***25,171*** | ***24,199*** | ***22,526*** | ***22,583*** | ***22,250*** |
| **Cash used** |  |  |  |  |  |
| Employees | 15,884 | 16,547 | 16,754 | 17,137 | 17,467 |
| Suppliers | 5,638 | 5,156 | 4,677 | 4,419 | 3,835 |
| Borrowing costs | 264 | 231 | 197 | 164 | 134 |
| Net GST paid | 550 | 550 | 550 | 550 | 550 |
| s74 Retained revenue receipts  transferred to OPA | 1,405 | - | - | - | - |
| ***Total cash used*** | ***23,741*** | ***22,484*** | ***22,178*** | ***22,270*** | ***21,986*** |
| **Net cash from/(used by)  operating activities** | **1,430** | **1,715** | **348** | **313** | **264** |
| **INVESTING ACTIVITIES** |  |  |  |  |  |
| **Cash used** |  |  |  |  |  |
| Purchase of property, plant and  equipment and intangibles | 3,000 | 2,576 | 1,229 | 1,237 | 1,245 |
| ***Total cash used*** | ***3,000*** | ***2,576*** | ***1,229*** | ***1,237*** | ***1,245*** |
| **Net cash from/(used by)  investing activities** | **(3,000)** | **(2,576)** | **(1,229)** | **(1,237)** | **(1,245)** |
| **FINANCING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Contributed equity | 1,909 | 1,228 | 1,229 | 1,237 | 1,245 |
| ***Total cash received*** | ***1,909*** | ***1,228*** | ***1,229*** | ***1,237*** | ***1,245*** |
| **Cash used** |  |  |  |  |  |
| Repayments of finance leases | 339 | 367 | 348 | 313 | 264 |
| ***Total cash used*** | ***339*** | ***367*** | ***348*** | ***313*** | ***264*** |
| **Net cash from/(used by)  financing activities** | **1,570** | **861** | **881** | **924** | **981** |
| **Net increase/(decrease) in cash  held** | **-** | **-** | **-** | **-** | **-** |
| Cash and cash equivalents at the  beginning of the reporting period | 467 | 467 | 467 | 467 | 467 |
| **Cash and cash equivalents at  the end of the reporting period** | **467** | **467** | **467** | **467** | **467** |

Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2017–18 Estimated actual $'000 | 2018–19 Budget  $'000 | 2019–20 Forward estimate $'000 | 2020–21 Forward estimate $'000 | 2021–22 Forward estimate $'000 |
| **NEW CAPITAL APPROPRIATIONS** |  |  |  |  |  |
| Capital budget - Bill 1 (DCB) | 1,235 | 1,228 | 1,229 | 1,237 | 1,245 |
| Equity injections - Bill 2 | 674 | - | - | - | - |
| **Total new capital appropriations** | **1,909** | **1,228** | **1,229** | **1,237** | **1,245** |
| ***Provided for:*** |  |  |  |  |  |
| *Purchase of non-financial assets* | *1,909* | *1,228* | *1,229* | *1,237* | *1,245* |
| ***Total items*** | ***1,909*** | ***1,228*** | ***1,229*** | ***1,237*** | ***1,245*** |
| **PURCHASE OF NON-FINANCIAL  ASSETS** |  |  |  |  |  |
| Funded by capital appropriations (a) | 674 | - | - | - | - |
| Funded by capital appropriation -  DCB (b) | 1,235 | 1,228 | 1,229 | 1,237 | 1,245 |
| Funded internally from departmental  resources (c) | 1,091 | 1,348 | - | - | - |
| **TOTAL** | **3,000** | **2,576** | **1,229** | **1,237** | **1,245** |
| **RECONCILIATION OF CASH USED  TO ACQUIRE ASSETS TO ASSET  MOVEMENT TABLE** |  |  |  |  |  |
| Total purchases | 3,000 | 2,576 | 1,229 | 1,237 | 1,245 |
| **Total cash used to acquire assets** | **3,000** | **2,576** | **1,229** | **1,237** | **1,245** |

(a) Current year's Appropriation Bill (No. 2).

(b) Current year's Departmental Capital Budgets (DCBs).

(c) Includes prior year Act 2 and DCB appropriations.

Prepared on Australian Accounting Standards basis.

Table 3.6: Statement of asset movements (Budget year 2018‑19)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | Buildings    $'000 | Other property, plant and equipment $'000 | Computer software and intangibles $'000 | Total    $'000 |
| **As at 1 July 2018** |  |  |  |  |
| Gross book value | 3,026 | 1,670 | 26,248 | 30,944 |
| Accumulated depreciation/ amortisation and impairment | (1,379) | (881) | (15,781) | (18,041) |
| **Opening net book balance** | **1,647** | **789** | **10,467** | **12,903** |
| **Capital asset additions** |  |  |  |  |
| **Estimated expenditure on new  or replacement assets** |  |  |  |  |
| By purchase - appropriation equity (a) | - | - | 1,348 | 1,348 |
| By purchase - appropriation  ordinary annual services (b) | 100 | 150 | 978 | 1,228 |
| **Total additions** | **100** | **150** | **2,326** | **2,576** |
| **Other movements** |  |  |  |  |
| Depreciation/amortisation expense | (247) | (374) | (2,486) | (3,107) |
| **Total other movements** | **(247)** | **(374)** | **(2,486)** | **(3,107)** |
| **As at 30 June 2019** |  |  |  |  |
| Gross book value | 3,126 | 1,820 | 28,574 | 33,520 |
| Accumulated depreciation/  amortisation and impairment | (1,626) | (1,255) | (18,267) | (21,148) |
| **Closing net book balance** | **1,500** | **565** | **10,307** | **12,372** |

(a) 'Appropriation equity' refers to equity injections appropriations provided through prior Appropriation Bill (No. 2).

(b) 'Appropriation ordinary annual services' refers to funding provided through current and prior Appropriation Bill (No.1) for depreciation/amortisation expenses, DCBs.

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)

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2017–18 Estimated actual $'000 | 2018–19 Budget  $'000 | 2019–20 Forward estimate $'000 | 2020–21 Forward estimate $'000 | 2021–22 Forward estimate $'000 |
| **EXPENSES** |  |  |  |  |  |
| Suppliers | 6,521 | 7,620 | 5,795 | 5,923 | 6,071 |
| Grants | 758,055 | 766,450 | 791,695 | 807,236 | 823,603 |
| **Total expenses administered on  behalf of Government** | **764,576** | **774,070** | **797,490** | **813,159** | **829,674** |
| **LESS:** |  |  |  |  |  |
| **OWN-SOURCE INCOME** |  |  |  |  |  |
| **Own-source revenue** |  |  |  |  |  |
| **Non-taxation revenue** |  |  |  |  |  |
| Other revenue (a) | 7,000 | 7,000 | 7,000 | 7,000 | 7,000 |
| ***Total non-taxation revenue*** | ***7,000*** | ***7,000*** | ***7,000*** | ***7,000*** | ***7,000*** |
| **Total own-source revenue  administered on behalf of  Government** | **7,000** | **7,000** | **7,000** | **7,000** | **7,000** |
| **Total own-sourced income  administered on behalf of  Government** | **7,000** | **7,000** | **7,000** | **7,000** | **7,000** |
| **Net (cost of)/contribution by  services** | **(757,576)** | **(767,070)** | **(790,490)** | **(806,159)** | **(822,674)** |
| **Total comprehensive income/(loss)** | **(757,576)** | **(767,070)** | **(790,490)** | **(806,159)** | **(822,674)** |

(a) Under the *Australian Research Council Act 2001*, grant recipients are required to return unspent grant money to the ARC unless otherwise approved. The ARC then returns the funding relating to prior financial years to the Official Public Account.

Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2017–18 Estimated actual $'000 | 2018–19 Budget  $'000 | 2019–20 Forward estimate $'000 | 2020–21 Forward estimate $'000 | 2021–22 Forward estimate $'000 |
| **ASSETS** |  |  |  |  |  |
| **Financial assets** |  |  |  |  |  |
| Taxation receivables | 132 | 132 | 132 | 132 | 132 |
| Trade and other receivables | 3 | 3 | 3 | 3 | 3 |
| ***Total financial assets*** | ***135*** | ***135*** | ***135*** | ***135*** | ***135*** |
| **Non-financial assets** |  |  |  |  |  |
| Other non-financial assets | 12 | 12 | 12 | 12 | 12 |
| ***Total non-financial assets*** | ***12*** | ***12*** | ***12*** | ***12*** | ***12*** |
| **Total assets administered on  behalf of Government** | **147** | **147** | **147** | **147** | **147** |
| **LIABILITIES** |  |  |  |  |  |
| **Payables** |  |  |  |  |  |
| Suppliers | 1,144 | 1,144 | 1,144 | 1,144 | 1,144 |
| Grants | 308,898 | 308,898 | 308,898 | 308,898 | 308,898 |
| ***Total payables*** | ***310,042*** | ***310,042*** | ***310,042*** | ***310,042*** | ***310,042*** |
| **Total liabilities administered on  behalf of Government** | **310,042** | **310,042** | **310,042** | **310,042** | **310,042** |
| **Net assets/(liabilities)** | **(309,895)** | **(309,895)** | **(309,895)** | **(309,895)** | **(309,895)** |

Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2017–18 Estimated actual $'000 | 2018–19 Budget  $'000 | 2019–20 Forward estimate $'000 | 2020–21 Forward estimate $'000 | 2021–22 Forward estimate $'000 |
| **OPERATING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Net GST received | 5,300 | 5,300 | 5,300 | 5,300 | 5,300 |
| Other | 7,000 | 7,000 | 7,000 | 7,000 | 7,000 |
| ***Total cash received*** | ***12,300*** | ***12,300*** | ***12,300*** | ***12,300*** | ***12,300*** |
| **Cash used** |  |  |  |  |  |
| Grant | 758,055 | 766,450 | 791,695 | 807,236 | 823,603 |
| Suppliers | 6,521 | 7,620 | 5,795 | 5,923 | 6,071 |
| Net GST paid | 5,300 | 5,300 | 5,300 | 5,300 | 5,300 |
| ***Total cash used*** | ***769,876*** | ***779,370*** | ***802,790*** | ***818,459*** | ***834,974*** |
| **Net cash from/(used by)  operating activities** | **(757,576)** | **(767,070)** | **(790,490)** | **(806,159)** | **(822,674)** |
| ***Net increase/(decrease) in cash  held*** | ***(757,576)*** | ***(767,070)*** | ***(790,490)*** | ***(806,159)*** | ***(822,674)*** |
| Cash and cash equivalents at  beginning of reporting period | - | - | - | - | - |
| Cash from Official Public Account  for: |  |  |  |  |  |
| - Appropriations | 764,576 | 774,070 | 797,490 | 813,159 | 829,674 |
| - Administered GST   appropriations | 5,300 | 5,300 | 5,300 | 5,300 | 5,300 |
| *Total cash from Official Public  Account* | *769,876* | *779,370* | *802,790* | *818,459* | *834,974* |
| Cash to Official Public Account for: |  |  |  |  |  |
| - Other operating payments | 7,000 | 7,000 | 7,000 | 7,000 | 7,000 |
| - Return of GST Appropriation to OPA | 5,300 | 5,300 | 5,300 | 5,300 | 5,300 |
| *Total cash to Official Public  Account* | *12,300* | *12,300* | *12,300* | *12,300* | *12,300* |
| **Cash and cash equivalents at  end of reporting period** | **-** | **-** | **-** | **-** | **-** |

Prepared on Australian Accounting Standards basis.

