Portfolio Additional  
Estimates Statements 2017–18

Education and Training Portfolio

This document has been produced as an aid to accessing the information contained in the [Education and Training Portfolio Additional Estimates Statements 2017–18](https://docs.education.gov.au/node/49246). Whilst the information contained is the same, it differs in format from the document tabled in Parliament on 8 February 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/).

Explanations of Additional Estimates 2017–18

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2017–18 Education and Training Portfolio*.

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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

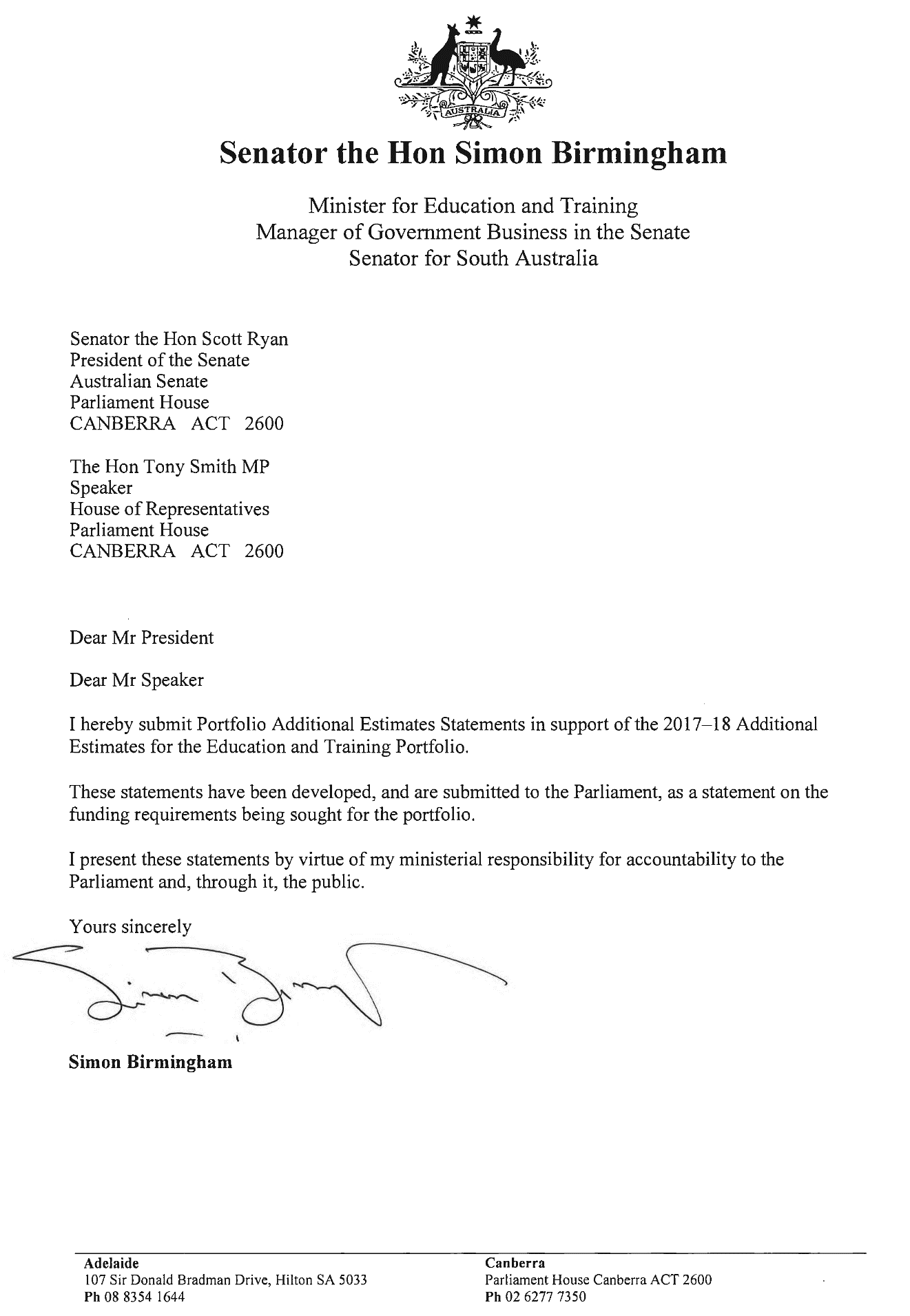
Dear Mr Speaker

I hereby submit Portfolio Additional Estimates Statements in support of the 2017–18 Additional Estimates for the Education and Training Portfolio.

These statements have been developed, and are submitted to the Parliament, as a statement on the funding requirements being sought for the portfolio.

I present these statements by virtue of my ministerial responsibility for accountability to the Parliament and, through it, the public.

Yours sincerely



**Simon Birmingham**

# Abbreviations and conventions

The following notations may be used:

‑ nil

.. not zero, but rounded to zero

n/a not applicable

nfp not for publication

$m $ million

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

## Enquiries

Should you have any enquiries regarding this publication please contact the Chief Financial Officer in the Department of Education and Training on 1300 566 046.

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

User guide  
to the  
Portfolio Additional  
Estimate Statements

# User Guide

The purpose of the Portfolio Additional Estimates Statements 2017–18 (PAES), like that of the Portfolio Budget Statements (PBS), is to inform Senators and Members of Parliament of the proposed allocation of resources to Government outcomes by entities within the portfolio. The focus of the PAES differs from the PBS in one important aspect. While the PAES includes an Entity Resource Statement to inform Parliament of the revised estimate of the total resources available to an entity, the focus of the PAES is on explaining the changes in resourcing by outcome(s) since the Budget. As such, the PAES provides information on new measures and their impact on the financial and/or non‑financial planned performance of programs supporting those outcomes.

The PAES facilitate understanding of the proposed appropriations in Appropriation Bills (Nos. 3 and 4) and Appropriation (Parliamentary Departments) Bill (No. 2)  
2017–2018. In this sense, the PAES is declared by the Additional Estimates Appropriation Bills to be a ‘relevant document’ to the interpretation of the Bills according to section 15AB of the *Acts Interpretation Act 1901*.

Whereas the Mid‑Year Economic and Fiscal Outlook (MYEFO) 2017–18 is a mid‑year budget report which provides updated information to allow the assessment of the Government’s fiscal performance against its fiscal strategy, the PAES updates the most recent budget appropriations for entities within the portfolio.

## Structure of the Portfolio Additional Estimates Statements

The PAES are presented in three parts with subsections.

### User guide

Provides a brief introduction explaining the purpose of the PAES.

### Portfolio overview

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

### Entity Additional Estimates Statements

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

#### Section 1: Entity overview and resources

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

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

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

#### Section 3: Special account flows and budgeted financial statements

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

### Portfolio glossary and acronyms

Explains key terms relevant to the portfolio.

# Contents

Portfolio overview 3

Department of Education and Training 7

Australian Research Council 51

Tertiary Education Quality and Standards Agency 69

Portfolio glossary and acronyms 87

Portfolio overview

# Portfolio overview

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 pages 4 and 5):

* Australian Curriculum, Assessment and Reporting Authority
* Australian Institute of Aboriginal and Torres Strait Islander Studies
* Australian Institute for Teaching and School Leadership
* Australian Research Council
* Australian Skills Quality Authority
* Tertiary Education Quality and Standards Agency.

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.

The department, the Australian Research Council (ARC) and the Tertiary Education Quality and Standards Agency (TEQSA) are the only portfolio entities affected by Additional Estimates and required to publish statements in the PAES. The Additional Estimates are outlined in each portfolio entity’s *Table 1.4 Appropriation Bill (No. 3)   
2017–18* and *Table 1.5 Appropriation Bill (No. 4) 2017–18*.

Figure 1: Education and Training Portfolio Structure and Outcomes

Senator the Hon Simon Birmingham

Minister for Education and Training

The Hon Karen Andrews MP

Assistant Minister for Vocational Education and Skills

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.

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

**Australian Curriculum, Assessment and Reporting Authority**

Robert Randall—Chief Executive Officer

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

**Australian Institute of Aboriginal and Torres Strait Islander Studies**

Craig Ritchie—Chief Executive Officer

**Outcome:** Further understanding of Australian Indigenous cultures, past and present through undertaking and publishing research, and providing access to print and audiovisual collections.

**Australian Institute for Teaching and School Leadership**

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.

**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.

**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.

**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.

# Department of Education and Training

Section 1: Entity overview and resources 9

1.1 Strategic direction statement 9

1.2 Entity resource statement 12

1.3 2017–18 measures since Budget 15

1.4 Additional estimates, resourcing and variations to outcomes 17

1.5 Breakdown of Additional Estimates by Appropriation Bill 20

Section 2: Revisions to outcomes and planned performance 22

2.1 Budgeted expenses and performance for Outcome 1 22

Budgeted expenses for Outcome 1 22

Performance criteria for Outcome 1 25

2.2 Budgeted expenses and performance for Outcome 2 29

Budgeted expenses for Outcome 2 29

Performance criteria for Outcome 2 32

Section 3: Special account flows and budgeted financial statements 38

3.1 Estimates of special account flows and balances 38

3.2 Budgeted financial statements 40

# Department of Education and Training

## Section 1: Entity overview and resources

**1.1** **Strategic direction statement**

The Department of Education and Training is 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 Government’s Mid-Year Economic and Fiscal Update (MYEFO) 2017–18, released on 18 December 2017, included a range of measures for the department to implement as part of delivering its purpose of ‘maximising opportunity and prosperity through national leadership on education and training’.

The Government’s **child care package** will be implemented on 2 July 2018 and remains a key focus through 2017–18. The grant rounds for the Community Child Care Fund to enhance access by vulnerable and disadvantaged communities to child care, are currently being assessed, and the Government has made provision for the Minister’s and Secretary’s Rules which support the operation of the new child care package following extensive consultation.

The new **In Home Care** (IHC) Program will also commence from 2 July 2018 and will subsidise the cost of child care provided in the family home to assist parents and carers who work non-standard hours, are geographically isolated, or have families with complex needs. The IHC Program will provide up to 3000 places throughout Australia, with up to 50 hours of subsidised care per child per week with an hourly rate cap of $25 per family. Arrangements are currently in train to put in place support agencies through which care will be provided and a transition consultant has been appointed.

The centrepiece of the new package is the new Child Care Subsidy, which will replace the existing child care payments with a single means tested Child Care Subsidy from 2 July 2018. In order to ensure a strong transition to the new arrangements, the Government has agreed to an increased compliance effort to improve the integrity of payments to family day care services.

The Government will provide an additional $1.3 billion over four years and $5.1 billion over ten years, from 2017–18, to implement the **Quality Schools** reform package. This reflects passage of the Australian Education Amendment Bill 2017, which included:

* increased funding for schools to transition to the new Australian Government Quality Schools funding arrangements, including a six year transition for schools and systems currently attracting less than their target Commonwealth funding levels – 80 per cent of the Schooling Resource Standard (SRS) for non-government schools and 20 per cent of the SRS for government schools – and a ten year transition for schools and systems currently attracting more; and
* establishment of a National School Resourcing Board to review elements of the school funding model under the *Australian Education Act 2013* (the Act) and to assess compliance of the States and Territories and approved authorities with the requirements in the Act.

The Government extended the **Flexible Literacy in Remote Primary Schools Program**, which will support up to 20 schools in the Northern Territory, Western Australia and Queensland to continue the trial of flexible teaching methods in the 2018 school year. An evaluation will also consider the efficacy of flexible teaching methods and develop an evidence base for improving literacy outcomes for students in remote and very remote schools.

The Government will proceed with a number of changes to **higher education** funding arrangementsto improve transparency, accountability, affordability, and responsiveness to the aspirations of students and future workforce needs. These include:

* a freeze on total Commonwealth Grant Scheme (CGS) funding from 1 January 2018, set at 2017 funding levels, for bachelor degree courses in 2018 and 2019;
* performance targets for universities to determine the growth in their CGS funding for bachelor degrees from 2020, which would be capped at the growth rate in the 18‑64 year-old population;
* from 1 July 2018, subject to the passage of legislation, revised repayment thresholds under Higher Education Loan Program (HELP), which includes a new minimum threshold of $45,000 with a one per cent repayment rate and a maximum threshold of $131,989 with a 10 per cent repayment rate;
* from 1 January 2019, subject to the passage of legislation, a combined lifetime limit for all tuition fee assistance under HECS-HELP, FEE-HELP, VET FEE-HELP and VET Student Loans of $104,440 for most students and $150,000 for students undertaking medicine, dentistry and veterinary science courses; and
* from 1 January 2019, a new allocation mechanism based on institutional outcomes and industry needs for sub-bachelor and postgraduate Commonwealth Supported Places.

The Government will also align the repayment thresholds for the Student Financial Supplement Scheme (SFSS) with the new HELP repayment thresholds. From 1 July 2019, SFSS loans will be repaid after the repayment of HELP loans.

The Government is also enhancing the **transparency and accountability of the VET Student Loans program** by further separating its administrative arrangements and the value of its loans from other elements of the HELP. As a result, from 1 July 2019, students will be better informed, with any VET Student Loan repayment requirements displayed separately on correspondence from the Australian Taxation Office. This measure will also enhance the Government's ability to analyse information on the value of student loans and repayments.

The Department of Education and Training will deliver **interim Tuition Assurance** **services** in 2018 for VET Student Loans, FEE-HELP and for remaining grandfathered students under VET FEE-HELP. The interim arrangements will ensure students are protected and allow approved providers to continue to enrol and teach students in 2018, while longer term arrangements are developed for 2019 onwards.

Holders of Temporary Protection and Humanitarian Concern Visas and Safe Haven Enterprise Visas will continue to be able to access the **Adult Migrant English Program**.

The Government will invest $70 million to upgrade **national high performance computing** at the Australian National University and bring it to current world-class standards. This will ensure Australia remains globally competitive in data intensive research fields and can deliver the nation’s science and research priorities.

The Government will also provide $7.0 million as part of a project to establish the **Menzies Institute and Library** at the University of Melbourne, which will bring together academics to produce high quality analysis of current policy issues, deliver annual public seminars and education programs, and undertake comprehensive research.

For further information on the resourcing impact of MYEFO and other measures, refer to *Table 1.2: Entity 2017–18 measures since Budget* and *Table 1.3: Additional estimates and other variations to outcomes since 2017–18 Budget*.

**1.2** **Entity resource statement**

The Entity Resource Statement details the resourcing for the Department of Education and Training at Additional Estimates. Table 1.1 outlines the total resourcing available from all sources for the 2017–18 Budget year, including variations through Appropriation Bills No. 3 and No. 4*,* Special Appropriations and Special Accounts.

Table 1.1: Department of Education and Training resource statement — Additional Estimates for 2017–18 as at Additional Estimates February 2018

|  | Actual available appropriation  2016-17 $'000 | Estimate as at Budget  2017-18 $'000 | Proposed Additional Estimates  2017-18 $'000 | Total estimate at Additional Estimates 2017-18 $'000 |
| --- | --- | --- | --- | --- |
| **Departmental** |  |  |  |  |
| Annual appropriations - ordinary annual services (a) |  |  |  |  |
| Prior year appropriations available | 56,612 | - | 56,612 | 56,612 |
| Departmental appropriation | 319,149 | 332,073 | 17,079 | 349,152 |
| s 74 retained revenue receipts (b) | 17,241 | 13,946 | - | 13,946 |
| Departmental capital budget (c) | 23,281 | 22,784 | (5,270) | 17,514 |
| Annual appropriations - other services -  non-operating (d) | - | - | - | - |
| Prior year appropriations available (a) | 6,716 | - | 6,716 | 6,716 |
| Equity injection | 5,985 | 12,636 | 3,143 | 15,779 |
| *Total departmental annual appropriations* | ***428,984*** | ***381,439*** | ***78,280*** | **459,719** |
| Special accounts (e) |  |  |  |  |
| Opening balance | 3,536 | 3,536 | 553 | 4,089 |
| Appropriation receipts (f) | - | - | - | - |
| Appropriation receipts from other entities (g) | - | - | - | - |
| Non-appropriation receipts | 553 | 1,737 | (16) | 1,721 |
| *Total special accounts* | ***4,089*** | ***5,273*** | ***537*** | **5,810** |
| *less departmental appropriations drawn from annual/special appropriations and credited to special accounts* | - | - | - | **-** |
| ***Total departmental resourcing*** | **433,073** | **386,712** | **78,817** | **465,529** |
| **Administered** |  |  |  |  |
| Annual appropriations - ordinary annual services (a) |  |  |  |  |
| Prior year appropriations available | - | - | - | - |
| Outcome 1 | 522,406 | 476,308 | 2,694 | 479,002 |
| Outcome 2 | 1,357,582 | 1,351,767 | 80,055 | 1,431,822 |
| Payments to corporate entities (g) | 19,891 | 19,493 | - | 19,493 |
| Annual appropriations - other services - specific payments to States, ACT, NT and  local government (d) |  |  |  |  |
| Prior year appropriations available | - | - | - | - |
| Outcome 1 (h) | 42,686 | 16,299 | 23,922 | 40,221 |
| *Total administered annual appropriations* | ***1,942,565*** | ***1,863,867*** | ***106,671*** | ***1,970,538*** |
| *Total administered special appropriations* | ***40,780,587*** | ***43,770,640*** | ***(1,641,174)*** | ***42,129,466*** |
| Special accounts (e) |  |  |  |  |
| Opening balance | 66,963 | 79,669 | 3,546 | 83,215 |
| Appropriation receipts (f) | 30,934 | 13,000 | (6,357) | 6,643 |
| Appropriation receipts from other entities | - | - | - | - |
| Non-appropriation receipts | 25,207 | 19,501 | - | 19,501 |
| *Total special account receipts* | **123,104** | **112,170** | **(2,811)** | **109,359** |
| *less administered appropriations drawn from annual/special appropriations and credited to special accounts* | *(30,934)* | *(13,000)* | *6,357* | (6,643) |
| *less payments to corporate entities from annual/special appropriations* | *(19,891)* | *(19,493)* | *-* | (19,493) |
| ***Total administered resourcing*** | ***42,897,081*** | ***45,779,170*** | ***(1,543,671)*** | ***44,235,499*** |
| **Total resourcing for the Department of Education and Training** | **43,330,154** | **46,165,882** | **(1,464,854)** | **44,701,028** |
|  |  |  |  |  |
|  |  |  | *Actual 2016-17* | 2017-18 |
| **Average staffing level (number)** |  |  | *1,802* | 1,817 |

Table 1.1: Department of Education and Training resource statement — Additional Estimates for 2017–18 as at Additional Estimates February 2018 (continued)

Third party payments from and on behalf of other entities

|  | Actual available appropriation  2016-17 $'000 | Estimate as at Budget  2017-18 $'000 | Proposed Additional Estimates  2017-18 $'000 | Total estimate at Additional Estimates 2017-18 $'000 |
| --- | --- | --- | --- | --- |
| Payments made on behalf of another entity (as disclosed in the respective entity's resource statement) |  |  |  |  |
| Payments made by other entities on behalf of Education and Training (disclosed above) |  |  |  |  |
| Department of Human Services | 1,460,692 | 1,466,752 | (58,618) | 1,408,134 |
| Payments made to corporate entities within the Portfolio |  |  |  |  |
| Australian Curriculum, Assessment and Reporting Authority (Annual Appropriation Bill No. 1) | 13,243 | 15,291 | - | 15,291 |
| Australian Institute of Aboriginal and Torres Strait Islander Studies (Annual Appropriation Bill No. 1) | 19,891 | 19,493 | - | 19,493 |
| Australian Institute for Teaching and School Leadership (Annual Appropriation Bill No.1) | 12,061 | 11,861 | - | 11,861 |

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

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

(a) Appropriation Act (No. 1) 2017–2018 and Appropriation Bill (No. 3) 2017–2018.

(b) Estimated retained revenue receipts under section 74 of the PGPA Act.

(c) Departmental capital budgets are not separately identified in Appropriation Act (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'.

(d) Appropriation Act (No. 2) 2017–2018 and Appropriation Bill (No. 4) 2017–2018.

(e) Excludes 'Special Public Money' held in accounts like Other Trust Monies accounts (OTM), Services for Other Government and Non-agency Bodies accounts (SOG) or Services for Other Entities and Trust Moneys accounts (SOETM). For further information on special accounts see Table 3.1

(f) Amounts credited to the special account(s) from Education and Trainings annual appropriations.

(g) 'Corporate entities' are corporate Commonwealth entities and Commonwealth companies as defined under the PGPA Act.

(h) For the 2017–18 Portfolio Additional Estimates, the Government committed further funding for Quality Schools. This includes $23.922 million for payments to states and territories in Appropriation Bill (No. 4), 2017–18 Outcome 1, for Program 1.6 - Adjustment Assistance ($11.194 million), for Program 1.6 - Non-Government Representative Bodies ($11.728 million) and for Program 1.7 - Literacy Support for Tasmanian Students ($1.000 million). The distribution of the funding under Program 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 1.7 - Literacy Support for Tasmanian Students is for Tasmania only.

**1.3 Entity Measures**

Table 1.2 summarises new Government measures taken since the 2017–18 Budget. The table is split into revenue, expense and capital measures, with the affected program identified.