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

ARC does not have any administered capital budget, therefore Table 3.10 is not presented.

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

ARC does not have any administered fixed or intangible assets, therefore Table 3.11 is not presented.

Australian Skills Quality Authority

Entity resources and planned performance

Australian Skills Quality Authority

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# Australian Skills Quality Authority

## Section 1: Entity overview and resources

### 1.1 Strategic direction statement

The Australian Skills Quality Authority (ASQA) was established on 1 July 2011 by the enactment of the *National Vocational Education and Training Regulator Act 2011* (NVR Act) and supplementary legislation.

ASQA’s focus is on maintaining a nationally consistent regulatory system that gives confidence to stakeholders that vocational education and training providers, and providers of English language courses to overseas students, offer quality training and assessment services. ASQA works to ensure that this training is appropriate to meet Australia’s social and economic needs for a highly educated and skilled population.

Key facets of ASQA’s regulatory approach include:

* targeted, risk-based regulation
* decisive action in cases of serious risk to the vocational education and training (VET) sector
* facilitating access to accurate information about VET.

ASQA’s objectives (as described in the NVR Act) are:

* to provide for national consistency in the regulation of VET
* to regulate VET using:
* a standards-based quality framework
* risk assessments, where appropriate
* to protect and enhance:
* quality, flexibility and innovation in VET
* Australia’s reputation for VET nationally and internationally
* to provide a regulatory framework that encourages and promotes a VET system that is appropriate to meet Australia’s social and economic needs for a highly educated and skilled population
* to protect students undertaking, or proposing to undertake, Australian VET by ensuring the provision of quality vocational education and training
* to facilitate access to accurate information relating to the quality of VET.

#### ASQA’s priorities for the year ahead

In 2018–19 ASQA will focus on:

* addressing the outcomes of the review of the *National Vocational Education and Training Regulator Act 2011*
* progressing the “Tightening scrutiny on new entrants to the VET market” initiative
* developing and releasing the Authority’s updated Regulatory Strategy
* undertaking a strategic review into International Education.

### 1.2 Entity resource statement

Table 1.1 shows the total funding from all sources available to ASQA 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 ASQA’s operations) classification.

For more detailed information on 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, while 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: ASQA resource statement — Budget estimates for 2018–19 as at Budget May 2018

|  |  |  |
| --- | --- | --- |
|  | *2017–18 Estimated actual  $'000* | 2018–19 Estimate  $'000 |
| **Departmental** |  |  |
| Annual appropriations - ordinary annual services (a) |  |  |
| Prior year appropriations available (b) | *20,496* | 16,355 |
| Departmental appropriation (c) | *33,099* | 36,102 |
| s74 Retained revenue receipts (d) | *264* | 264 |
| Departmental capital budget (e) | *-* | 1,212 |
| Equity injection | *478* | - |
| Total departmental annual appropriations | *54,337* | 53,933 |
| ***Total departmental resourcing*** | ***54,337*** | **53,933** |
| **Administered** |  |  |
| Total administered special appropriations | *639* | 357 |
| **Total administered resourcing** | ***639*** | **357** |
| **Total resourcing for ASQA** | ***54,976*** | **54,290** |
|  |  |  |
|  | *2017–18* | 2018–19 |
| **Average staffing level (number)** | *184* | 199 |

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

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

(a) Appropriation Bill (No. 1) 2018–19.

(b) Excludes $0.018m subject to quarantine by Finance or withheld under s51 of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act)

(c) Excludes departmental capital budget (DCB).

(d) Estimated retained revenue receipts under s74 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 ASQA are detailed in Budget Paper No. 2 and are summarised below.

Table 1.2: ASQA 2018–19 Budget measures

Part 1: Measures announced since the 2017–18 Mid-Year Economic and Fiscal Outlook (MYEFO)

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | Program | 2017–18 $'000 | 2018–19 $'000 | 2019–20 $'000 | 2020–21 $'000 | 2021–22 $'000 |
| **Revenue measures** |  |  |  |  |  |  |
| Australian Skills Quality Authority — full cost recovery | 1.1 |  |  |  |  |  |
| Administered revenues |  | - | 5,226 | 5,546 | 20,893 | 21,094 |
| **Total** |  | **-** | **5,226** | **5,546** | **20,893** | **21,094** |
| **Total revenue measures** |  |  |  |  |  |  |
| Administered |  | - | 5,226 | 5,546 | 20,893 | 21,094 |
| **Total** |  | **-** | **5,226** | **5,546** | **20,893** | **21,094** |
| **Expense measures** |  |  |  |  |  |  |
| Australian Skills Quality Authority — full cost recovery | 1.1 |  |  |  |  |  |
| Departmental expenses |  | - | 3,183 | 2,954 | 2,893 | 2,852 |
| **Total** |  | **-** | **3,183** | **2,954** | **2,893** | **2,852** |
| **Total expense measures** |  |  |  |  |  |  |
| Departmental |  | - | 3,183 | 2,954 | 2,893 | 2,852 |
| **Total** |  | **-** | **3,183** | **2,954** | **2,893** | **2,852** |
| **Capital measures** |  |  |  |  |  |  |
| Australian Skills Quality Authority — full cost recovery | 1.1 |  |  |  |  |  |
| Departmental capital |  | - | 1,845 | 3,013 | 1,469 | 344 |
| **Total** |  | **-** | **1,845** | **3,013** | **1,469** | **344** |
| **Total capital measures** |  |  |  |  |  |  |
| Departmental |  | - | 1,845 | 3,013 | 1,469 | 344 |
| **Total** |  | **-** | **1,845** | **3,013** | **1,469** | **344** |

Prepared on a Government Finance Statistics (fiscal) basis. Figures displayed in brackets are negative and represent a decrease in funds. Non-bracketed figures are positive and 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 ASQA can be found at: www.asqa.gov.au](https://www.asqa.gov.au/sites/g/files/net2166/f/ASQA_Corporate_Plan_2016-20.pdf)

[The most recent annual performance statement can be found in the Annual Report at: www.asqa.gov.au](https://www.asqa.gov.au/sites/g/files/net2166/f/ASQA_Annual_Report_2015-16.pdf#page=31)

### 2.1 Budgeted expenses and performance for Outcome 1

Outcome 1: 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.

#### Budgeted expenses for Outcome 1

This table shows how much ASQA 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: 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.**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2017–18 Estimated actual $'000 | 2018–19 Budget  $'000 | 2019–20 Forward estimate $'000 | 2020–21 Forward estimate $'000 | 2021–22 Forward estimate $'000 |
| **Program 1.1: Regulation and advice** |  |  |  |  |  |
| Departmental expenses |  |  |  |  |  |
| Departmental appropriation | 33,099 | 36,102 | 36,490 | 36,191 | 36,344 |
| s74 Retained revenue receipts (a) | 264 | 264 | 264 | 132 | - |
| Expenses not requiring  appropriation in the Budget  year (b) | 2,158 | 2,435 | 2,493 | 2,658 | 2,805 |
| **Departmental total** | **35,521** | **38,801** | **39,247** | **38,981** | **39,149** |
| **Total expenses for program 1.1** | **35,521** | **38,801** | **39,247** | **38,981** | **39,149** |
|  |  |  |  |  |  |
| **Outcome 1 Totals by appropriation type** |  |  |  |  |  |
| Departmental expenses |  |  |  |  |  |
| Departmental appropriation | 33,099 | 36,102 | 36,490 | 36,191 | 36,344 |
| s74 Retained revenue receipts (a) | 264 | 264 | 264 | 132 | - |
| Expenses not requiring  appropriation in the Budget  year (b) | 2,158 | 2,435 | 2,493 | 2,658 | 2,805 |
| **Departmental total** | **35,521** | **38,801** | **39,247** | **38,981** | **39,149** |
| **Total expenses for Outcome 1** | **35,521** | **38,801** | **39,247** | **38,981** | **39,149** |
|  | 2017–18 | 2018–19 |  |  |  |
| **Average staffing level (number)** | 184 | 199 |  |  |  |

(a) Estimated expenses incurred in relation to receipts retained under s74 of the PGPA Act.

(b) Administered expenses not requiring appropriation are doubtful debts. Departmental expenses not requiring appropriation are depreciation, amortisation, and expenses funded by prior years' appropriations

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

#### Performance criteria for Outcome 1

This section below details the performance criteria for each program associated with Outcome 1. It summarises how each program is delivered.

Outcome 1: 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.