Table 1.2: Entity 2017–18 measures since Budget

|  | Program | 2017-18 $'000 | 2018-19 $'000 | 2019-20 $'000 | 2020-21 $'000 |
| --- | --- | --- | --- | --- | --- |
| **Revenue measures** |  |  |  |  |  |
| Higher Education Reforms - revised implementation | 2.1, 2.3, 2.4 |  |  |  |  |
| Administered revenues |  | (76,153) | (161,679) | (246,568) | (353,037) |
| Departmental revenues |  | - | - | - | - |
| **Total** |  | **(76,153)** | **(161,679)** | **(246,568)** | **(353,037)** |
| VET Student Loans Program - partial  cost recovery | 2.8 |  |  |  |  |
| Administered revenues |  | 255 | 2,929 | 3,361 | 3,812 |
| Departmental revenues |  | - | - | - | - |
| **Total** |  | **255** | **2,929** | **3,361** | **3,812** |
| **Total revenue measures** |  |  |  |  |  |
| Administered |  | (75,898) | (158,750) | (243,207) | (349,225) |
| Departmental |  | - | - | - | - |
| **Total** |  | **(75,898)** | **(158,750)** | **(243,207)** | **(349,225)** |
| **Expense measures** |  |  |  |  |  |
| Family Day Care - payment  integrity | 1.1, 1.2, 1.3, 1.4 |  |  |  |  |
| Administered expenses |  | (49,518) | (337,165) | (351,985) | (351,547) |
| Departmental expenses |  | 15,279 | 19,131 | 10,940 | 4,501 |
| **Total** |  | **(34,239)** | **(318,034)** | **(341,045)** | **(347,046)** |
| Jobs for Families Package - In Home Care | 1.1, 1.4 |  |  |  |  |
| Administered expenses |  | 774 | 910 | 799 | 684 |
| Departmental expenses |  | - | - | - | - |
| **Total** |  | **774** | **910** | **799** | **684** |
| Jobs for Families Package - variation | 1.1, 1.4 |  |  |  |  |
| Administered expenses |  | - | 22,193 | 22,117 | 20,774 |
| Departmental expenses |  | - | - | - | - |
| **Total** |  | **-** | **22,193** | **22,117** | **20,774** |
| Quality Schools - true needs-based  funding for Australia's schools | 1.5, 1.6, 1.7 |  |  |  |  |
| Administered expenses |  | 117,122 | 258,998 | 380,873 | 543,774 |
| Departmental expenses |  | 765 | 1,417 | 1,215 | 854 |
| **Total** |  | **117,887** | **260,415** | **382,088** | **544,628** |
| Flexible Literacy for Remote Primary Schools Program - extension(a) | 1.7 |  |  |  |  |
| Administered expenses |  | - | - | - | - |
| Departmental expenses |  | - | - | - | - |
| **Total** |  | **-** | **-** | **-** | **-** |
| Higher Education Reforms - revised implementation | 2.1, 2.3, 2.4 |  |  |  |  |
| Administered expenses |  | 26,651 | 105,328 | 74,074 | 111,910 |
| Departmental expenses |  | (818) | 2,725 | 974 | 1,328 |
| **Total** |  | **25,833** | **108,053** | **75,048** | **113,238** |
| Menzies Institute and Library | 2.3 |  |  |  |  |
| Administered expenses |  | 7,000 | - | - | - |
| Departmental expenses |  | - | - | - | - |
| **Total** |  | **7,000** | **-** | **-** | **-** |
| Welfare Payment Infrastructure Transformation - update to Tranche Two | 2 |  |  |  |  |
| Administered expenses |  | - | - | - | - |
| Departmental expenses |  | 1,673 | - | - | - |
| **Total** |  | **1,673** | **-** | **-** | **-** |
| National High Performance Computing Facility - upgrade | 2.6 |  |  |  |  |
| Administered expenses |  | 69,200 | 800 | - | - |
| Departmental expenses |  | - | - | - | - |
| **Total** |  | **69,200** | **800** | **-** | **-** |
| Adult Migrant English Program - continued access for temporary visa holders(a) | 2.8 |  |  |  |  |
| Administered expenses |  | - | - | - | - |
| Departmental expenses |  | - | - | - | - |
| **Total** |  | **-** | **-** | **-** | **-** |
| VET Student Loans - separation from the Higher Education Loan Program | 2.8 |  |  |  |  |
| Administered expenses |  | - | - | - | - |
| Departmental expenses |  | - | 130 | - | - |
| **Total** |  | **-** | **130** | **-** | **-** |
| Tuition Assurance - interim arrangements for 2018 | 2.8 |  |  |  |  |
| Administered expenses |  | - | - | - | - |
| Departmental expenses |  | 1,966 | 1,258 | - | - |
| **Total** |  | **1,966** | **1,258** | **-** | **-** |
| **Total expense measures** |  |  |  |  |  |
| Administered |  | 171,229 | 51,064 | 125,878 | 325,595 |
| Departmental |  | 18,865 | 24,661 | 13,129 | 6,683 |
| **Total** |  | **190,094** | **75,725** | **139,007** | **332,278** |
| **Capital measures** |  |  |  |  |  |
| Higher Education Reforms - revised implementation | 2 |  |  |  |  |
| Administered capital |  | - | - | - | - |
| Departmental capital |  | 2,648 | - | - | - |
| **Total** |  | **2,648** | **-** | **-** | **-** |
| Welfare Payment Infrastructure Transformation - update to Tranche Two | 2 |  |  |  |  |
| Administered capital |  | - | - | - | - |
| Departmental capital |  | 495 | - | - | - |
| **Total** |  | **495** | **-** | **-** | **-** |
| **Total capital measures** |  |  |  |  |  |
| Administered |  | - | - | - | - |
| Departmental |  | 3,143 | - | - | - |
| **Total** |  | **3,143** | **-** | **-** | **-** |

Prepared on a Government Financial Statistics (fiscal) basis

(a) The cost of this measure will be met from within existing resources of the department.

**1.4 Additional estimates, resourcing and variations to outcomes**

The following tables detail the changes to the resourcing for the Department of Education and Training at Additional Estimates, by outcome. Table 1.3 details the Additional Estimates resulting from new measures and other variations since the 2017–18 Budget in Appropriation Bills Nos. 3 and 4.

Table 1.3: Additional estimates and other variations to outcomes since 2017–18 Budget

|  | Program impacted | 2017-18 $'000 | 2018-19 $'000 | 2019-20 $'000 | 2020-21 $'000 |
| --- | --- | --- | --- | --- | --- |
| **Outcome 1** |  |  |  |  |  |
| **Administered** |  |  |  |  |  |
| **Annual appropriations** |  |  |  |  |  |
| Flexible Literacy for Remote Primary   Schools Program - extension (a) | 1.7 | - | - | - | - |
| Quality Schools - true   needs-based funding   for Australia's schools | 1.5,1.6,1.7 | 28,057 | 33,700 | 28,550 | 24,904 |
| Jobs for Families Package -  In Home Care | 1.1 | 774 | 566 | 591 | 597 |
| Family Day Care - payment integrity | 1.1 | 477 | (8,465) | (9,017) | (8,976) |
| Jobs for Families Package -  variation | 1.1 | - | (470) | (518) | (550) |
| **Movement of Funds** |  |  |  |  |  |
| (net increase) | 1.1 | 7,447 | - | - | - |
| **Changes in Parameters** |  |  |  |  |  |
| (net increase) | 1.4,1.6,1.7 | - | 2 | 19 | 183 |
| (net decrease) | 1.4,1.6,1.7 | - | - | (6) | (10) |
| **Other Variations** |  |  |  |  |  |
| (net increase) | 1.1 | - | 10,863 | 13,281 | 16,009 |
| (net decrease) | 1.1 | (10,139) | (1,506) | (2,239) | (3,363) |
| **Special appropriations** |  |  |  |  |  |
| **(including Special Accounts)** |  |  |  |  |  |
| Jobs for Families Package -  In Home Care | 1.4 | - | 344 | 208 | 87 |
| Quality Schools - true   needs-based funding   for Australia's schools | 1.5,1.6 | 89,065 | 225,298 | 352,323 | 518,870 |
| Family Day Care - payment   integrity | 1.2,1.3,1.4 | (49,995) | (328,700) | (342,968) | (342,571) |
| Jobs for Families Package -  variation | 1.4 | - | 22,663 | 22,635 | 21,324 |
| **Changes in Parameters** |  |  |  |  |  |
| (net increase) | 1.4, 1.5, 1.6 | - | 5,499 | 3,304 | 14,262 |
| (net decrease) | 1.4, 1.5, 1.6 | - | - | (3,886) | (8,130) |
| **Other Variations** |  |  |  |  |  |
| (net increase) | 1.2,1.3,1.4 1.5,1.6 | 22,278 | 31,445 | 92,291 | 97,074 |
| (net decrease) | 1.2,1.3,1.4 1.5,1.6 | (188,227) | (304,835) | (449,283) | (535,028) |
| **Net impact on appropriations for Outcome 1 (administered)** |  | **(100,263)** | **(313,596)** | **(294,715)** | **(205,318)** |
| **Outcome 1** |  |  |  |  |  |
| **Departmental** |  |  |  |  |  |
| **Annual appropriations** |  |  |  |  |  |
| Quality Schools - true needs-based funding for Australia's schools | 1 | 765 | 1,417 | 1,215 | 854 |
| Family Day Care - payment integrity | 1 | 15,279 | 19,131 | 10,940 | 4,501 |
| **Changes in Parameters** |  |  |  |  |  |
| (net increase) | 1 | - | 147 | 142 | 280 |
| **Other Variations** |  |  |  |  |  |
| (net decrease) | 1 | (1,947) | (1,804) | (1,565) | (1,532) |
| **Net impact on appropriations for Outcome 1 (departmental)** |  | **14,097** | **18,891** | **10,732** | **4,103** |
| **Total net impact on appropriations for Outcome 1** |  | **(86,166)** | **(294,705)** | **(283,983)** | **(201,215)** |
| **Outcome 2** |  |  |  |  |  |
| **Administered** |  |  |  |  |  |
| **Annual appropriations** |  |  |  |  |  |
| Menzies Institute and Library | 2.3 | 7,000 | - | - | - |
| High Performance Computing Facility | 2.6 | 69,200 | 800 | - | - |
| Adult Migrant English Program - continued access for temporary visa holders (b) | 2.8 | - | - | - | - |
| **Movement of Funds** |  |  |  |  |  |
| (net increase) | 2.8 | 3,955 | 557 | 973 | 2,290 |
| **Changes in Parameters** |  |  |  |  |  |
| (net increase) | 2.6 | - | 18 | 18 | 36 |
| (net decrease) | 2.3, 2.6, 2.8 | - | (153) | (634) | (647) |
| **Other Variations** |  |  |  |  |  |
| (net increase) | 2.7 | - | - | - | 3,000 |
| (net decrease) | 2.8 | (100) | - | - | - |
| **Special appropriations** |  |  |  |  |  |
| **(including Special Accounts)** |  |  |  |  |  |
| Higher Education Reforms - revised implementation | 2.1, 2.3, 2.4 | (153,598) | (225,840) | (307,788) | (343,471) |
| **Changes in Parameters** |  |  |  |  |  |
| (net increase) | 2.1, 2.3, 2.4, 2.5, 2.6, 2.8 | 1,946 | 13,193 | 19,389 | 16,284 |
| **Other Variations** |  |  |  |  |  |
| (net increase) | 2.1, 2.2, 2.3, 2.4, 2.7,2.8 | 348,935 | 222,283 | 147,761 | 136,987 |
| (net decrease) | 2.1, 2.4 | (526,190) | (55,455) | (44,524) | (43,954) |
| **Net impact on appropriations for Outcome 2 (administered)** |  | **(248,852)** | **(44,597)** | **(184,805)** | **(229,475)** |
| **Outcome 2** |  |  |  |  |  |
| **Departmental** |  |  |  |  |  |
| **Annual appropriations** |  |  |  |  |  |
| Welfare Payment Infrastructure Transformation - update to Tranche Two | 2 | 1,673 | - | - | - |
| Tuition Assurance - interim arrangements for 2018 | 2 | 1,966 | 1,258 | - | - |
| VET Student Loans - separation from Higher Education Loan Program | 2 | - | 130 | - | - |
| Higher Education Reforms - revised implementation | 2 | (818) | 2,725 | 974 | 1,328 |
| **Changes in Parameters** |  |  |  |  |  |
| (net increase) | 2 | - | 163 | 161 | 322 |
| **Other Variations** |  |  |  |  |  |
| (net increase) | 2 | 1,125 | 866 | 633 | 600 |
| (net decrease) | 2 | (964) | (1,101) | (1,094) | (1,094) |
| **Net impact on appropriations for Outcome 2 (departmental)** |  | **2,982** | **4,041** | **674** | **1,156** |
| **Total net impact on appropriations for Outcome 2** |  | **(245,870)** | **(40,556)** | **(184,131)** | **(228,319)** |
| **Total Decisions taken but not yet announced for all Outcomes** |  | **-** | **-** | **-** | **-** |

(a) The cost of this measure will be met from within the existing resources of the Department.

(b) The cost of this measure will be met from within the existing resources of the Adult Migrant English Program (AMEP).

**1.5** **Breakdown of additional estimates by appropriation bill**

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

Table 1.4: Appropriation Bill (No. 3) 2017–18

|  | 2016-17 Available $'000 | 2017-18 Budget $'000 | 2017-18 Revised $'000 | Additional Estimates $'000 | Reduced Estimates $'000 |
| --- | --- | --- | --- | --- | --- |
| **Administered items** |  |  |  |  |  |
| **Outcome 1 -** Improved early learning, schooling, student educational outcomes and transactions to and from school through access to quality child care, support, parent engagement, quality teaching and learning environments | 515,866 | 476,308 | 479,002 | 2,694 | - |
| **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 | 1,353,361 | 1,351,767 | 1,431,822 | 80,055 | - |
| **Total administered** | **1,869,227** | **1,828,075** | **1,910,824** | **82,749** | **-** |
| **Departmental programs** |  |  |  |  |  |
| **Outcome 1 -** Improved early learning, schooling, student educational outcomes and transactions to and from school through access to quality child care, support, parent engagement, quality teaching and learning environments | 166,960 | 180,084 | 188,911 | 8,827 | - |
| **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 | 175,470 | 174,773 | 177,755 | 2,982 | - |
| **Total departmental** | **342,430** | **354,857** | **366,666** | **11,809** | **-** |
| **Total administered and departmental** | **2,211,657** | **2,182,932** | **2,277,490** | **94,558** | **-** |

Table 1.5: Appropriation Bill (No. 4) 2017–18

|  | 2016-17 Available $'000 | 2017-18 Budget $'000 | 2017-18 Revised $'000 | Additional Estimates $'000 | Reduced Estimates $'000 |
| --- | --- | --- | --- | --- | --- |
| **Payments to states, ACT, NT and local government** |  |  |  |  |  |
| **Outcome 1** | 42,686 | 16,299 | 40,221 | 23,922 | - |
| **Total payments to states, ACT, NT and local government** | **42,686** | **16,299** | **40,221** | **23,922** | **-** |
| **Non-operating** |  |  |  |  |  |
| Equity injections | 5,985 | 12,636 |  |  | - |
| Higher Education Reforms | - | - | - | 2,648 | - |
| Higher Education Information   Management System - Welfare   Payment Infrastructure   Transformation - Phase 2 | - | - | - | 495 | - |
| **Total non-operating** | **5,985** | **12,636** | **15,779** | **3,143** | **-** |
| **Total other services** | **48,671** | **28,935** | **56,000** | **27,065** | **-** |

## Section 2: Revisions to outcomes and planned performance

### 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.

#### Linked programs

Linked programs contributing to Outcome 1 are outlined in the Portfolio Budget Statements 2017–18.

#### 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

|  | 2016-17 Actual expenses  $'000 | 2017-18 Revised estimated expenses $'000 | 2018-19  Forward estimate  $'000 | 2019-20 Forward estimate  $'000 | 2020-21 Forward estimate  $'000 |
| --- | --- | --- | --- | --- | --- |
| **Program 1.1: Support for the Child Care System** |  |  |  |  |  |
| Administered expenses |  |  |  |  |  |
| Ordinary annual services (Appropriation Act No. 1 and Bill No. 3) | 264,875 | 355,916 | 346,692 | 353,103 | 359,498 |
| Special accounts |  |  |  |  |  |
| *Early Years Quality Fund Special Account Act 2013* | 2,060 | - | - | - | - |
| **Total expenses for program 1.1** | **266,935** | **355,916** | **346,692** | **353,103** | **359,498** |
| **Program 1.2: Child Care Benefit** |  |  |  |  |  |
| Administered expenses |  |  |  |  |  |
| Special appropriations |  |  |  |  |  |
| *A New Tax System (Family Assistance) (Administration) Act 1999* | 3,648,992 | 3,538,305 | - | - | - |
| **Total expenses for program 1.2** | **3,648,992** | **3,538,305** | **-** | **-** | **-** |
| **Program 1.3: Child Care Rebate** |  |  |  |  |  |
| Administered expenses |  |  |  |  |  |
| Special appropriations |  |  |  |  |  |
| *A New Tax System (Family Assistance) (Administration) Act 1999* | 3,627,409 | 3,798,480 | - | - | - |
| **Total expenses for program 1.3** | **3,627,409** | **3,798,480** | **-** | **-** | **-** |
| **Program 1.4: Child Care Subsidy** |  |  |  |  |  |
| Administered expenses |  |  |  |  |  |
| Special appropriations |  |  |  |  |  |
| *A New Tax System (Family Assistance) (Administration) Act 1999* | - | - | 8,169,209 | 8,877,469 | 9,231,048 |
| **Total expenses for program 1.4** | **-** | **-** | **8,169,209** | **8,877,469** | **9,231,048** |
| **Program 1.5: Government Schools National Support** |  |  |  |  |  |
| Administered expenses |  |  |  |  |  |
| Other services (Appropriation Act No. 2 and Bill No. 4) | - | 1,629 | 4,987 | 8,575 | 12,804 |
| Special appropriations |  |  |  |  |  |
| *Australian Education Act 2013* | 6,495,044 | 7,121,908 | 7,703,404 | 8,374,301 | 9,081,206 |
| **Total expenses for program 1.5** | **6,495,044** | **7,123,537** | **7,708,391** | **8,382,876** | **9,094,010** |
| **Program 1.6: Non-Government Schools National Support** |  |  |  |  |  |
| Administered expenses |  |  |  |  |  |
| Other services (Appropriation Act No. 2 and Bill No. 4) | 42,380 | 37,592 | 51,007 | 51,475 | 52,318 |
| Special appropriations |  |  |  |  |  |
| *Australian Education Act 2013* | 10,553,276 | 11,161,955 | 11,766,436 | 12,406,412 | 13,118,813 |
| **Total expenses for program 1.6** | **10,595,656** | **11,199,547** | **11,817,443** | **12,457,887** | **13,171,131** |
| **Program 1.7: Early Learning and Schools Support** |  |  |  |  |  |
| Administered expenses |  |  |  |  |  |
| Ordinary annual services (Appropriation Act No. 1 and Bill No. 3) | 108,997 | 123,086 | 123,754 | 108,348 | 77,350 |
| Other services (Appropriation Act No. 2 and Bill No. 4) | - | 1,000 | 2,000 | 2,000 | 2,000 |
| Special accounts |  |  |  |  |  |
| SOETM - Students with Disabilities | 2,657 | 578 | - | - | - |
| **Total expenses for program 1.7** | **111,654** | **124,664** | **125,754** | **110,348** | **79,350** |
| **Program 1.8: Youth Support** |  |  |  |  |  |
| Administered expenses |  |  |  |  |  |
| Ordinary annual services (Appropriation Act No. 1 and Bill No. 3) | 534 | - | - | - | - |
| **Total expenses for program 1.8** | **534** | **-** | **-** | **-** | **-** |
| **Outcome 1 Totals by appropriation type** |  |  |  |  |  |
| Administered expenses |  |  |  |  |  |
| Ordinary annual services (Appropriation Act No. 1 and Bill No. 3) | 374,406 | 479,002 | 470,446 | 461,451 | 436,848 |
| Other services (Appropriation Act No. 2 and Bill No. 4) | 42,380 | 40,221 | 57,994 | 62,050 | 67,122 |
| Special appropriations | 24,324,721 | 25,620,648 | 27,639,049 | 29,658,182 | 31,431,067 |
| Special accounts | 4,717 | 578 | - | - | - |
| **Administered total** | **24,746,224** | **26,140,449** | **28,167,489** | **30,181,683** | **31,935,037** |
| Departmental expenses |  |  |  |  |  |
| Departmental appropriation | 153,428 | 173,440 | 168,425 | 154,555 | 146,053 |
| s74 Retained revenue receipts (a) | 12,334 | 3,979 | 3,979 | 3,979 | 3,978 |
| Expenses not requiring appropriation in the Budget year (b) | 15,325 | 13,231 | 13,466 | 13,778 | 14,988 |
| **Departmental total** | **181,087** | **190,650** | **185,870** | **172,312** | **165,019** |
| **Total expenses for Outcome 1** | **24,927,311** | **26,331,099** | **28,353,359** | **30,353,995** | **32,100,056** |

Table 2.1.1 Budgeted expenses for Outcome 1 (continued)

| **Movement of administered funds between years(c)** | 2016-17 Actual expenses  $'000 | 2017-18 Revised estimated expenses $'000 | 2018-19  Forward estimate  $'000 | 2019-20 Forward estimate  $'000 | 2020-21 Forward estimate  $'000 |
| --- | --- | --- | --- | --- | --- |
| Outcome 1: |  |  |  |  |  |
| Child Care Services Support | (7,447) | 7,447 | **-** | **-** | **-** |
| **Total movement of administered** |  |  |  |  |  |
| **funds** | **(7,447)** | **7,447** | **-** | **-** | **-** |
|  |  |  |  |  |  |
|  | 2016-17 | 2017-18 |  |  |  |
| **Average staffing level (number)** | 831 | 909 |  |  |  |

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

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

(c) Figures displayed as a negative (-) represent a decrease in funds and a positive (+) 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 changes to performance criteria for Outcome 1 resulting from decisions made since the 2017–18 Budget. For a full outline of all performance criteria associated with Outcome 1 see the Portfolio Budget Statements 2017–18. This section also includes further detail on the program expenses associated with Outcome 1.

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

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

| **Year** | **Performance criteria** | **Targets(a)** |
| --- | --- | --- |
| 2017–18 | Provide support for child care services and families so that more children access quality child care and early learning services. | The revised In Home Care program will replace the existing program from 2 July 2018. Eligible families transition to new arrangements. New IHC Support Agencies are established to advocate for and support families to access In Home Care. |
| 2018–19 and beyond | As per 2017–18 | As per 2017–18 |

(a) For a full outline of the performance information for this program see the Portfolio Budget Statements 2017–18. This table shows only modified performance information that reflects material changes to this program. Specific changes are underlined.

**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 performance since the 2017–18 Budget:

* *Jobs for Families Package* - In Home Care

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

|  | 2016-17 Actual expenses  $'000 | 2017-18 Revised estimated expenses $'000 | 2018-19  Forward estimate  $'000 | 2019-20 Forward estimate  $'000 | 2020-21 Forward estimate  $'000 |
| --- | --- | --- | --- | --- | --- |
| Annual administered expenses: |  |  |  |  |  |
| Ordinary annual services (Appropriation Act No. 1 and Bill No. 3) |  |  |  |  |  |
| Child Care Services Support | 238,261 | 303,080 | 346,605 | 353,103 | 359,498 |
| Jobs Education and Training, Child Care   Fee Assistance (JETCCFA) | 26,410 | 36,969 | - | - | - |
| Child Care Subsidy Communications   Campaign | 204 | 15,867 | 87 | - | - |
| Special appropriations: |  |  |  |  |  |
| *Early Years Quality Fund Special   Account Act 2013* | 2,060 | - | - | - | - |
| **Total expenses for program 1.1** | **266,935** | **355,916** | **346,692** | **353,103** | **359,498** |

##### Program 1.2: Child Care Benefit

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

|  | 2016-17 Actual expenses  $'000 | 2017-18 Revised estimated expenses $'000 | 2018-19  Forward estimate  $'000 | 2019-20 Forward estimate  $'000 | 2020-21 Forward estimate  $'000 |
| --- | --- | --- | --- | --- | --- |
| Special appropriations: |  |  |  |  |  |
| *A New Tax System (Family Assistance)   (Administration) Act 1999* | 3,648,992 | 3,538,305 | - | - | - |
| **Total expenses for program 1.2** | **3,648,992** | **3,538,305** | **-** | **-** | **-** |

##### Program 1.3: Child Care Rebate

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

|  | 2016-17 Actual expenses  $'000 | 2017-18 Revised estimated expenses $'000 | 2018-19  Forward estimate  $'000 | 2019-20 Forward estimate  $'000 | 2020-21 Forward estimate  $'000 |
| --- | --- | --- | --- | --- | --- |
| Special appropriations: |  |  |  |  |  |
| *A New Tax System (Family Assistance)   (Administration) Act 1999* | 3,627,409 | 3,798,480 | - | - | - |
| **Total expenses for program 1.3** | **3,627,409** | **3,798,480** | **-** | **-** | **-** |

##### Program 1.4: Child Care Subsidy

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

|  | 2016-17 Actual expenses  $'000 | 2017-18 Revised estimated expenses $'000 | 2018-19  Forward estimate  $'000 | 2019-20 Forward estimate  $'000 | 2020-21 Forward estimate  $'000 |
| --- | --- | --- | --- | --- | --- |
| Special appropriations: |  |  |  |  |  |
| *A New Tax System (Family Assistance)   (Administration) Act 1999* | - | - | 8,169,209 | 8,877,469 | 9,231,048 |
| **Total expenses for program 1.4** | **-** | **-** | **8,169,209** | **8,877,469** | **9,231,048** |

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

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

|  | 2016-17 Actual expenses  $'000 | 2017-18 Revised estimated expenses $'000 | 2018-19  Forward estimate  $'000 | 2019-20 Forward estimate  $'000 | 2020-21 Forward estimate  $'000 |
| --- | --- | --- | --- | --- | --- |
| Annual administered expenses: |  |  |  |  |  |
| Other services (Appropriation Act No. 2 and Bill No. 4) |  |  |  |  |  |
| Additional Support for Northern Territory   Schools | - | 1,629 | 4,987 | 8,575 | 12,804 |
| Special appropriations: |  |  |  |  |  |
| *Australian Education Act 2013* | 6,495,044 | 7,121,908 | 7,703,404 | 8,374,301 | 9,081,206 |
| **Total expenses for program 1.5** | **6,495,044** | **7,123,537** | **7,708,391** | **8,382,876** | **9,094,010** |

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

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2016-17 Actual expenses  $'000 | 2017-18 Revised estimated expenses $'000 | 2018-19  Forward estimate  $'000 | 2019-20 Forward estimate  $'000 | 2020-21 Forward estimate  $'000 |
| Annual administered expenses: |  |  |  |  |  |
| Other services (Appropriation Act No. 2 and Bill No. 4) |  |  |  |  |  |
| Non-Government Representative   Bodies | 41,167 | 24,228 | 37,274 | 37,274 | 37,274 |
| Short Term Emergency Assistance | 1,213 | 1,539 | 1,561 | 1,584 | 1,608 |
| Adjustment Assistance(a) | - | 11,825 | 12,172 | 12,617 | 13,436 |
| Special appropriations: |  |  |  |  |  |
| *Australian Education Act 2013* | 10,553,276 | 11,161,955 | 11,766,436 | 12,406,412 | 13,118,813 |
| **Total expenses for program 1.6** | **10,595,656** | **11,199,547** | **11,817,443** | **12,457,887** | **13,171,131** |

(a) Previously known as Transition Assistance.