##### Program 1.1: Regulation and Advice

| Item | Description |
| --- | --- |
| Objective | To assure the quality of VET outcomes through national regulation and the communication of advice on vocational education and training. |
| Delivery | The mechanisms through which Program 1.1 is delivered are:  applying a risk based and standards based regulatory approach to the VET sector  taking regulatory action to remove poor quality providers from the sector  making ASQA’s Regulatory Strategy and Regulatory Risk Framework publicly available  undertaking communications campaigns to address identified issues and providing stakeholders with timely and accurate advice. |
| Purposes | Program 1.1 contributes to ASQA’s purposes which are to:  protect the quality and reputation of the vocational education training (VET) sector  regulate the VET sector utilising a contemporary, risk and standards based regulatory approach  facilitate access to accurate information about VET. |

###### Performance information 1.1 Regulation and Advice

| **Year** | **Performance criteria** | **Expected achievement** |
| --- | --- | --- |
| 2017–18 | Stakeholders indicate they believe ASQA is improving the quality of VET outcomes in Australia. | Application of risk based regulation demonstrated by percentage of non‑application based audits to application based audits.  **As at 31 December 2017:**  55.5% of completed audits are non-application based audits.  Providers and stakeholders indicate they are satisfied with ASQA’s engagement with the regulated community.  **Most recent survey results indicated:[[23]](#footnote-23)**  68.0% provider satisfaction  52.7% stakeholder satisfaction. |

|  |  |  |
| --- | --- | --- |
| **Year** | **Performance criteria** | **Targets** |
| 2018–19 | Stakeholders consider that ASQA is improving the quality of VET outcomes in Australia. | Application of risk based regulation demonstrated by percentage of non‑application based audits to application based audits.  **Target:** 50% non‑application based audits.  Providers and stakeholders indicate they are satisfied with ASQA’s engagement with the regulated community.  **Target:** 70% positive feedback from providers and stakeholders (excellent or good in annual survey). |
| 2019–20 and beyond | As per 2018–19 | As per 2018–19 |

## Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of ASQA’s finances for the 2018–19 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 resource statement (Table 1.1 in Section 1) shows a decrease of $4.1 million in prior year appropriations available. This includes funds of $2.8 million budgeted for use in 2017–18 for capital expenditure, as shown in Table 3.5 – Departmental capital budget statement.

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

##### Budgeted departmental comprehensive income statement

Expenses for 2018–19 are estimated to be $38.8 million. This reflects an increase from 2017–18 of $3.3 million as reflected in the budget measure at Table 1.2. ASQA is budgeting for a technical operating loss in 2018–19 reflecting the value of unfunded depreciation and amortisation expense of $2.4 million.

##### Budgeted departmental balance sheet

ASQA’s asset and liability forecasts are mostly in line with amounts advised in the   
2017–18 Budget. An exception is that forecasts are higher for Suppliers, reflecting an increase in accrued expenses at year end.

Capital acquisitions in 2018–19 (as shown in Tables 3.4 and 3.5) are planned to be $3 million for enhancement of IT systems.

##### Administered

Revenue estimates for 2018–19 are $23.3 million. This decrease from 2017–18 reflects ASQA’s increasing shift to risk based regulation. ASQA continues partial cost recovery arrangements for 2018–19.

Budgeted assets and liabilities represent net receivables and provisions for refunds of administered receipts.

### 3.2. Budgeted financial statements tables

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2017–18 Estimated actual $'000 | 2018–19 Budget  $'000 | 2019–20 Forward estimate $'000 | 2020–21 Forward estimate $'000 | 2021–22 Forward estimate $'000 |
| **EXPENSES** |  |  |  |  |  |
| Employee benefits | 20,583 | 22,150 | 22,163 | 23,139 | 22,603 |
| Suppliers | 12,780 | 14,216 | 14,591 | 13,184 | 13,741 |
| Depreciation and amortisation (a) | 2,158 | 2,435 | 2,493 | 2,658 | 2,805 |
| **Total expenses** | **35,521** | **38,801** | **39,247** | **38,981** | **39,149** |
| **LESS:** |  |  |  |  |  |
| **OWN-SOURCE INCOME** |  |  |  |  |  |
| **Own-source revenue** |  |  |  |  |  |
| Sale of goods and rendering of  services | 264 | 264 | 264 | 132 | **-** |
| **Total own-source revenue** | **264** | **264** | **264** | **132** | **-** |
| **Total own-source income** | **264** | **264** | **264** | **132** | **-** |
| **Net (cost of)/contribution by  services** | **(35,257)** | **(38,537)** | **(38,983)** | **(38,849)** | **(39,149)** |
| Revenue from Government | 33,099 | 36,102 | 36,490 | 36,191 | 36,344 |
| **Surplus/(deficit) attributable to the  Australian Government** | **(2,158)** | **(2,435)** | **(2,493)** | **(2,658)** | **(2,805)** |
| **Total comprehensive income/(loss)** | **(2,158)** | **(2,435)** | **(2,493)** | **(2,658)** | **(2,805)** |
| **Total comprehensive income/(loss)  attributable to the Australian  Government** | **(2,158)** | **(2,435)** | **(2,493)** | **(2,658)** | **(2,805)** |
|  |  |  |  |  |  |
| **Note: Impact of net cash appropriation arrangements** |  |  |  |  |  |
|  | 2017–18 $'000 | 2018–19 $'000 | 2019–20 $'000 | 2020–21 $'000 | 2021–22 $'000 |
| **Total comprehensive income/(loss)  excluding depreciation/  amortisation expenses previously  funded through revenue  appropriations** | **-** | **-** | **-** | **-** | **-** |
| less depreciation/amortisation  expenses previously funded through  revenue appropriations (a) | 2,158 | **2,435** | 2,493 | 2,658 | 2,805 |
| **Total comprehensive income/(loss)  - as per the statement of  comprehensive income** | **(2,158)** | **(2,435)** | **(2,493)** | **(2,658)** | **(2,805)** |

(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)

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2017–18 Estimated actual $'000 | 2018–19 Budget  $'000 | 2019–20 Forward estimate $'000 | 2020–21 Forward estimate $'000 | 2021–22 Forward estimate $'000 |
| **ASSETS** |  |  |  |  |  |
| **Financial assets** |  |  |  |  |  |
| Cash and cash equivalents | 335 | 335 | 335 | 335 | 335 |
| Trade and other receivables | 18,528 | 18,559 | 18,559 | 18,559 | 18,559 |
| ***Total financial assets*** | ***18,863*** | ***18,894*** | ***18,894*** | ***18,894*** | ***18,894*** |
| **Non-financial assets** |  |  |  |  |  |
| Land and buildings | 2,997 | 2,050 | 2,406 | 1,642 | 1,211 |
| Property, plant and equipment | 586 | 397 | 628 | 896 | 801 |
| Intangibles | 11,614 | 13,372 | 14,517 | 15,045 | 14,339 |
| Other non-financial assets | 178 | 178 | 178 | 178 | 178 |
| ***Total non-financial assets*** | ***15,375*** | ***15,997*** | ***17,729*** | ***17,761*** | ***16,529*** |
| Assets held for sale |  |  |  |  |  |
| **Total assets** | **34,238** | **34,891** | **36,623** | **36,655** | **35,423** |
| **LIABILITIES** |  |  |  |  |  |
| **Payables** |  |  |  |  |  |
| Suppliers | 6,871 | 6,868 | 7,032 | 7,032 | 7,032 |
| Other payables | 6 | 11 | 11 | 11 | 11 |
| ***Total payables*** | ***6,877*** | ***6,879*** | ***7,043*** | ***7,043*** | ***7,043*** |
| **Provisions** |  |  |  |  |  |
| Employee provisions | 6,753 | 6,779 | 6,779 | 6,779 | 6,779 |
| Other provisions | 261 | 264 | 100 | 100 | 100 |
| ***Total provisions*** | ***7,014*** | ***7,043*** | ***6,879*** | ***6,879*** | ***6,879*** |
| **Total liabilities** | **13,891** | **13,922** | **13,922** | **13,922** | **13,922** |
| **Net assets** | **20,347** | **20,969** | **22,701** | **22,733** | **21,501** |
| **EQUITY\*** |  |  |  |  |  |
| **Parent entity interest** |  |  |  |  |  |
| Contributed equity | 24,701 | 27,758 | 31,983 | 34,673 | 36,246 |
| Reserves | 20 | 20 | 20 | 20 | 20 |
| Retained surplus (accumulated  deficit) | (4,374) | (6,809) | (9,302) | (11,960) | (14,765) |
| ***Total parent entity interest*** | ***20,347*** | ***20,969*** | ***22,701*** | ***22,733*** | ***21,501*** |
| **Total equity** | **20,347** | **20,969** | **22,701** | **22,733** | **21,501** |

\* 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 2018–19)

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | Retained earnings  $'000 | Asset revaluation reserve $'000 | Other reserves  $'000 | Contributed equity/ capital $'000 | Total equity   $'000 |
| **Opening balance as at 1 July 2018** |  |  |  |  |  |
| Balance carried forward from  previous period | (4,374) | 20 | - | 24,701 | 20,347 |
| **Comprehensive income** |  |  |  |  |  |
| Surplus/(deficit) for the period | (2,435) | - | - | - | (2,435) |
| ***Total comprehensive income*** | ***(6,809)*** | ***20*** | ***-*** | ***24,701*** | ***17,912*** |
| of which: |  |  |  |  |  |
| Attributable to the Australian  Government | (6,809) | 20 | - | 24,701 | 17,912 |
| **Transactions with owners** |  |  |  |  |  |
| ***Contributions by owners*** |  |  |  |  |  |
| Equity injection - Appropriation | - | - | - | 1,846 | 1,846 |
| Departmental Capital Budget (DCB) | - | - | - | 1,211 | 1,211 |
| ***Sub-total transactions with  owners*** | ***-*** | ***-*** | ***-*** | ***3,057*** | ***3,057*** |
| **Estimated closing balance as at  30 June 2019** | **(6,809)** | **20** | **-** | **27,758** | **20,969** |
| **Closing balance attributable to  the Australian Government** | **(6,809)** | **20** | **-** | **27,758** | **20,969** |

Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2017–18 Estimated actual $'000 | 2018–19 Budget  $'000 | 2019–20 Forward estimate $'000 | 2020–21 Forward estimate $'000 | 2021–22 Forward estimate $'000 |
| **OPERATING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Appropriations | 38,520 | 36,071 | 36,490 | 36,191 | 36,344 |
| Sale of goods and rendering of  services | 264 | 264 | 264 | 132 | - |
| ***Total cash received*** | ***38,784*** | ***36,335*** | ***36,754*** | ***36,323*** | ***36,344*** |
| **Cash used** |  |  |  |  |  |
| Employees | 20,414 | 22,119 | 22,163 | 23,139 | 22,603 |
| Suppliers | 13,280 | 14,219 | 14,427 | 13,184 | 13,741 |
| ***Total cash used*** | ***33,694*** | ***36,338*** | ***36,590*** | ***36,323*** | ***36,344*** |
| **Net cash from/(used by)  operating activities** | **5,090** | **(3)** | **164** | **-** | **-** |
| **INVESTING ACTIVITIES** |  |  |  |  |  |
| **Cash used** |  |  |  |  |  |
| Purchase of property, plant and  equipment and intangibles | 5,568 | 3,054 | 4,389 | 2,690 | 1,573 |
| ***Total cash used*** | ***5,568*** | ***3,054*** | ***4,389*** | ***2,690*** | ***1,573*** |
| **Net cash from/(used by)  investing activities** | **(5,568)** | **(3,054)** | **(4,389)** | **(2,690)** | **(1,573)** |
| **FINANCING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Contributed equity | 478 | 3,057 | 4,225 | 2,690 | 1,573 |
| ***Total cash received*** | ***478*** | ***3,057*** | ***4,225*** | ***2,690*** | ***1,573*** |
| **Net cash from/(used by)  financing activities** | **478** | **3,057** | **4,225** | **2,690** | **1,573** |
| **Net increase/(decrease) in cash  held** | **-** | **-** | **-** | **-** | **-** |
| Cash and cash equivalents at the  beginning of the reporting period | 335 | 335 | 335 | 335 | 335 |
| **Cash and cash equivalents at  the end of the reporting period** | 335 | 335 | 335 | 335 | 335 |

Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2017–18 Estimated actual $'000 | 2018–19 Budget  $'000 | 2019–20 Forward estimate $'000 | 2020–21 Forward estimate $'000 | 2021–22 Forward estimate $'000 |
| **NEW CAPITAL APPROPRIATIONS** |  |  |  |  |  |
| Capital budget - Bill 1 (DCB) | - | 1,212 | 1,212 | 1,221 | 1,229 |
| Equity injections - Bill 2 | 478 | 1,845 | 3,013 | 1,469 | 344 |
| **Total new capital appropriations** | **478** | **3,057** | **4,225** | **2,690** | **1,573** |
| ***Provided for:*** |  |  |  |  |  |
| *Purchase of non-financial assets* | *478* | *3,057* | *4,225* | *2,690* | *1,573* |
| ***Total items*** | ***478*** | ***3,057*** | ***4,225*** | ***2,690*** | ***1,573*** |
| **PURCHASE OF NON-FINANCIAL  ASSETS** |  |  |  |  |  |
| Funded by capital appropriations (a) | 2,749 | 1,845 | 3,013 | 1,469 | 344 |
| Funded by capital appropriation -  DCB (b) | - | 1,212 | 1,212 | 1,221 | 1,229 |
| Funded internally from departmental  resources (c) | 2,822 | - | - | - | - |
| **TOTAL** | **5,571** | **3,057** | **4,225** | **2,690** | **1,573** |
| **RECONCILIATION OF CASH USED  TO ACQUIRE ASSETS TO ASSET  MOVEMENT TABLE** |  |  |  |  |  |
| Total purchases | 5,571 | 3,057 | 4,225 | 2,690 | 1,573 |
| **Total cash used to acquire assets** | **5,571** | **3,057** | **4,225** | **2,690** | **1,573** |

(a) Includes both current Bill 2 and prior Act 2/4/6 appropriations.

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

(c) Includes the following sources of funding:

- current Bill 1 and prior year Act 1/3/5 appropriations (excluding amounts from the DCB)

- donations and contributions

- gifts

- internally developed assets

- s74 Retained revenue receipts

- proceeds from the sale of assets.

Prepared on Australian Accounting Standards basis.

Table 3.6: Statement of asset movements (Budget year 2018–19)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | Buildings    $'000 | Other property, plant and equipment $'000 | Computer software and intangibles $'000 | Total    $'000 |
| **As at 1 July 2018** |  |  |  |  |
| Gross book value | 5,908 | 1,166 | 18,180 | 25,254 |
| Accumulated depreciation/ amortisation and impairment | (2,911) | (580) | (6,566) | (10,057) |
| **Opening net book balance** | **2,997** | **586** | **11,614** | **15,197** |
| **Capital asset additions** |  |  |  |  |
| **Estimated expenditure on new  or replacement assets** |  |  |  |  |
| By purchase - appropriation equity (a) | - | - | 3,057 | 3,057 |
| **Total additions** | **-** | **-** | **3,057** | **3,057** |
| **Other movements** |  |  |  |  |
| Depreciation/amortisation expense | (947) | (189) | (1,299) | (2,435) |
| **Total other movements** | **(947)** | **(189)** | **(1,299)** | **(2,435)** |
|  |  |  |  |  |
| **As at 30 June 2019** |  |  |  |  |
| Gross book value | 5,908 | 1,166 | 21,237 | 28,311 |
| Accumulated depreciation/  amortisation and impairment | (3,858) | (769) | (7,865) | (12,492) |
| **Closing net book balance** | **2,050** | **397** | **13,372** | **15,819** |

(a) ‘Appropriation equity’ refers to equity injections appropriations provided through Appropriation Bill (No. 2) 2018–19, including CDABs.

(b) ‘Appropriation ordinary annual services’ refers to funding provided through Appropriation Bill (No. 1) 2018–19 for depreciation/amortisation expenses, DCBs or other operational expenses.

(c) Net proceeds may be returned to the OPA.

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)

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2017–18 Estimated actual $'000 | 2018–19 Budget  $'000 | 2019–20 Forward estimate $'000 | 2020–21 Forward estimate $'000 | 2021–22 Forward estimate $'000 |
| **OWN-SOURCE INCOME** |  |  |  |  |  |
| **Own-source revenue** |  |  |  |  |  |
| **Taxation revenue** |  |  |  |  |  |
| Other taxes | 12,919 | 17,946 | 18,166 | 29,932 | 30,178 |
| ***Total taxation revenue*** | ***12,919*** | ***17,946*** | ***18,166*** | ***29,932*** | ***30,178*** |
| **Non-taxation revenue** |  |  |  |  |  |
| Other revenue | 15,302 | 5,335 | 5,435 | 9,016 | 8,971 |
| ***Total non-taxation revenue*** | ***15,302*** | ***5,335*** | ***5,435*** | ***9,016*** | ***8,971*** |
| **Total own-source revenue  administered on behalf of  Government** | **28,221** | **23,281** | **23,601** | **38,948** | **39,149** |
| **Gains** |  |  |  |  |  |
| **Total own-sourced income  administered on behalf of  Government** | **28,221** | **23,281** | **23,601** | **38,948** | **39,149** |
| **Net (cost of)/contribution by  services** | **(28,221)** | **(23,281)** | **(23,601)** | **(38,948)** | **(39,149)** |
| **Total comprehensive income/(loss)** | **(28,221)** | **(23,281)** | **(23,601)** | **(38,948)** | **(39,149)** |

Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2017–18 Estimated actual $'000 | 2018–19 Budget  $'000 | 2019–20 Forward estimate $'000 | 2020–21 Forward estimate $'000 | 2021–22 Forward estimate $'000 |
| **ASSETS** |  |  |  |  |  |
| **Financial assets** |  |  |  |  |  |
| Trade and other receivables | 368 | 368 | 368 | 368 | 368 |
| ***Total financial assets*** | ***368*** | ***368*** | ***368*** | ***368*** | ***368*** |
| **Total assets administered on  behalf of Government** | **368** | **368** | **368** | **368** | **368** |
| **LIABILITIES** |  |  |  |  |  |
| **Provisions** |  |  |  |  |  |
| Other provisions | 117 | 117 | 117 | 117 | 117 |
| ***Total provisions*** | ***117*** | ***117*** | ***117*** | ***117*** | ***117*** |
| **Total liabilities administered on  behalf of Government** | **117** | **117** | **117** | **117** | **117** |
| **Net assets/(liabilities)** | **251** | **251** | **251** | **251** | **251** |

Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2017–18 Estimated actual $'000 | 2018–19 Budget  $'000 | 2019–20 Forward estimate $'000 | 2020–21 Forward estimate $'000 | 2021–22 Forward estimate $'000 |
| **OPERATING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Taxes | 12,919 | 17,946 | 18,166 | 29,932 | 30,178 |
| Other | 15,302 | 5,335 | 5,435 | 9,016 | 8,971 |
| ***Total cash received*** | ***28,221*** | ***23,281*** | ***23,601*** | ***38,948*** | ***39,149*** |
| **Cash used** |  |  |  |  |  |
| Other | 639 | 357 | 357 | 357 | 357 |
| ***Total cash used*** | ***639*** | ***357*** | ***357*** | ***357*** | ***357*** |
| **Net cash from/(used by)  operating activities** | **27,582** | **22,924** | **23,244** | **38,591** | **38,792** |
| ***Net increase/(decrease) in cash  held*** | ***27,582*** | ***22,924*** | ***23,244*** | ***38,591*** | ***38,792*** |
| Cash and cash equivalents at  beginning of reporting period |  |  |  |  |  |
| Cash from Official Public Account  for: |  |  |  |  |  |
| - Appropriations | 639 | 357 | 357 | 357 | 357 |
| *Total cash from Official Public  Account* | *639* | *357* | *357* | *357* | *357* |
| Cash to Official Public Account for: |  |  |  |  |  |
| - Appropriations | (28,221) | (23,281) | (23,601) | (38,948) | (39,149) |
| *Total cash to Official Public  Account* | *(28,221)* | *(23,281)* | *(23,601)* | *(38,948)* | *(39,149)* |
| **Cash and cash equivalents at  end of reporting period** | **-** | **-** | **-** | **-** | **-** |

Prepared on Australian Accounting Standards basis.

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

ASQA does not have any administered capital budget, therefore Table 3.10 is not presented.

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

ASQA does not have any administered assets, therefore Table 3.11 is not presented.

Tertiary Education Quality and Standards Agency

Entity resources and planned performance

Tertiary Education Quality and Standards Agency

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# Tertiary Education Quality and Standards Agency

## Section 1: Entity overview and resources

### 1.1 Strategic direction statement

The Tertiary Education Quality and Standards Agency (TEQSA) is Australia’s national higher education quality assurance and regulatory agency established under the Tertiary Education Quality and Standards Agency Act 2011 (the Act). TEQSA commenced regulatory functions on 29 January 2012.

The Act confers powers and functions on TEQSA, among other things, to:

* register regulated entities as registered higher education providers and accredit courses of study
* conduct compliance assessments and quality assessments
* conduct accreditation assessments of courses developed by providers without self‑accrediting authority
* provide advice and make recommendations to the Minister on matters relating to the quality or regulation of higher education providers
* collect, analyse, interpret and disseminate information relating to quality assurance practice and quality improvement in higher education
* co-operate with similar agencies in other countries.

TEQSA also has responsibility, as an ESOS agency under the *Education Services for Overseas Students Act 2000*, for regulating all providers delivering higher education to overseas students studying in Australia, and some providers delivering English Language Intensive Course for Overseas Students (ELICOS) and Foundation programs (where they have an entry arrangement for their graduates with a registered higher education provider). Providers in all categories that wish to offer higher education courses to overseas students must be registered on the Commonwealth Register of Institutions and Courses for Overseas Students (CRICOS).