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

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

|  | 2016-17 Actual expenses  $'000 | 2017-18 Revised estimated expenses $'000 | 2018-19  Forward estimate  $'000 | 2019-20 Forward estimate  $'000 | 2020-21 Forward estimate  $'000 |
| --- | --- | --- | --- | --- | --- |
| Annual administered expenses: |  |  |  |  |  |
| Ordinary annual services (Appropriation Act No. 1 and Bill No. 3) |  |  |  |  |  |
| Australian Early Development Census | 3,101 | 10,381 | 8,581 | 6,408 | 12,180 |
| Australian Government Response to   TEMAG | 4,300 | 4,100 | 3,700 | - | - |
| Boost the Learning for Life Program | 5,700 | 10,100 | 13,800 | 18,400 | - |
| Early Learning Languages Australia   (ELLA) | 4,312 | 1,622 | - | - | - |
| Educating Against Domestic Violence | 1,981 | 2,057 | - | - | - |
| English Language Learning for  Indigenous Children | - | 803 | 3,305 | 1,204 | 571 |
| Flexible Literacy Learning for Remote   Primary Schools | 6,200 | 5,420 | 300 | - | - |
| Grants and Awards | 1,353 | 1,353 | 1,353 | 1,373 | 1,394 |
| Helping Children with Autism | 5,737 | 5,818 | 5,899 | 5,988 | 6,078 |
| Inspiring all Australians in Digital   Literacy and STEM | 14,607 | 16,496 | 16,343 | 15,350 | - |
| Maths and Science Participation | 2,000 | 1,000 | - | - | - |
| National Assessment Reform | 10,220 | - | 2,200 | 2,200 | 2,200 |
| National Schools Reform | - | 15,020 | 23,410 | 20,113 | 18,685 |
| National School Resourcing Board | - | 295 | 813 | 937 | 952 |
| Quality Outcomes | 37,376 | 35,218 | 33,815 | 33,605 | 33,078 |
| Science, Technology, Engineering and   Mathematics (STEM) | 4,560 | 4,875 | 1,617 | 625 | 67 |
| Teach for Australia | 6,139 | 7,028 | 7,118 | 2,145 | 2,145 |
| Universal Access | 1,411 | 1,500 | 1,500 | - | - |
| Other services (Appropriation Act No. 2 and Bill No. 4) |  |  |  |  |  |
| Literacy Support for Tasmanian   Students - Government | - | 1,000 | 2,000 | 2,000 | 2,000 |
| Special account expenses: |  |  |  |  |  |
| SOETM - Students with Disabilities | 2,657 | 578 | - | - | - |
| **Total expenses for program 1.7** | **111,654** | **124,664** | **125,754** | **110,348** | **79,350** |

##### Program 1.8: Youth Support

###### Program expenses 1.8 Youth Support

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2016-17 Actual expenses  $'000 | 2017-18 Revised estimated expenses $'000 | 2018-19  Forward estimate  $'000 | 2019-20 Forward estimate  $'000 | 2020-21 Forward estimate  $'000 |
| Annual administered expenses: |  |  |  |  |  |
| Ordinary annual services (Appropriation Act No. 1 and Bill No. 3) |  |  |  |  |  |
| Youth Engagement(a) | 534 | - | - | - | - |
| **Total expenses program 1.8** | **534** | **-** | **-** | **-** | **-** |

(a) Program terminated in 2016–17.

### 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.

#### Linked programs

Linked programs contributing to Outcome 2 are outlined in the Portfolio Budget Statements 2017–18.

#### 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

|  | 2016-17 Actual expenses  $'000 | 2017-18 Revised estimated expenses $'000 | 2018-19  Forward estimate  $'000 | 2019-20 Forward estimate  $'000 | 2020-21 Forward estimate  $'000 |
| --- | --- | --- | --- | --- | --- |
| **Program 2.1: Commonwealth Grant Scheme** |  |  |  |  |  |
| Administered expenses |  |  |  |  |  |
| Special appropriations |  |  |  |  |  |
| *Higher Education Support Act 2003* | 6,926,560 | 7,016,348 | 7,075,806 | 7,141,286 | 7,238,378 |
| **Total expenses for program 2.1** | **6,926,560** | **7,016,348** | **7,075,806** | **7,141,286** | **7,238,378** |
| **Program 2.2: Higher Education Superannuation Program** |  |  |  |  |  |
| Administered expenses |  |  |  |  |  |
| Special appropriations |  |  |  |  |  |
| *Higher Education Support Act 2003* | 194,000 | 245,592 | 238,660 | 230,066 | 220,355 |
| **Total expenses for program 2.2** | **194,000** | **245,592** | **238,660** | **230,066** | **220,355** |
| **Program 2.3: Higher Education Support** |  |  |  |  |  |
| Administered expenses |  |  |  |  |  |
| Ordinary annual services (Appropriation Act No. 1 and Bill No. 3) | 9,163 | 24,751 | 21,752 | 21,905 | 18,057 |
| Special appropriations |  |  |  |  |  |
| *Higher Education Support Act 2003* | 385,401 | 404,036 | 418,767 | 389,242 | 512,174 |
| Special accounts |  |  |  |  |  |
| SOETM - Australian Quality Framework  Council | 27 | - | - | - | - |
| Education Investment Fund - Higher Education | 22,593 | 2,000 | - | - | - |
| **Total expenses for program 2.3** | **417,184** | **430,787** | **440,519** | **411,147** | **530,231** |
| **Program 2.4: Higher Education Loan Program** |  |  |  |  |  |
| Administered expenses |  |  |  |  |  |
| Special appropriations |  |  |  |  |  |
| *Higher Education Support Act 2003* | 6,137,921 | 1,250,166 | 1,192,658 | 1,217,498 | 1,246,524 |
| *VET Student Loans Act 2016* | 22 | 561,563 | 954,278 | 920,389 | 954,500 |
| **Total expenses for program 2.4** | **6,137,943** | **1,811,729** | **2,146,936** | **2,137,887** | **2,201,024** |
| **Program 2.5: Investment in Higher Education Research** |  |  |  |  |  |
| Administered expenses |  |  |  |  |  |
| Special appropriations |  |  |  |  |  |
| *Higher Education Support Act 2003* | 1,777,882 | 1,943,204 | 1,941,228 | 2,019,384 | 2,099,225 |
| **Total expenses for program 2.5** | **1,777,882** | **1,943,204** | **1,941,228** | **2,019,384** | **2,099,225** |
| **Program 2.6: Research Capacity** |  |  |  |  |  |
| Administered expenses |  |  |  |  |  |
| Ordinary annual services (Appropriation Act No. 1 and Bill No. 3) | 150,500 | 222,550 | 156,860 | 159,493 | 163,480 |
| Special appropriations |  |  |  |  |  |
| *Higher Education Support Act 2003* | 5,266 | 5,346 | 5,453 | 5,568 | 5,184 |
| Payments to corporate entities (a) | 19,891 | 19,493 | 19,388 | 19,390 | 19,484 |
| **Total expenses for program 2.6** | **175,657** | **247,389** | **181,701** | **184,451** | **188,148** |
| **Program 2.7: International Education Support** |  |  |  |  |  |
| Administered expenses |  |  |  |  |  |
| Ordinary annual services (Appropriation Act No. 1 and Bill No. 3) | 57,261 | 49,832 | 46,707 | 51,723 | 51,724 |
| Special accounts |  |  |  |  |  |
| Overseas Student Tuition Fund | 3,282 | 9,592 | 8,499 | 8,528 | 8,560 |
| SOETM - Cheung Kong | 1,000 | - | - | - | - |
| **Total expenses for program 2.7** | **61,543** | **59,424** | **55,206** | **60,251** | **60,284** |
| **Program 2.8: Building Skills and Capability** |  |  |  |  |  |
| Administered expenses |  |  |  |  |  |
| Ordinary annual services (Appropriation Act No. 1 and Bill No. 3) | 1,008,426 | 1,121,689 | 1,114,605 | 1,065,070 | 1,068,041 |
| Special appropriations |  |  |  |  |  |
| *Trade Support Loans Act 2014* | 32,912 | 69,278 | 71,211 | 73,460 | 75,775 |
| Special accounts |  |  |  |  |  |
| Growth Fund Skills and Training (b) | 5,985 | 29,187 | 12,535 | 11,721 | - |
| **Total expenses for program 2.8** | **1,047,323** | **1,220,154** | **1,198,351** | **1,150,251** | **1,143,816** |
| **Outcome 2 Totals by appropriation type** |  |  |  |  |  |
| Administered expenses |  |  |  |  |  |
| Ordinary annual services (Appropriation Act No. 1 and Bill No. 3) | 1,225,350 | 1,418,822 | 1,339,924 | 1,298,191 | 1,301,302 |
| Special appropriations | 15,459,964 | 11,495,533 | 11,898,061 | 11,996,893 | 12,352,115 |
| Special accounts | 32,887 | 40,779 | 21,034 | 20,249 | 8,560 |
| Payments to corporate entities (a) | 19,891 | 19,493 | 19,388 | 19,390 | 19,484 |
| **Administered total** | **16,738,092** | **12,974,627** | **13,278,407** | **13,334,723** | **13,681,461** |
| Departmental expenses |  |  |  |  |  |
| Departmental appropriation | 186,361 | 175,712 | 169,009 | 163,720 | 164,608 |
| s 74 Retained revenue receipts (c) | 2,403 | 9,967 | 8,048 | 8,048 | 8,049 |
| Special accounts | 5,058 | 1,737 | 1,768 | 1,768 | 1,768 |
| Expenses not requiring appropriation in the Budget year (d) | 17,989 | 20,558 | 21,141 | 20,835 | 22,647 |
| **Departmental total** | **211,811** | **207,974** | **199,966** | **194,371** | **197,072** |
| **Total expenses for Outcome 2** | **16,949,903** | **13,182,601** | **13,478,373** | **13,529,094** | **13,878,533** |

Table 2.2.1 Budgeted expenses for Outcome 2 (continued)

| **Movement of administered funds between years (e)** | 2016-17 Actual expenses  $'000 | 2017-18 Revised estimated expenses $'000 | 2018-19  Forward estimate  $'000 | 2019-20 Forward estimate  $'000 | 2020-21 Forward estimate  $'000 |
| --- | --- | --- | --- | --- | --- |
| Outcome 2: |  |  |  |  |  |
| Building Skills and Capability | (7,775) | 3,955 | 560 | 970 | 2,290 |
| **Total movement of administered** |  |  |  |  |  |
| **funds** | **(7,775)** | **3,955** | **560** | **970** | **2,290** |
|  |  |  |  |  |  |
|  | 2016-17 | 2017-18 |  |  |  |
| **Average staffing level (number)** | 971 | 908 |  |  |  |

(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 special account is funded by Annual Appropriation Bill (No. 1) and receipts from Independent Sources.