### 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 1’ tables in Section 2 and the financial statements in Section 3 are presented on an accrual basis.

Table 1.1: TEQSA resource statement — Budget estimates for 2018–19 as at Budget May 2018

|  |  |  |
| --- | --- | --- |
|  | *2017–18 Estimated actual  $'000* | 2018–19 Estimate  $'000 |
| **Departmental** |  |  |
| Annual appropriations - ordinary annual services (a) |  |  |
| Prior year appropriations available (b) | *5,628* | 6,814 |
| Departmental appropriation (c) | *14,072* | 17,938 |
| s74 Retained revenue receipts (d) | *382* | 263 |
| Departmental capital budget (e) | *851* | 1,646 |
| Annual appropriations - other services - non-operating (f) |  |  |
| Prior year appropriations available (b) | *-* | 100 |
| Equity injection | *100* | - |
| Total departmental annual appropriations | *21,033* | 26,761 |
| ***Total departmental resourcing*** | ***21,033*** | **26,761** |
| **Administered** |  |  |
| Total administered special appropriations | *200* | 200 |
| **Total administered resourcing** | ***200*** | ***200*** |
| **Total resourcing for TEQSA** | ***21,233*** | **26,961** |
|  |  |  |
|  | *2017–18* | 2018–19 |
| **Average staffing level (number)** | *51* | 93 |

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) Appropriation Bill (No. 1) 2018–19.

(b) Excludes $0.015m subject to quarantine by Finance or withheld under s51 of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act).

(c) Excludes departmental capital budget (DCB).

(d) Estimated retained revenue receipts under s74 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’.

(f) Appropriation Bill (No. 2) 2018–19.

### 1.3 Budget measures

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

Table 1.2: TEQSA 2018–19 Budget measures

Part 1: Measures announced since the 2017–18 Mid-Year Economic and Fiscal Outlook (MYEFO)

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | Program | 2017–18 $'000 | 2018–19 $'000 | 2019–20 $'000 | 2020–21 $'000 | 2021–22 $'000 |
| **Revenue measures** | 1.1 |  |  |  |  |  |
| Tertiary Education Quality and Standards Agency — full cost recovery |  |  |  |  |  |  |
| Administered revenues |  | - | 1,675 | 5,461 | 8,674 | 12,396 |
| **Total** |  | **-** | **1,675** | **5,461** | **8,674** | **12,396** |
| **Total revenue measures** |  |  |  |  |  |  |
| Administered |  | - | 1,675 | 5,461 | 8,674 | 12,396 |
| **Total** |  | **-** | **1,675** | **5,461** | **8,674** | **12,396** |
| **Expense measures** |  |  |  |  |  |  |
| Tertiary Education Quality and Standards Agency — full cost recovery | 1.1 |  |  |  |  |  |
| Departmental expenses |  | - | 6,390 | 5,667 | 5,700 | 5,739 |
| **Total** |  | **-** | **6,390** | **5,667** | **5,700** | **5,739** |
| **Total expense measures** |  |  |  |  |  |  |
| Departmental |  | - | 6,390 | 5,667 | 5,700 | 5,739 |
| **Total** |  | **-** | **6,390** | **5,667** | **5,700** | **5,739** |
| **Capital measures** |  |  |  |  |  |  |
| Tertiary Education Quality and Standards Agency — full cost recovery | 1.1 |  |  |  |  |  |
| Departmental capital |  | - | 800 | - | - | - |
| **Total** |  | **-** | **800** | **-** | **-** | **-** |
| **Total capital measures** |  |  |  |  |  |  |
| Departmental |  | - | 800 | - | - | - |
| **Total** |  | **-** | **800** | **-** | **-** | **-** |

Prepared on a Government Finance Statistics (fiscal) basis. Figures displayed in brackets are negative and represent a decrease in funds. Non-bracketed figures are positive and 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 TEQSA can be found at: www.teqsa.gov.au](http://www.teqsa.gov.au)

[The most recent annual performance statement can be found in the Annual Report at: www.teqsa.gov.au.](http://www.teqsa.gov.au/)

### 2.1 Budgeted expenses and performance for Outcome 1

Outcome 1: 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.

#### 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: 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.**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2017–18 Estimated actual $'000 | 2018–19 Budget  $'000 | 2019–20 Forward estimate $'000 | 2020–21 Forward estimate $'000 | 2021–22 Forward estimate $'000 |
| **Program 1.1: Regulation and Quality Assurance** |  |  |  |  |  |
| Departmental expenses |  |  |  |  |  |
| Departmental appropriation | 14,072 | 17,938 | 17,556 | 17,483 | 17,591 |
| s74 Retained revenue receipts (a) | 382 | 263 | 264 | 265 | 186 |
| Expenses not requiring  appropriation in the Budget  year (b) | 968 | 949 | 732 | 712 | 686 |
| **Departmental total** | 15,422 | 19,150 | 18,552 | 18,460 | 18,463 |
| **Total expenses for program 1.1** | **15,422** | **19,150** | **18,552** | **18,460** | **18,463** |
|  |  |  |  |  |  |
| **Outcome 1 Totals by appropriation type** |  |  |  |  |  |
| Departmental expenses |  |  |  |  |  |
| Departmental appropriation | 14,072 | 17,938 | 17,556 | 17,483 | 17,591 |
| s74 Retained revenue receipts (a) | 382 | 263 | 264 | 265 | 186 |
| Expenses not requiring  appropriation in the Budget  year (b) | 968 | 949 | 732 | 712 | 686 |
| **Departmental total** | 15,422 | 19,150 | 18,552 | 18,460 | 18,463 |
| **Total expenses for Outcome 1** | **15,422** | **19,150** | **18,552** | **18,460** | **18,463** |
|  |  |  |  |  |  |
|  | 2017–18 | 2018–19 |  |  |  |
| **Average staffing level (number)** | 51 | 93 |  |  |  |

(a) Estimated expenses incurred in relation to receipts retained under s74 of the PGPA Act.

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

(c) Figures displayed in brackets are negative and represent a decrease in funds. Non-bracketed figures are positive and represent an increase in funds.

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

#### Performance criteria for Outcome 1

This section details the performance criteria for each program associated with Outcome 1. It also summarises how each program is delivered and where 2018–19 Budget measures have created new programs or materially changed existing programs.

Outcome 1: 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.

##### Program 1.1: Regulation and Quality Assurance

| Item | Description |
| --- | --- |
| Objective | Regulation and quality assurance ensure that quality standards are being met by all higher education providers so that the interests of students and the reputation of Australia’s higher education sector are promoted and protected. This occurs by reference to the Higher Education Threshold Standards, which are determined by the Minister for Education and Training on advice from an independent Higher Education Standards Panel. A risk-based approach is used for planning and implementing assessments of provider compliance with those Standards. |
| Delivery | The mechanisms through which Program 1.1 will be delivered are:  register regulated entities as registered higher education providers and accredit courses of study  conduct compliance assessments and quality assessments  conduct re-accreditation assessments of courses developed by providers without self-accrediting authority  provide advice and make recommendations to the Commonwealth Minister responsible for Education on matters relating to the quality and regulation of higher education providers  cooperate with similar agencies in other countries  collect, analyse, interpret and disseminate information relating to quality assurance practice and quality improvement in higher education. |
| Purpose[[24]](#footnote-24) | To safeguard student interests and the reputation of the higher education sector by assuring the quality of Australian higher education through a proportionate, risk reflective approach to regulation which allows higher education providers to pursue their individual missions and encourages diversity, innovation and excellence. Our work is underpinned by the intention of encouraging, supporting and recognising effective internal quality assurance in providers.  We have three key goals in delivering our purpose:  effective oversight of the quality and reputation of Australian higher education  efficient, effective, responsive, risk-based quality assurance and regulatory activities  constructive and collaborative relationships with governments, higher education providers, students and other stakeholders. |

###### Performance information 1.1

| Year | Performance criteria | Expected achievement |
| --- | --- | --- |
| 2017–18 | TEQSA has effective mechanisms to identify, monitor and respond to risks to higher education across the sector. | New mechanisms have been implemented to manage out-of-cycle regulatory work, including responding to emerging risks to quality and the assessment of applications received from prospective entrants.  An approach has been established on enhanced monitoring, sector intelligence gathering and analysis of risk, with a correspondingly targeted approach to assessment.  Further integration of risk analysis and regulatory decision making is expected to be achieved, through the use of comprehensive datasets to inform risk analysis and regulatory interventions. |
|  | Enhanced levels of sector information are made readily available. | Aggregate observations of performance and risks have been published including: annual statistics on registered higher education providers, key financial metrics, assessment outcomes reporting, and the role of risk analyses in assessment outcomes. |
|  | TEQSA engages in regular, constructive consultation with the sector, stakeholders and international agencies to achieve the agency’s strategic objectives. | Cross border regulatory activity has been strengthened and streamlined through engagement with international quality agencies.  TEQSA’s understanding and effectiveness in international higher education, and contribution to development of transnational policy is increased through signing or re‑signing MoUs for the sharing of information with international quality agencies including provider visits and staff exchanges. |
|  | Regulation and quality assurance does not unnecessarily impede the efficient operation of higher education providers. | Tailored and proportionate approaches are applied to all assessments undertaken during the year, based on risks and performance data about providers.  TEQSA’s efficient and effective administration of regulatory functions is reflected in the positive results of the 2017 survey of providers. |
|  | TEQSA’s decisions clearly articulate the reasons for decisions, and all higher education providers have a reasonable opportunity to address matters relevant to a decision. | Decisions continue to be made in a timely manner and providers are informed in accordance with legislative timeframes.  Where an adverse decision is proposed, a draft summary of findings is sent to providers to allow providers a reasonable opportunity to respond. |
|  | TEQSA’s compliance and monitoring approaches are streamlined and coordinated. | Collaboration with the Department of Education and Training continues to be strengthened, data collection from providers is automated and data access and sharing is enhanced.  Collaboration with industry professional bodies to share data reduces the burden of regulatory requirements.  Cooperation with international quality agencies is utilised where necessary for regulation of Australian providers operating internationally. |
|  | Effective implementation of regulatory responsibilities is achieved, including requirements of the TEQSA and ESOS Acts. | Responded to outcomes of the review of the impact of the TEQSA Act.  Implement changes to support transition to the revised National Code in the ESOS Framework. |
|  | TEQSA’s communication with higher education providers is clear, targeted and effective. Specific dealings with higher education providers are also open, transparent and consistent. | Information has been conveyed to stakeholders regularly and is readily accessible including via an improved TEQSA website.  Issues of concern to the sector and stakeholders were included in the program of annual TEQSA Conference.  The majority of providers surveyed rate TEQSA’s communication as good or excellent. |
|  | Increased synergies developed with other agencies and contributions to collaborative goals. | Information relevant to risks to quality, protection of students and reputation of the sector to be shared with Commonwealth agencies and the regulatory agencies of other countries.  Work has been undertaken with the Higher Education Standards Panel to implement the Government response to Report on the Transparency of Admissions Processes for Higher Education, including a formative evaluation of the current position and good practice guidance on meeting the Panel’s expectations in this area. |