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

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

(e) Figures displayed as a negative (shown in parentheses) represent a decrease in funds and a positive 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 changes to performance criteria for Outcome 2 resulting from decisions made since the 2017–18 Budget. For a full outline of all performance criteria associated with Outcome 2 see the Portfolio Budget Statements 2017–18. This section also includes further detail on the program expenses associated with Outcome 2.

##### Program 2.1: Commonwealth Grant Scheme

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

|  | 2016-17 Actual expenses  $'000 | 2017-18 Revised estimated expenses $'000 | 2018-19  Forward estimate  $'000 | 2019-20 Forward estimate  $'000 | 2020-21 Forward estimate  $'000 |
| --- | --- | --- | --- | --- | --- |
| Special appropriations: |  |  |  |  |  |
| *Higher Education Support Act 2003* |  |  |  |  |  |
| Cluster Fund and Place Loadings | 6,855,770 | 6,944,496 | 7,002,695 | 7,066,676 | 7,162,201 |
| Regional Loading | 70,790 | 71,852 | 73,111 | 74,610 | 76,177 |
| **Total program expenses** | **6,926,560** | **7,016,348** | **7,075,806** | **7,141,286** | **7,238,378** |

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

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

|  | 2016-17 Actual expenses  $'000 | 2017-18 Revised estimated expenses $'000 | 2018-19  Forward estimate  $'000 | 2019-20 Forward estimate  $'000 | 2020-21 Forward estimate  $'000 |
| --- | --- | --- | --- | --- | --- |
| Special appropriations: |  |  |  |  |  |
| *Higher Education Support Act 2003* |  |  |  |  |  |
| Higher Education Superannuation Program | 194,000 | 245,592 | 238,660 | 230,066 | 220,355 |
| **Total program expenses** | **194,000** | **245,592** | **238,660** | **230,066** | **220,355** |

##### Program 2.3: Higher Education Support

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

|  | 2016-17 Actual expenses  $'000 | 2017-18 Revised estimated expenses $'000 | 2018-19  Forward estimate  $'000 | 2019-20 Forward estimate  $'000 | 2020-21 Forward estimate  $'000 |
| --- | --- | --- | --- | --- | --- |
| Annual administered expenses: |  |  |  |  |  |
| Ordinary annual services (Appropriation Act No. 1 and Bill No. 3) |  |  |  |  |  |
| National Disability Coordination Officer | 4,295 | 4,309 | 4,309 | 4,370 | 4,431 |
| Quality Indicators for Learning and  Teaching | 4,868 | 8,842 | 8,843 | 8,935 | 9,026 |
| Rural and Regional Enterprise  Scholarships | - | 4,000 | 8,000 | 8,000 | 4,000 |
| Teaching Awards - Universities   Australia | - | 600 | 600 | 600 | 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 |
| Disability Support Program | 7,280 | 7,445 | 7,576 | 7,731 | 7,894 |
| Diversity and Structural Reform | 7,000 | 7,000 | - | - | - |
| Higher Education Partnerships and   Participation Program | 146,943 | 144,277 | 150,716 | 108,890 | 186,927 |
| Improved Support for Regional  Universities | - | 4,443 | 5,532 | 2,201 | 2,248 |
| Jobs and Growth in Tasmania |  | 10,000 | 20,000 | 30,000 | 80,000 |
| National Institutes | 214,337 | 218,905 | 222,740 | 227,307 | 232,081 |
| Promotion of Excellence in Learning and   Teaching in Higher Education | 5,094 | 3,621 | - | - | - |
| Quality Initiatives | 2,447 | 495 | 503 | 513 | 524 |
| Supporting more women into STEM   Careers (AMSI Intern) | 2,300 | 6,600 | 9,200 | 10,100 | - |
| Special account expenses: |  |  |  |  |  |
| SOETM - Australian Quality Framework   Council | 27 | - | - | - | - |
| Education Investment Fund - Higher Education | 22,593 | 2,000 | - | - | - |
| **Total program expenses** | **417,184** | **430,787** | **440,519** | **411,147** | **530,231** |

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

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

| Additional performance criteria(a) | 2017–18 Revised Target | 2018–19 Target | 2019–20 Target | 2020–21 Target |
| --- | --- | --- | --- | --- |
| Number of Commonwealth supported places for which HECS‑HELP loans paid | 550,200 | 559,400 | 569,700 | 576,800 |
| Number of places for which FEE‑HELP loans paid | 83,500 | 85,800 | 85,600 | 86,200 |
| Number of OS‑HELP loans to assist students to undertake some of their course overseas | 17,200 | 18,900 | 19,900 | 20,400 |
| Number of SA‑HELP loans to assist students to pay their services and amenities fees | 492,000 | 500,200 | 509,400 | 515,700 |
| Average amount of HELP debt ($) | 21,500 | 22,800 | 24,100 | 25,500 |
| Average number of years to repay HELP debt | 8.2 | 8.3 | 8.4 | 8.5 |
| Proportion of new debt not expected to be repaid | 17% | 18% | 18% | 18% |

(a) For a full outline of the performance information for this program see the Portfolio Budget Statements 2017–18. This table shows only modified performance information that reflects material changes to this program. Specific changes are underlined.

**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 performance since the 2017–18 Budget:

* Higher Education Reforms — revised implementation

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2016-17 Actual expenses  $'000 | 2017-18 Revised estimated expenses $'000 | 2018-19  Forward estimate  $'000 | 2019-20 Forward estimate  $'000 | 2020-21 Forward estimate  $'000 |
| Special appropriations: |  |  |  |  |  |
| *Higher Education Support Act 2003* |  |  |  |  |  |
| Higher Education Loan Program | 6,137,921 | 1,250,166 | 1,192,658 | 1,217,498 | 1,246,524 |
| *VET Student Loans Act 2016* |  |  |  |  |  |
| VET Student Loans | 22 | 561,563 | 954,278 | 920,389 | 954,500 |
| **Total program expenses** | **6,137,943** | **1,811,729** | **2,146,936** | **2,137,887** | **2,201,024** |

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

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

|  | 2016-17 Actual expenses  $'000 | 2017-18 Revised estimated expenses $'000 | 2018-19  Forward estimate  $'000 | 2019-20 Forward estimate  $'000 | 2020-21 Forward estimate  $'000 |
| --- | --- | --- | --- | --- | --- |
| Special appropriations: |  |  |  |  |  |
| *Higher Education Support Act 2003* |  |  |  |  |  |
| Australian Post Graduate Awards | 142,209 | - | - | - | - |
| International Post Graduate Research | 11,319 | - | - | - | - |
| Joint Research Engagement Scheme | 181,633 | - | - | - | - |
| Research Infrastructure Block Grants | 122,106 | - | - | - | - |
| Research Investment Adjustment Scheme | - | - | - | - | - |
| Research Support Program | 402,215 | 923,709 | 903,873 | 960,758 | 1,018,368 |
| Research Training Scheme | 345,010 | - | - | - | - |
| Research Training Program | 505,952 | 1,019,495 | 1,037,355 | 1,058,626 | 1,080,857 |
| Sustainable Research Excellence | 67,438 | - | - | - | - |
| **Total program expenses** | **1,777,882** | **1,943,204** | **1,941,228** | **2,019,384** | **2,099,225** |

##### Program 2.6: Research Capacity

###### Program expenses 2.6 Research Capacity

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2016-17 Actual expenses  $'000 | 2017-18 Revised estimated expenses $'000 | 2018-19  Forward estimate  $'000 | 2019-20 Forward estimate  $'000 | 2020-21 Forward estimate  $'000 |
| Annual administered expenses: |  |  |  |  |  |
| Ordinary annual services (Appropriation Act No. 1 and Bill No. 3) |  |  |  |  |  |
| Commonwealth - ANU Strategic   Relationships | 500 | 500 | - | - | - |
| National Collaborative Research   Infrastructure Strategy | 150,000 | 222,050 | 156,860 | 159,493 | 163,480 |
| Special appropriations: |  |  |  |  |  |
| *Higher Education Support Act 2003* |  |  |  |  |  |
| Academic Centres of Cyber Security   Excellence | 463 | 470 | 480 | 490 | - |
| Higher Education Research Promotion | 4,803 | 4,876 | 4,973 | 5,078 | 5,184 |
| Payments to Corporate Entities (a) |  |  |  |  |  |
| AIATSIS | 19,891 | 19,493 | 19,388 | 19,390 | 19,484 |
| **Total program expenses** | **175,657** | **247,389** | **181,701** | **184,451** | **188,148** |

(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.

##### Program 2.7: International Education Support

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2016-17 Actual expenses  $'000 | 2017-18 Revised estimated expenses $'000 | 2018-19  Forward estimate  $'000 | 2019-20 Forward estimate  $'000 | 2020-21 Forward estimate  $'000 |
| Annual administered expenses: |  |  |  |  |  |
| Ordinary annual services (Appropriation Act No. 1 and Bill No. 3) |  |  |  |  |  |
| International Education Support | 57,261 | 49,832 | 46,707 | 51,723 | 51,724 |
| Special account expenses: |  |  |  |  |  |
| Overseas Student Tuition Fund | 3,282 | 9,592 | 8,499 | 8,528 | 8,560 |
| SOETM - Cheung Kong | 1,000 | - | - | - | - |
| **Total program expenses** | **61,543** | **59,424** | **55,206** | **60,251** | **60,284** |

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

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

|  | 2016-17 Actual expenses  $'000 | 2017-18 Revised estimated expenses $'000 | 2018-19  Forward estimate  $'000 | 2019-20 Forward estimate  $'000 | 2020-21 Forward estimate  $'000 |
| --- | --- | --- | --- | --- | --- |
| **Sub-program 2.8.1: Industry Competitiveness** |  |  |  |  |  |
| Annual administered expenses: |  |  |  |  |  |
| Ordinary annual services (Appropriation Act No. 1 and Bill No. 3) |  |  |  |  |  |
| Industry Skills Fund | 13,935 | 15,316 | 1,994 | - | - |
| National Workforce Development Fund | 624 | 702 | - | - | - |
| **Sub-program 2.8.2: Skills Development** |  |  |  |  |  |
| Annual administered expenses: |  |  |  |  |  |
| Ordinary annual services (Appropriation Act No. 1 and Bill No. 3) |  |  |  |  |  |
| Australian Apprenticeship Support   Network | 139,794 | 189,473 | 189,447 | 189,447 | 189,447 |
| Australian Apprenticeships Incentives   Program | 370,764 | 392,083 | 392,083 | 392,083 | 392,083 |
| Industry Specialist Mentoring for   Australian Apprentices | - | 19,375 | 39,038 | - | - |
| Job Ready Program - Trades   Recognition Australia | 1,235 | 4,634 | 4,634 | 4,634 | 4,634 |
| South Australian Enterprise   Scholarships | - | 8,180 | 8,557 | 4,973 | 2,290 |
| Special appropriations: |  |  |  |  |  |
| *Trade Support Loans Act 2014* |  |  |  |  |  |
| Trade Support Loans | 32,912 | 69,278 | 71,211 | 73,460 | 75,775 |
| Special account expenses: |  |  |  |  |  |
| Growth Fund Skills and Training (a) | 5,985 | 29,187 | 12,535 | 11,721 | - |
| **Sub-program 2.8.3: Access to Training** |  |  |  |  |  |
| Annual administered expenses: |  |  |  |  |  |
| Ordinary annual services (Appropriation Act No. 1 and Bill No. 3) |  |  |  |  |  |
| Adult Migrant English Program | 274,524 | 300,037 | 303,568 | 303,481 | 307,730 |
| National Foundation Skills Strategy | 33 | 50 | - | - | - |
| Skills for Education and Employment   Program | 122,993 | 103,642 | 93,153 | 87,960 | 88,111 |
| Workplace English Language and   Literacy | 48 | - | - | - | - |
| ***Sub-program 2.8.4: Support for the National Training System*** |  |  |  |  |  |
| Annual administered expenses: |  |  |  |  |  |
| Ordinary annual services (Appropriation Act No. 1 and Bill No. 3) |  |  |  |  |  |
| Australian Industry and Skills Committee | 727 | 1,489 | 1,490 | 1,512 | 1,532 |
| Industry Workforce Training | 49,918 | 49,880 | 43,050 | 42,940 | 43,657 |
| My Skills Website | 537 | 552 | 562 | 569 | 577 |
| National Centre for Vocational Education   Research | 686 | 686 | 686 | 696 | 706 |
| National Training System COPE | 32,362 | 34,607 | 35,090 | 35,582 | 36,081 |
| Licensing of International Vocational Education and Training (VET) courses | 246 | 983 | 1,253 | 1,193 | 1,193 |
| **Total program expenses** | **1,047,323** | **1,220,154** | **1,198,351** | **1,150,251** | **1,143,816** |

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

## Section 3: Special account flows and budgeted financial statements

**3.1 Special account flows**

### Estimates of special account flows

Special Accounts provide a means to set aside and record amounts used for specified purposes. Table 3.1 shows the expected additions (receipts) and reductions (payments) for each account used by the Department of Education and Training.

Table 3.1: Estimates of special account flows and balances

|  | Outcome | Opening balance **2017-18** *2016-17* $'000 | Receipts **2017-18** *2016-17* $'000 | Payments **2017-18** *2016-17* $'000 | Adjustments **2017-18** *2016-17* $'000 | Closing balance **2017-18** *2016-17* $'000 |
| --- | --- | --- | --- | --- | --- | --- |
| **Services for other Entities and Trust Moneys Special Account - s78 PGPA Act 2013 (A)** | 1&2 | **2,260** | **-** | **(578)** | **2** | **1,684** |
| *Services for other   Entities and Trust   Moneys Special   Account - s78   PGPA Act 2013 (A)* | 1&2 | *5,125* | *1,570* | *(4,435)* | - | *2,260* |
| **Early Years Quality Fund Special Account - s80 PGPA Act [s5(1) Early Years Quality Fund Special Account Act 2013] (A)** | 1 | **32,624** | **-** | **-** | - | **32,624** |
| *Early Years Quality Fund   Special Account - s80   PGPA Act [s5(1) Early   Years Quality Fund   Special Account   Act 2013] (A)* | *1* | *34,039* | *854* | *(2,269)* | - | *32,624* |
| **EIF Education Portfolio Special Account - s80 PGPA Act 2013 (A)** | 2 | *-* | **2,000** | **(2,000)** | - | **-** |
| *EIF Education Portfolio   Special Account - s80  PGPA Act 2013 (A)* | *2* | *-* | *22,593* | *(22,593)* | - | *-* |
| **Overseas Students Tuition Fund - s80 PGPA Act 2013 (A)** | 2 | **34,579** | **6,574** | **(9,592)** | **(1)** | **31,560** |
| *Overseas Students   Tuition Fund - s80   PGPA Act 2013 (A)* | *2* | *28,167* | *9,756* | *(3,344)* |  | *34,579* |
| **Growth Fund Skills and Training Special Account - s78 PGPA Act Det 2015/04 (A)** | 2 | **16,013** | **17,570** | **(29,188)** | **-** | **4,395** |
| *Growth Fund Skills and   Training Special Account  - s78 PGPA Act   Det 2015/04 (A)* | *2* | *4,757* | *17,241* | *(5,985)* |  | *16,013* |
| **Unique Student Identifiers Special Account - s80 PGPA Act 2013 (D)** | 2 | **4,089** | **1,721** | **(1,721)** | **-** | **4,089** |
| *Unique Student   Identifiers Special   Account - s80 PGPA   Act 2013 (D)* | *2* | *3,536* | *6,250* | *(5,697)* | *-* | *4,089* |
| **Total special accounts Budget estimate 2017-18** |  | **89,565** | **27,865** | **(43,079)** | **1** | **74,352** |
| *Total special accounts actual 2016-17* |  | *75,624* | *58,264* | *(44,323)* | *-* | *89,565* |

(A) = Administered

(D) = Departmental

**3.2 Budgeted financial statements**

### 3.2.1 Analysis of budgeted financial statements

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

### 3.2.2 Budgeted financial statements

Table 3.2: Comprehensive income statement (showing net cost of services) for the period ended 30 June

|  | 2016-17 Actual  $'000 | 2017-18 Revised budget $'000 | 2018-19 Forward estimate $'000 | 2019-20 Forward estimate $'000 | 2020-21 Forward estimate $'000 |
| --- | --- | --- | --- | --- | --- |
| **EXPENSES** |  |  |  |  |  |
| Employee benefits | 229,309 | 224,145 | 218,430 | 213,620 | 204,284 |
| Suppliers | 138,985 | 150,025 | 142,134 | 127,785 | 129,507 |
| Grants | 131 | - | - | - | - |
| Depreciation and amortisation | 23,979 | 24,454 | 25,272 | 25,278 | 28,300 |
| Write-down and impairment of assets | 492 | - | - | - | - |
| Losses from asset sales | 2 | - | - | - | - |
| **Total expenses** | **392,898** | **398,624** | **385,836** | **366,683** | **362,091** |
| **LESS:** |  |  |  |  |  |
| **OWN-SOURCE INCOME** |  |  |  |  |  |
| **Own-source revenue** |  |  |  |  |  |
| Sale of goods and rendering | 14,666 | 13,946 | 12,027 | 12,027 | 12,027 |
| of services |  |  |  |  |  |
| Rental income | 6,778 | - | - | - | - |
| Other | - | 1,737 | 1,768 | 1,768 | 1,768 |
| **Total own-source revenue** | **21,444** | **15,683** | **13,795** | **13,795** | **13,795** |
| **Gains** |  |  |  |  |  |
| Resources received free of charge | 9,335 | 9,335 | 9,335 | 9,335 | 9,335 |
| Reversal of previous asset write-downs | 976 | - | - | - | - |
| Other gains | 343 | - | - | - | - |
| **Total gains** | **10,654** | **9,335** | **9,335** | **9,335** | **9,335** |
| **Total own-source income** | **32,098** | **25,018** | **23,130** | **23,130** | **23,130** |
| **Net cost of / (contribution by)** |  |  |  |  |  |
| **services** | **360,800** | **373,606** | **362,706** | **343,553** | **338,961** |
| Revenue from Government | 339,789 | 349,152 | 337,434 | 318,275 | 310,661 |
| **Surplus/(deficit) attributable to the Australian Government** | **(21,011)** | **(24,454)** | **(25,272)** | **(25,278)** | **(28,300)** |
| **OTHER COMPREHENSIVE INCOME** |  |  |  |  |  |
| Changes in asset revaluation surplus | - | - | - | - | - |
| **Total other comprehensive income** | **-** | **-** | **-** | **-** | **-** |
| **Total comprehensive income/(loss) attributable to the Australian Government** | **(21,011)** | **(24,454)** | **(25,272)** | **(25,278)** | **(28,300)** |

Table 3.2: Comprehensive income statement (showing net cost of services) for the period ended 30 June (continued)

Note: Impact of net cash appropriation arrangements

|  | 2016-17 $'000 | 2017-18 $'000 | 2018-19 $'000 | 2019-20 $'000 | 2020-21 $'000 |
| --- | --- | --- | --- | --- | --- |
| **Total comprehensive income/(loss)  excluding depreciation/  amortisation expenses previously  funded through revenue  appropriations** | **2,968** | - | **-** | **-** | **-** |
| less depreciation/amortisation  expenses previously funded through  revenue appropriations (a) | 23,979 | 24,454 | 25,272 | 25,278 | 28,300 |
| **Total comprehensive income/(loss)  - as per the statement of  comprehensive income** | **(21,011)** | **(24,454)** | **(25,272)** | **(25,278)** | **(28,300)** |

(a) From 2010–11, the Government introduced net cash appropriation arrangements where Appropriation Act No. 1 or Bill No. 3 revenue appropriations for the depreciation/amortisation expenses of non-corporate Commonwealth entities were replaced with a separate capital budget (the Departmental Capital Budget, or DCB) provided through Appropriation Act No. 1 or Bill No. 3 equity appropriations. For information regarding DCBs, please refer to Table 3.6 Departmental Capital Budget Statement.

Table 3.3: Budgeted departmental balance sheet (as at 30 June)

|  | 2016-17 Actual  $'000 | 2017-18 Revised budget $'000 | 2018-19 Forward estimate $'000 | 2019-20 Forward estimate $'000 | 2020-21 Forward estimate $'000 |
| --- | --- | --- | --- | --- | --- |
| **ASSETS** |  |  |  |  |  |
| **Financial assets** |  |  |  |  |  |
| Cash and cash equivalents | 5,831 | 5,832 | 5,832 | 5,832 | 5,832 |
| Trade and other receivables | 66,266 | 70,480 | 61,687 | 61,593 | 61,587 |
| Other financial assets | 4,183 | 4,183 | 4,183 | 4,183 | 4,183 |
| **Total financial assets** | **76,280** | **80,495** | **71,702** | **71,608** | **71,602** |
| **Non-financial assets** |  |  |  |  |  |
| Land and buildings | 35,784 | 32,170 | 28,507 | 24,793 | 21,014 |
| Property, plant and equipment | 1,105 | 4,935 | 7,812 | 9,900 | 12,073 |
| Intangibles | 60,531 | 65,246 | 78,544 | 83,533 | 80,732 |
| Other non-financial assets | 2,765 | 2,765 | 2,765 | 2,765 | 2,765 |
| **Total non-financial assets** | **100,185** | **105,116** | **117,628** | **120,991** | **116,584** |
| Assets held for sale | - | - | - | - | - |
| **Total assets** | **176,465** | **185,611** | **189,330** | **192,599** | **188,186** |
| **LIABILITIES** |  |  |  |  |  |
| **Payables** |  |  |  |  |  |
| Suppliers | 29,677 | 29,677 | 29,677 | 29,677 | 29,677 |
| Other payables | 18,237 | 18,417 | 18,423 | 18,400 | 18,399 |
| **Total payables** | **47,914** | **48,094** | **48,100** | **48,077** | **48,076** |
| **Provisions** |  |  |  |  |  |
| Employee provisions | 66,531 | 66,658 | 66,613 | 66,542 | 66,537 |
| Other provisions | 532 | 532 | 532 | 532 | 532 |
| **Total provisions** | **67,063** | **67,190** | **67,145** | **67,074** | **67,069** |
| **Total liabilities** | **114,977** | **115,284** | **115,245** | **115,151** | **115,145** |
| **Net assets** | **61,488** | **70,327** | **74,085** | **77,448** | **73,041** |
| **EQUITY(a)** |  |  |  |  |  |
| **Parent entity interest** |  |  |  |  |  |
| Contributed equity | 152,273 | 185,566 | 214,596 | 243,237 | 267,130 |
| Reserves | 1,244 | 1,244 | 1,244 | 1,244 | 1,244 |
| Retained surplus / | (92,029) | (116,483) | (141,755) | (167,033) | (195,333) |
| (accumulated deficit) |  |  |  |  |  |
| ***Total parent entity interest*** | ***61,488*** | ***70,327*** | ***74,085*** | ***77,448*** | ***73,041*** |
| ***Total non-controlling interest*** | ***-*** | ***-*** | ***-*** | ***-*** | ***-*** |
| **Total Equity** | **61,488** | **70,327** | **74,085** | **77,448** | **73,041** |

Prepared on Australian Accounting Standards basis.