| **Year** | **Performance criteria** | **Target** |
| --- | --- | --- |
| 2018–19 | TEQSA’s decisions are provided in a timely manner, clearly articulating the reasons for decisions, and TEQSA gives all higher education providers a reasonable opportunity to address matters relevant to a decision by TEQSA before making a decision that affects the provider. | Decisions are made in a timely manner and providers are informed in accordance with legislative timeframes.  **Target:** 90% or more of assessments regarding low risk providers are decided within 6 months. |
|  | TEQSA has effective mechanisms to identify, monitor and respond to risks to the quality and standards of higher education across the sector. | Low risk providers have regulatory burden reduced and moderate-high risk providers increase their quality assurance effort.  **Target:** There is a demonstrated correlation between the risk rating of providers and assessment outcomes. |
|  | TEQSA communication with higher education providers is clear, targeted and effective. | The majority of providers surveyed rate TEQSA’s communication as good or excellent.  **Target:** 80% or more of providers rate TEQSA’s communication as good or excellent. |
|  | TEQSA engages in regular, constructive dialogue with international quality assurance agencies to contribute to the development of effective transnational quality assurance. | Cross border regulatory activity is strengthened and streamlined through engagement with international quality agencies.  **Target:** TEQSA undertakes two joint projects with international partner agencies in accordance with memorandum of cooperation. |
| 2019–20 and beyond | As per 2018–19. | As per 2018–19. |

## Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2018–19 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 are no material differences between the resources table and the budget financial statements.

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

The budgeted financial statements have been updated to reflect changes and other variations since the 2017–18 Portfolio Budget Statements (PBS).

An analysis of TEQSA’s budgeted financial statement for 2018–19 is provided below:

##### Budgeted departmental comprehensive income statement

TEQSA is budgeting for an operating loss equal to the unappropriated depreciation and amortisation expense of $0.896 million in 2018–19.

Total expenses excluding depreciation and amortisation expenses are estimated to be $18.254 million in 2018–19. This is an increase of $3.748 million from the 2017–18 estimated actual. The increase in expenditure reflects Government’s decision to provide additional resources to TEQSA to enable the agency to effectively undertake regulatory functions and sector-wide activities including admissions transparency evaluation and academic integrity.

##### Budgeted departmental balance sheet

The budgeted net position at the end of 2018–19 is estimated to be $5.833 million. This is $0.750 million higher than 2017–18 and is mainly attributable to an increase in financial and non-financial assets.

##### Schedule of budgeted income and expenses administered on behalf of Government

The schedule of budgeted income and expenses reflects the fees and levies collected from regulatory services by TEQSA on behalf of Government.

Revenue estimated for 2018–19 is $4.194 million which is $0.551 million higher than the estimated actual revenue for 2017–18. The increase is a result of the new fee structure to be introduced in 2018–19 following a review of TEQSA’s cost recovery arrangements.

### 3.2. Budgeted financial statements tables

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2017–18 Estimated actual $'000 | 2018–19 Budget  $'000 | 2019–20 Forward estimate $'000 | 2020–21 Forward estimate $'000 | 2021–22 Forward estimate $'000 |
| **EXPENSES** |  |  |  |  |  |
| Employee benefits | 6,469 | 11,656 | 11,810 | 11,859 | 12,096 |
| Suppliers | 7,955 | 6,512 | 5,972 | 5,846 | 5,634 |
| Depreciation and amortisation (a) | 916 | 896 | 679 | 659 | 633 |
| Finance costs | 82 | 86 | 91 | 96 | 100 |
| **Total expenses** | **15,422** | **19,150** | **18,552** | **18,460** | **18,463** |
| **LESS:** |  |  |  |  |  |
| **OWN-SOURCE INCOME** |  |  |  |  |  |
| **Own-source revenue** |  |  |  |  |  |
| Sale of goods and rendering of  services | 125 | 5 | 5 | 5 | 5 |
| Rental income | 257 | 258 | 259 | 260 | 181 |
| **Total own-source revenue** | **382** | **263** | **264** | **265** | **186** |
| **Gains** |  |  |  |  |  |
| Other | 52 | 53 | 53 | 53 | 53 |
| **Total gains** | **52** | **53** | **53** | **53** | **53** |
| **Total own-source income** | **434** | **316** | **317** | **318** | **239** |
| **Net (cost of)/contribution by  services** | **(14,988)** | **(18,834)** | **(18,235)** | **(18,142)** | **(18,224)** |
| Revenue from Government | 14,072 | 17,938 | 17,556 | 17,483 | 17,591 |
| **Surplus/(deficit) attributable to the  Australian Government** | **(916)** | **(896)** | **(679)** | **(659)** | **(633)** |
| **Total comprehensive income/(loss)** | **(916)** | **(896)** | **(679)** | **(659)** | **(633)** |
| **Total comprehensive income/(loss)  attributable to the Australian  Government** | **(916)** | **(896)** | **(679)** | **(659)** | **(633)** |
| **Note: Impact of net cash appropriation arrangements** |  |  |  |  |  |
|  | 2017–18 $'000 | 2018–19 $'000 | 2019–20 $'000 | 2020–21 $'000 | 2021–22 $'000 |
| **Total comprehensive income/(loss)  excluding depreciation/  amortisation expenses previously  funded through revenue  appropriations** | **-** | **-** | **-** | **-** | **-** |
| less depreciation/amortisation  expenses previously funded through  revenue appropriations (a) | 916 | 896 | 679 | 659 | 633 |
| **Total comprehensive income/(loss)  - as per the statement of  comprehensive income** | **(916)** | **(896)** | **(679)** | **(659)** | **(633)** |

(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)

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2017–18 Estimated actual $'000 | 2018–19 Budget  $'000 | 2019–20 Forward estimate $'000 | 2020–21 Forward estimate $'000 | 2021–22 Forward estimate $'000 |
| **ASSETS** |  |  |  |  |  |
| **Financial assets** |  |  |  |  |  |
| Cash and cash equivalents | 112 | 112 | 112 | 112 | 112 |
| Trade and other receivables | 6,090 | 7,152 | 7,442 | 7,618 | 7,212 |
| ***Total financial assets*** | ***6,202*** | ***7,264*** | ***7,554*** | ***7,730*** | ***7,324*** |
| **Non-financial assets** |  |  |  |  |  |
| Land and buildings | 850 | 837 | 624 | 411 | 383 |
| Property, plant and equipment | 370 | 332 | 234 | 218 | 351 |
| Intangibles | 1,472 | 2,178 | 1,962 | 1,735 | 1,854 |
| Other non-financial assets | 181 | 174 | 169 | 169 | 169 |
| ***Total non-financial assets*** | ***2,873*** | ***3,521*** | ***2,989*** | ***2,533*** | ***2,757*** |
| Assets held for sale |  |  |  |  |  |
| **Total assets** | **9,075** | **10,785** | **10,543** | **10,263** | **10,081** |
| **LIABILITIES** |  |  |  |  |  |
| **Payables** |  |  |  |  |  |
| Suppliers | 454 | 327 | 303 | 297 | 281 |
| Other payables | 1,254 | 1,104 | 814 | 470 | 151 |
| ***Total payables*** | ***1,708*** | ***1,431*** | ***1,117*** | ***767*** | ***432*** |
| **Provisions** |  |  |  |  |  |
| Employee provisions | 1,476 | 2,799 | 2,794 | 2,766 | 2,795 |
| Other provisions | 808 | 722 | 631 | 535 | 435 |
| ***Total provisions*** | ***2,284*** | ***3,521*** | ***3,425*** | ***3,301*** | ***3,230*** |
| **Total liabilities** | **3,992** | **4,952** | **4,542** | **4,068** | **3,662** |
| **Net assets** | **5,083** | **5,833** | **6,001** | **6,195** | **6,419** |
| **EQUITY\*** |  |  |  |  |  |
| **Parent entity interest** |  |  |  |  |  |
| Contributed equity | 11,414 | 13,060 | 13,907 | 14,760 | 15,617 |
| Retained surplus (accumulated  deficit) | (6,331) | (7,227) | (7,906) | (8,565) | (9,198) |
| ***Total parent entity interest*** | ***5,083*** | ***5,833*** | ***6,001*** | ***6,195*** | ***6,419*** |
| **Total equity** | **5,083** | **5,833** | **6,001** | **6,195** | **6,419** |

\* ‘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 2018–19)

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | Retained earnings  $'000 | Asset revaluation reserve $'000 | Other reserves  $'000 | Contributed equity/ capital $'000 | Total equity   $'000 |
| **Opening balance as at 1 July 2018** |  |  |  |  |  |
| Balance carried forward from  previous period | (6,331) | - | - | 11,414 | 5,083 |
| ***Adjusted opening balance*** | ***(6,331)*** | ***-*** | ***-*** | ***11,414*** | ***5,083*** |
| **Comprehensive income** |  |  |  |  |  |
| Surplus/(deficit) for the period | (896) |  |  |  | (896) |
| ***Total comprehensive income*** | ***(896)*** | ***-*** | ***-*** | ***-*** | ***(896)*** |
| ***Contributions by owners*** |  |  |  |  |  |
| Departmental Capital Budget (DCB) | - | - | - | 1,646 | 1,646 |
| ***Sub-total transactions with  owners*** | ***-*** | ***-*** | ***-*** | ***1,646*** | ***1,646*** |
| **Estimated closing balance as at  30 June 2019** | **(7,227)** | **-** | **-** | **13,060** | **5,833** |
| **Closing balance attributable to  the Australian Government** | **(7,227)** | **-** | **-** | **13,060** | **5,833** |

Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2017–18 Estimated actual $'000 | 2018–19 Budget  $'000 | 2019–20 Forward estimate $'000 | 2020–21 Forward estimate $'000 | 2021–22 Forward estimate $'000 |
| **OPERATING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Appropriations | 13,917 | 16,795 | 17,196 | 17,240 | 17,945 |
| Sale of goods and rendering of  services | 393 | 263 | 264 | 265 | 186 |
| Net GST received | 569 | 313 | 356 | 334 | 323 |
| Other | 18 | 51 | 59 | 65 | 48 |
| ***Total cash received*** | ***14,897*** | ***17,422*** | ***17,875*** | ***17,904*** | ***18,502*** |
| **Cash used** |  |  |  |  |  |
| Employees | 6,288 | 10,239 | 11,811 | 11,886 | 12,063 |
| Suppliers | 8,003 | 6,599 | 5,958 | 5,819 | 5,617 |
| Net GST paid | 579 | 283 | 345 | 332 | 319 |
| Other | 342 | 396 | 456 | 517 | 503 |
| ***Total cash used*** | ***15,212*** | ***17,517*** | ***18,570*** | ***18,554*** | ***18,502*** |
| **Net cash from/(used by)  operating activities** | **(315)** | **(95)** | **(695)** | **(650)** | **-** |
| **INVESTING ACTIVITIES** |  |  |  |  |  |
| **Cash used** |  |  |  |  |  |
| Purchase of property, plant and  equipment and intangibles | 636 | 1,551 | 152 | 203 | 857 |
| ***Total cash used*** | ***636*** | ***1,551*** | ***152*** | ***203*** | ***857*** |
| **Net cash from/(used by)  investing activities** | **(636)** | **(1,551)** | **(152)** | **(203)** | **(857)** |
| **FINANCING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Contributed equity | 951 | 1,646 | 847 | 853 | 857 |
| ***Total cash received*** | ***951*** | ***1,646*** | ***847*** | ***853*** | ***857*** |
| **Net cash from/(used by)  financing activities** | **951** | **1,646** | **847** | **853** | **857** |
| **Net increase/(decrease) in cash  held** | **-** | **-** | **-** | **-** | **-** |
| Cash and cash equivalents at the  beginning of the reporting period | 112 | 112 | 112 | 112 | 112 |
| **Cash and cash equivalents at  the end of the reporting period** | **112** | **112** | **112** | **112** | **112** |

Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2017–18 Estimated actual $'000 | 2018–19 Budget  $'000 | 2019–20 Forward estimate $'000 | 2020–21 Forward estimate $'000 | 2021–22 Forward estimate $'000 |
| **NEW CAPITAL APPROPRIATIONS** |  |  |  |  |  |
| Capital budget - Bill 1 (DCB) | 851 | 1,646 | 847 | 853 | 857 |
| Equity injections - Bill 2 | 100 | - | - | - | - |
| **Total new capital appropriations** | **951** | **1,646** | **847** | **853** | **857** |
| ***Provided for:*** |  |  |  |  |  |
| *Purchase of non-financial assets* | *636* | *1,551* | *152* | *203* | *857* |
| *Other Items* | *315* | *95* | *695* | *650* | *-* |
| ***Total items*** | ***951*** | ***1,646*** | ***847*** | ***853*** | ***857*** |
| **PURCHASE OF NON-FINANCIAL  ASSETS** |  |  |  |  |  |
| Funded by capital appropriations (a) | 100 | - | - | - | - |
| Funded by capital appropriation -  DCB (b) | 536 | 1,551 | 152 | 203 | 857 |
| **TOTAL** | **636** | **1,551** | **152** | **203** | **857** |
| **RECONCILIATION OF CASH USED  TO ACQUIRE ASSETS TO ASSET  MOVEMENT TABLE** |  |  |  |  |  |
| Total purchases | 636 | 1,551 | 152 | 203 | 857 |
| **Total cash used to acquire assets** | **636** | **1,551** | **152** | **203** | **857** |

(a) Includes both current Bill 2 and prior Act 2/4/6 appropriations.

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

(c) Includes the following sources of funding:

- current Bill 1 and prior year Act 1/3/5 appropriations (excluding amounts from the DCB)

- donations and contributions

- gifts

- internally developed assets

- s74 Retained revenue receipts

- proceeds from the sale of assets.

Prepared on Australian Accounting Standards basis.

Table 3.6: Statement of asset movements (Budget year 2018–19)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | Buildings    $'000 | Other property, plant and equipment $'000 | Computer software and intangibles  $'000 | Total    $'000 |
| **As at 1 July 2018** |  |  |  |  |
| Gross book value | 1,182 | 609 | 3,327 | 5,118 |
| Accumulated depreciation/ amortisation and impairment | (332) | (239) | (1,855) | (2,426) |
| **Opening net book balance** | **850** | **370** | **1,472** | **2,692** |
| **Capital asset additions** |  |  |  |  |
| **Estimated expenditure on new  or replacement assets** |  |  |  |  |
| By purchase - appropriation equity (a) | - | - | - | - |
| By purchase - appropriation  ordinary annual services (b) | 200 | 90 | 1,261 | 1,551 |
| **Total additions** | **200** | **90** | **1,261** | **1,551** |
| **Other movements** |  |  |  |  |
| Depreciation/amortisation expense | (213) | (128) | (555) | (896) |
| **Total other movements** | **(213)** | **(128)** | **(555)** | **(896)** |
| **As at 30 June 2019** |  |  |  |  |
| Gross book value | 1,372 | 684 | 4,588 | 6,644 |
| Accumulated depreciation/  amortisation and impairment | (535) | (352) | (2,410) | (3,297) |
| **Closing net book balance** | **837** | **332** | **2,178** | **3,347** |

(a) 'Appropriation equity' refers to equity injections appropriations provided through Appropriation Bill (No. 2) 2017–18, including CDABs.

(b) 'Appropriation ordinary annual services' refers to funding provided through Appropriation Bill (No. 1) 2017–18 for depreciation/amortisation expenses, DCBs or other operational expenses.

(c) Net proceeds may be returned to the OPA.

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)

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2017–18 Estimated actual $'000 | 2018–19 Budget  $'000 | 2019–20 Forward estimate $'000 | 2020–21 Forward estimate $'000 | 2021–22 Forward estimate $'000 |
| **EXPENSES** |  |  |  |  |  |
| **Total expenses administered on  behalf of Government** | **-** | **-** | **-** | **-** | **-** |
| **LESS:** |  |  |  |  |  |
| **OWN-SOURCE INCOME** |  |  |  |  |  |
| **Own-source revenue** |  |  |  |  |  |
| **Non-taxation revenue** |  |  |  |  |  |
| Fees and fines | 3,643 | 4,194 | 10,157 | 12,950 | 16,472 |
| ***Total non-taxation revenue*** | ***3,643*** | ***4,194*** | ***10,157*** | ***12,950*** | ***16,472*** |
| **Total own-source revenue  administered on behalf of  Government** | **3,643** | **4,194** | **10,157** | **12,950** | **16,472** |
| **Total own-sourced income  administered on behalf of  Government** | **3,643** | **4,194** | **10,157** | **12,950** | **16,472** |
| **Net (cost of)/contribution by  services** | **(3,643)** | **(4,194)** | **(10,157)** | **(12,950)** | **(16,472)** |
| **Surplus/(deficit) before income tax** | **(3,643)** | **(4,194)** | **(10,157)** | **(12,950)** | **(16,472)** |
| Income tax expense |  |  |  |  |  |
| **Surplus/(deficit) after income tax** | (3,643) | (4,194) | (10,157) | (12,950) | (16,472) |
| **Total comprehensive income/(loss)** | **(3,643)** | **(4,194)** | **(10,157)** | **(12,950)** | **(16,472)** |

Prepared on Australian Accounting Standards basis.

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

TEQSA returns all administered revenue to the Consolidated Revenue Fund and does not have administered assets or liabilities. Therefore, Table 3.8 is not presented.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2017–18 Estimated actual $'000 | 2018–19 Budget  $'000 | 2019–20 Forward estimate $'000 | 2020–21 Forward estimate $'000 | 2021–22 Forward estimate $'000 |
| **OPERATING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Sales of goods and rendering of  services | 3,643 | 4,194 | 10,157 | 12,950 | 16,472 |
| ***Total cash received*** | ***3,643*** | ***4,194*** | ***10,157*** | ***12,950*** | ***16,472*** |
| **Cash used** |  |  |  |  |  |
| ***Total cash used*** | ***-*** | ***-*** | ***-*** | ***-*** | ***-*** |
| **Net cash from/(used by)  operating activities** | **3,643** | **4,194** | **10,157** | **12,950** | **16,472** |
| ***Net increase/(decrease) in cash  held*** | ***3,643*** | ***4,194*** | ***10,157*** | ***12,950*** | ***16,472*** |
| Cash and cash equivalents at  beginning of reporting period |  |  |  |  |  |
| Cash from Official Public Account  for: |  |  |  |  |  |
| - Appropriations | 200 | 200 | 200 | 200 | 200 |
| *Total cash from Official Public  Account* | *200* | *200* | *200* | *200* | *200* |
| **Cash and cash equivalents at  end of reporting period** | **3,843** | **4,394** | **10,357** | **13,150** | **16,672** |

Prepared on Australian Accounting Standards basis.

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

TEQSA does not have any administered capital budget, therefore Table 3.10 is not presented.

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

TEQSA does not have any administered assets, therefore Table 3.11 is not presented.

# Portfolio glossary

| Term | Meaning |
| --- | --- |
| Accrual accounting | System of accounting where items are brought to account and included in the financial statements as they are earned or incurred, rather than as they are received or paid. |
| 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 moneys 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. |
| Annual performance statements | A document prepared by a Commonwealth entity’s accountable authority at the end of the reporting period that acquits actual performance against the planned performance for that year described in the entity’s corporate plan. Annual performance statements are included in an entity’s annual report. |
| Assets | Assets are physical objects and legal rights it is expected will provide benefits in the future or alternatively items of value owned by an agency. |
| Budget measure | A decision by the Cabinet or ministers that has resulted in a cost or savings to outlays. |
| 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. |
| Corporate plan | The primary planning document of an entity that sets out its purposes, capability and intended results over a four-year horizon. The plan also describes how the achievement of results will be assessed against an entity’s purpose (i.e. a description of planned performance).  Commonwealth entities and companies are required to publish an updated corporate plan at the start of the reporting period, and provide a copy to their responsible Minister and the Minister for Finance. |
| 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. |
| Fair value | Valuation methodology: The amount for which an asset could be exchanged or a liability settled, between knowledgeable and willing parties in an arm’s length transaction. The fair value can be affected by the conditions of the sale, market conditions and the intentions of the asset holder. |
| 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 an agency’s assets. |
| 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 s74 of the PGPA Act. |
| Official Public Account | The Australian Government maintains a group of bank accounts at the Reserve Bank of Australia, known as the Official Public Account (OPA), the aggregate balance of which represents its daily cash position. |
| 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. |
| Public Governance, Performance and Accountability Act 2013 | The Public Governance, Performance and Accountability Act 2013 (PGPA Act) replaced the Financial Management and Accountability (FMA) Act 1997 and the Commonwealth Authorities and Companies (CAC) Act 1997 as of 1 July 2014. |
| Portfolio Budget Statements | Statements prepared by portfolios to explain the budget appropriations in terms of outcomes. |
| 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. |
| Section 74 Receipts | See net annotated appropriation. |
| Special Account | Balances existing within the Consolidated Revenue Fund (CRF) that are supported by standing appropriations (PGPA Act, s78 and s80). Special accounts allow money in the CRF to be acknowledged as set-aside (hypothecated) for a particular purpose. Amounts credited to a Special Account may only be spent for the purposes of the Special Account. Special accounts can only be established by a written determination of the Finance Minister (s78 of the PGPA Act) or through an Act of Parliament (referred to in s80 of the PGPA Act). |
| 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. |

# Portfolio acronyms

| **Term** | **Meaning** |
| --- | --- |
| AAIP | Australian Apprenticeships Incentives Program |
| AAUT | Australian Awards for University Teaching |
| ABS | Australian Bureau of Statistics |
| ACARA | Australian Curriculum, Assessment and Reporting Authority |
| ACB | Administered Capital Budgets |
| ACCSE | Academic Centres of Cyber Security Excellence |
| ACECQA | Australian Children’s Education and Care Quality Authority |
| ACNC | Australian Charities and Not-for-profits Commission |
| AESOC | Australian Education Senior Officials Committee |
| AIATSIS | Australian Institute of Aboriginal and Torres Strait Islander Studies |
| AISC | Australian Industry and Skills Committee |
| AITSL | Australian Institute for Teaching and School Leadership |
| AM | Member of the Order of Australia |
| AMEP | Adult Migrant English Program |
| AMSI | Australian Mathematical Sciences Institute |
| ANU | Australian National University |
| AO | Officer of the Order of Australia |
| ARC | Australian Research Council |
| ASQA | Australian Skills Quality Authority |
| CCB | Child Care Benefit |
| CCR | Child Care Rebate |
| CCS | Child Care Subsidy |
| CDAB | Collection Development Acquisition Budget |
| CEO | Chief Executive Officer |
| CGS | Commonwealth Grant Scheme |
| COAG | Council of Australian Governments |
| COPE | Commonwealth own-purpose expense |
| CRF | Consolidated Revenue Fund |
| DCB | Departmental Capital Budget |
| DECRA | Discovery Early Career Researcher Award |
| DSP | Disability Support Program |
| EI | Engagement and Impact |
| EIF | Education Investment Fund |
| ELICOS | English Language Intensive Courses for Overseas Students |
| ELLA | Early Learning Languages Australia |
| ERA | Excellence in Research for Australia |
| ESA | Education Services Australia |
| ESOS | Education Services for Overseas Students |
| ESOS Act | *Education Services for Overseas Students Act 2000* |
| FDC | Family Day Care |
| GST | Goods and Services Tax |
| HDR | higher degree by research |
| HECS | Higher Education Contribution Scheme |
| HECS-HELP | Higher Education Contribution Scheme -Higher Education Loan Program |
| HELP | Higher Education Loan Program |
| HEPPP | Higher Education Participation and Partnerships Program |
| HERP | Higher Education Research Promotion |
| HESF | Higher Education Standards Framework |
| HESP | Higher Education Superannuation Program |
| ICT | Information and Communication Technology |
| IHC | In Home Care |
| IPSP | Inclusion and Professional Support Program |
| IRRRRE | Independent Review into Regional, Rural and Remote Education |
| ISF | Industry Skills Fund |
| ISP | Inclusion Support Programme |
| ISR | individual student report |
| IT | Information Technology |
| ITE | Initial Teacher Education |
| JETCCFA | Jobs, Education and Training Child Care Fee Assistance |
| LLN | Language, Literacy and Numeracy |
| MoU | Memorandum of Understanding |
| MYEFO | Mid-Year Economic and Fiscal Outlook |
| NAP | National Assessment Program |
| NAPLAN | National Assessment Program – Literacy and Numeracy |
| NCCD | Nationally Consistent Collection of Data on School Students with Disability |
| NCGP | National Competitive Grants Program |
| NCRIS | National Collaborative Research Infrastructure Strategy |
| NISA | National Science and Innovation Agenda |
| NVR Act | *National Vocational Education and Training Regulator Act 2011* |
| OECD | Organisation for Economic Co-operation and Development |
| OPA | Official Public Account |
| OS-HELP | Overseas - Higher Education Loan Program |
| OTM | Other Trust Monies |
| PAES | Portfolio Additional Estimates Statements |
| PAES | Portfolio Supplementary Additional Estimates Statements |
| PBS | Portfolio Budget Statements |
| PFAS | Per- And Poly-Fluoroalkyl Substances |
| PGPA Act | *Public Governance, Performance and Accountability Act 2013* |
| P-TECH | Pathways in Technology Early College High School |
| QILT | Quality Indicators for Learning and Teaching |
| RTO | registered training organisations |
| SA-HELP | Loan scheme that assist eligible students to pay for all or part of their student services and amenities fee |
| SES | Socio-economic status |
| SFSS | Student Financial Supplement Scheme |
| SOETM | Services for Other Entities and Trust Moneys |
| SOG | Services for other Government and Non-agency Bodies |
| SRS | Schooling Resource Standard |
| STEM | science, technology, engineering and mathematics |
| TEMAG | Teacher Education Ministerial Advisory Group |
| TEQSA | Tertiary Education Quality and Standards Authority |
| TEQSA Act | *Tertiary Education Quality and Standards Agency Act 2011* |
| TFA | Teach for Australia |
| USI | Unique Student Identifier |
| VET | vocational education and training |
| VET FEE-HELP | Loan scheme for eligible students to pay for all or part of their tuition fees for a VET qualification (diploma level and above) at an approved VET provider |

1. The Australian National University is not part of the general government sector or included in the Commonwealth general government sector fiscal estimates and does not have a chapter in the PBS. [↑](#footnote-ref-1)
2. Expected achievement based on most recently published data in the *2016 National Early Childhood Education and Care Workforce Census* report. [↑](#footnote-ref-2)
3. Payment accuracy is a defined measure based on independent actuarial assessment. [↑](#footnote-ref-3)
4. Payment accuracy is a defined measure based on independent actuarial assessment. [↑](#footnote-ref-4)
5. This target takes into account families that no longer choose to or require access to child care payments, as well as changes to policy settings. [↑](#footnote-ref-5)
6. Payment accuracy is a defined measure based on independent actuarial assessment. [↑](#footnote-ref-6)
7. Target source: COAG Education Council, *Measurement Framework for Schooling in Australia*, May 2015. Targets from 2019 and beyond are subject to change or agreement through COAG. [↑](#footnote-ref-7)
8. Target source: *Prime Minister’s Report on Closing the Gap*, 2017 [↑](#footnote-ref-8)
9. Target source: *Prime Minister’s Report on Closing the Gap*, 2017 [↑](#footnote-ref-9)
10. Targets as set, and performance calculated in accordance with, the National Partnership Agreement on Universal Access to Early Childhood Education. [↑](#footnote-ref-10)
11. Targets as set, and performance calculated in accordance with, the National Partnership Agreement on Universal Access to Early Childhood Education. [↑](#footnote-ref-11)
12. Details will be published in the *Department of Education and Training 2017–18 Annual Report*. [↑](#footnote-ref-12)
13. Target as set under the National Partnership Agreement on Universal Access to Early Childhood Education. [↑](#footnote-ref-13)
14. To be eligible to receive a grant for superannuation liabilities under the program, the university must be a Table A provider under the *Higher Education Support Act 2003* and have staff who are members of one of the emerging cost schemes identified in the guidelines. [↑](#footnote-ref-14)
15. [Measured at the Statistical Area Level 1, as defined by the ABS. http://www.abs.gov.au/ausstats/abs@.nsf/mf/1270.0.55.001](http://www.abs.gov.au/ausstats/abs@.nsf/mf/1270.0.55.001) [↑](#footnote-ref-15)
16. [Measured at the postcode level, as defined by the ABS. http://www.abs.gov.au/ausstats/abs@.nsf/mf/2033.0.55.001](http://www.abs.gov.au/ausstats/abs@.nsf/mf/2033.0.55.001) [↑](#footnote-ref-16)
17. The target represents growth from the 2017–18 level of 1.8 per cent. [↑](#footnote-ref-17)
18. This is the result of a shift from students studying for job-related reasons to students studying to get into another course of study (approximately 20 per cent), consistent with the high volume of VET Student Loan students in courses with a direct pathway to a degree level course. This shift is accompanied by a reduction in students studying for personal reasons. [↑](#footnote-ref-18)
19. Target applies in 2018–19 and 2020–21 (biennial survey). [↑](#footnote-ref-19)
20. Data is sourced from the National Centre for Vocational Education Research, National Apprentice and Trainee Collection. This is due to be released in the second half of 2018. [↑](#footnote-ref-20)
21. As it can take up to four years for apprentices to complete, the 2018–19 reporting year will compare completion rates between the 2014 and 2013 commencing cohorts. [↑](#footnote-ref-21)
22. The 2017–18 PBS included two targets (1. engagement within and beyond the research sector is benchmarked and 2. impact studies submitted for the EI assessment publicly demonstrate how universities are translating their research into economic, social, environmental and other impacts) that will not be reported against for 2017–18 due to the triennial cycle of the EI Assessment—commencing in the 2018 calendar year. As stated in the *ARC Corporate Plan –2017–18*, these targets rely on indicators that will be collected for the first time in 2018–19. Therefore the targets are included in the 2018–19 period. [↑](#footnote-ref-22)
23. 2016–17. Results for 2017–18 will not be available until early 2018–19. [↑](#footnote-ref-23)
24. Refers to updated purposes that will be reflected in the 2018–19 Corporate Plan. [↑](#footnote-ref-24)