(a) Equity is the residual interest in assets after the deduction of liabilities

Table 3.4: Departmental statement of changes in equity — summary of movement (2017–18 Budget year)

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | Retained earnings   $'000 | Asset revaluation reserve $'000 | Other reserves  $'000 | Contributed equity / capital $'000 | Total equity  $'000 |
| **Opening balance as at 1 July 2017** |  |  |  |  |  |
| Balance carried forward from |  |  |  |  |  |
| previous period | (92,029) | 1,244 | - | 152,273 | 61,488 |
| **Adjusted opening balance** | **(92,029)** | **1,244** | **-** | **152,273** | **61,488** |
| **Comprehensive income** |  |  |  |  |  |
| Other comprehensive income |  |  |  |  |  |
| Surplus/(deficit) for the period | (24,454) | - | - | - | (24,454) |
| **Total comprehensive income** | **(24,454)** | **-** | **-** | **-** | **(24,454)** |
| of which: |  |  |  |  |  |
| Attributable to the Australian  Government | (24,454) | - | - | - | (24,454) |
| **Transactions with owners** |  |  |  |  |  |
| **Distributions to owners** |  |  |  |  |  |
| Returns on capital: |  |  |  |  |  |
| Other | - | - | - | - | - |
| **Contributions by owners** |  |  |  |  |  |
| Equity Injection - Appropriation | - | - | - | 15,779 | 15,779 |
| Departmental Capital Budget (DCB) | - | - | - | 17,514 | 17,514 |
| **Sub-total transactions with owners** | **-** | **-** | **-** | **33,293** | **33,293** |
| Transfers between equity components |  |  |  |  | - |
| **Estimated closing balance as at  30 June 2018** | **(116,483)** | **1,244** | **-** | **185,566** | **70,327** |
| Less: non-controlling interests | - | - | - | - | - |
| **Closing balance attributable to  the Australian Government** | **(116,483)** | **1,244** | **-** | **185,566** | **70,327** |

Prepared on Australian Accounting Standards basis

Table 3.5: Budgeted departmental statement of cash flows (for the period ended 30 June)

|  | 2016-17 Actual  $'000 | 2017-18 Revised budget $'000 | 2018-19 Forward estimate $'000 | 2019-20 Forward estimate $'000 | 2020-21 Forward estimate $'000 |
| --- | --- | --- | --- | --- | --- |
| **OPERATING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Appropriations | 345,457 | 344,938 | 346,227 | 318,369 | 310,667 |
| Sale of goods and rendering of services | 9,700 | 13,946 | 12,027 | 12,027 | 12,027 |
| Net GST received | 9,407 | - | - | - | - |
| Other | 7,701 | 1,737 | 1,768 | 1,768 | 1,768 |
| **Total cash received** | **372,265** | **360,621** | **360,022** | **332,164** | **324,462** |
| **Cash used** |  |  |  |  |  |
| Employees | 222,892 | 223,840 | 218,469 | 213,714 | 204,290 |
| Suppliers | 135,005 | 140,690 | 132,799 | 118,450 | 120,172 |
| s74 Retained Revenue Receipts transferred to OPA | 17,241 | - | - | - | - |
| Other | 131 | - | - | - | - |
| **Total cash used** | **375,269** | **364,530** | **351,268** | **332,164** | **324,462** |
| **Net cash from / (used by) operating activities** | **(3,004)** | **(3,909)** | **8,754** | **-** | **-** |
| **INVESTING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Proceeds from sales of property, plant and equipment | 4 | - | - | - | - |
| **Total cash received** | **4** | **-** | **-** | **-** | **-** |
| **Cash used** |  |  |  |  |  |
| Purchase of property, plant, equipment and intangibles | 19,529 | 29,384 | 37,784 | 28,641 | 23,893 |
| **Total cash used** | **19,529** | **29,384** | **37,784** | **28,641** | **23,893** |
| **Net cash from / (used by) investing activities** | **(19,525)** | **(29,384)** | **(37,784)** | **(28,641)** | **(23,893)** |
| **FINANCING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Contributed equity | 22,228 | 33,293 | 29,030 | 28,641 | 23,893 |
| **Total cash received** | **22,228** | **33,293** | **29,030** | **28,641** | **23,893** |
| **Cash used** |  |  |  |  |  |
| Other | - | - | - | - | - |
| **Total cash used** | **-** | **-** | **-** | **-** | **-** |
| **Net cash from / (used by) financing activities** | **22,228** | **33,293** | **29,030** | **28,641** | **23,893** |
| **Net increase/(decrease) in cash held** | **(301)** | **-** | **-** | **-** | **-** |
| Cash and cash equivalents at the beginning of the reporting period | 6,132 | 5,831 | 5,831 | 5,831 | 5,831 |
| Effect on 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** | **5,831** | **5,831** | **5,831** | **5,831** | **5,831** |

Prepared on Australian Accounting Standards basis.

Table 3.6: Departmental capital budget statement (for the period ended 30 June)

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2016-17 Actual  $'000 | 2017-18 Revised budget $'000 | 2018-19 Forward estimate $'000 | 2019-20 Forward estimate $'000 | 2020-21 Forward estimate $'000 |
| **NEW CAPITAL APPROPRIATIONS** |  |  |  |  |  |
| Capital budget - Act No. 1 and Bill 3 (DCB) | 23,281 | 17,514 | 22,671 | 23,755 | 23,893 |
| Equity injections - Act No. 2 and Bill 4 | 5,985 | 15,779 | 6,359 | 4,886 | - |
| **Total new capital appropriations** | **29,266** | **33,293** | **29,030** | **28,641** | **23,893** |
| **Provided for:** |  |  |  |  |  |
| Purchase of non-financial assets | 29,266 | 33,293 | 29,030 | 28,641 | 23,893 |
| **Total Items** | **29,266** | **33,293** | **29,030** | **28,641** | **23,893** |
| **PURCHASE OF NON-FINANCIAL ASSETS** |  |  |  |  |  |
| Funded by capital appropriations (a) | 5,442 | 11,525 | 15,113 | 4,886 | - |
| Funded by capital appropriation - DCB (b) | 21,155 | 17,859 | 22,671 | 23,755 | 23,893 |
| **TOTAL AMOUNT SPENT** | **26,597** | **29,384** | **37,784** | **28,641** | **23,893** |
| **RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE** |  |  |  |  |  |
| Total purchases | 19,529 | 29,384 | 37,784 | 28,641 | 23,893 |
| **TOTAL CASH REQUIRED TO ACQUIRE ASSETS** | **19,529** | **29,384** | **37,784** | **28,641** | **23,893** |

(a) Includes both current and prior Bill No. 4 and prior Act Nos. 2/4/6 appropriations and special capital appropriations.

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

Table 3.7: Statement of asset movements (2017–18 Budget year)

|  | Land   $'000 | Buildings   $'000 | Other property, plant and equipment $'000 | Computer software and intangibles $'000 | Total   $'000 |
| --- | --- | --- | --- | --- | --- |
| **As at 1 July 2017** |  |  |  |  |  |
| Gross book value | 170 | 40,200 | 2,796 | 115,581 | 158,747 |
| Accumulated depreciation/amortisation and impairment |  | (4,586) | (1,690) | (55,050) | (61,326) |
| **Opening net book balance** | **170** | **35,614** | **1,106** | **60,531** | **97,421** |
| **CAPITAL ASSET ADDITIONS** |  |  |  |  |  |
| **Estimated expenditure on new or replacement assets** |  |  |  |  |  |
| By purchase - appropriation equity(a) |  | - | - | 11,525 | 11,525 |
| By purchase - appropriation ordinary annual services(b) | - | 500 | 4,181 | 13,178 | 17,859 |
| **Total additions** | **-** | **500** | **4,181** | **24,703** | **29,384** |
| **Other movements** |  |  |  |  |  |
| Depreciation/amortisation expense |  | (4,114) | (352) | (19,988) | (24,454) |
| **Total other movements** | **-** | **(4,114)** | **(352)** | **(19,988)** | **(24,454)** |
| **As at 30 June 2018** |  |  |  |  |  |
| Gross book value | 170 | 40,700 | 6,977 | 140,284 | 188,131 |
| Accumulated depreciation/amortisation and impairment | - | (8,700) | (2,042) | (75,038) | (85,780) |
| **Closing net book balance** | **170** | **32,000** | **4,935** | **65,246** | **102,351** |

Prepared on Australian Accounting Standards basis

(a) "Appropriation equity" refers to equity injections or Administered Assets and Liabilities appropriations provided through Appropriation Act (No. 2) 2017–2018 and Bill (No. 4) 2017–2018, including Collection Development Acquisition Budgets (CDABs).

(b) "Appropriation ordinary annual services" refers to funding provided through Appropriation Act (No. 1) 2017–2018 and Bill (No. 3) 2017–2018 for depreciation/amortisation expenses, DCBs or other operational expenses.

Table 3.8: Schedule of budgeted income and expenses administered on behalf of Government (for the period ended 30 June)

|  | . | 2017-18 Revised budget $'000 | 2018-19 Forward estimate $'000 | 2019-20 Forward estimate $'000 | 2020-21 Forward estimate $'000 |
| --- | --- | --- | --- | --- | --- |
| **EXPENSES ADMINISTERED ON BEHALF OF GOVERNMENT** |  |  |  |  |  |
| Employee benefits |  |  |  |  |  |
| Suppliers | 675,657 | 742,970 | 724,706 | 658,367 | 654,319 |
| Subsidies | 416,764 | 406,266 | 398,467 | 404,514 | 393,441 |
| Personal benefits | 7,342,692 | 7,403,750 | 8,268,915 | 8,984,637 | 9,343,665 |
| Grants | 26,892,895 | 28,687,011 | 29,842,403 | 31,265,107 | 32,956,595 |
| Write-down and impairment of assets | 73,881 | 6,546 | 7,285 | 8,058 | 8,854 |
| Payments to corporate entities | 19,891 | 19,493 | 19,388 | 19,390 | 19,484 |
| Other expenses | 6,062,536 | 1,849,040 | 2,184,732 | 2,176,333 | 2,240,140 |
| **Total expenses administered on behalf of Government** | **41,484,316** | **39,115,076** | **41,445,896** | **43,516,406** | **45,616,498** |
| **LESS:** |  |  |  |  |  |
| **OWN-SOURCE INCOME** |  |  |  |  |  |
| **Own-source revenue** |  |  |  |  |  |
| **Taxation revenue** |  |  |  |  |  |
| Other taxes | 9,774 | 6,574 | 6,123 | 5,643 | 5,070 |
| ***Total taxation revenue*** | ***9,774*** | ***6,574*** | ***6,123*** | ***5,643*** | ***5,070*** |
| **Non-taxation revenue** |  |  |  |  |  |
| Interest | 503,048 | 1,000,957 | 1,113,204 | 1,261,338 | 1,383,208 |
| Other revenue | 399,397 | 419,351 | 521,040 | 502,206 | 520,404 |
| ***Total non-taxation revenue*** | ***902,445*** | ***1,420,308*** | ***1,634,244*** | ***1,763,544*** | ***1,903,612*** |
| **Total own-source revenue administered on behalf of Government** | **912,219** | **1,426,882** | **1,640,367** | **1,769,187** | **1,908,682** |
| **Gains** |  |  |  |  |  |
| Sale of assets |  |  |  |  |  |
| Reversal of previous asset write-downs and impairments | 675 | - | - | - | - |
| Other gains | 402,418 | 2,766,000 | - | - | - |
| **Total gains administered on behalf of Government** | **403,093** | **2,766,000** | **-** | **-** | **-** |
| **Total own-source income administered on behalf of Government** | **1,315,312** | **4,192,882** | **1,640,367** | **1,769,187** | **1,908,682** |
| **Net cost of/(contribution by) services** | **40,169,004** | **34,922,194** | **39,805,529** | **41,747,219** | **43,707,816** |
| **Surplus/(deficit) before income tax** | **(40,169,004)** | **(34,922,194)** | **(39,805,529)** | **(41,747,219)** | **(43,707,816)** |
| Income tax expense | - | - | - | - | - |
| **Surplus/(deficit) after income tax** | **(40,169,004)** | **(34,922,194)** | **(39,805,529)** | **(41,747,219)** | **(43,707,816)** |
| **OTHER COMPREHENSIVE INCOME** |  |  |  |  |  |
| **Items not subject to subsequent reclassification to profit or loss** |  |  |  |  |  |
| Changes in asset revaluation surplus | 220,047 | 74 | 74 | 74 | 74 |
| **Total other comprehensive income** | **220,047** | **74** | **74** | **74** | **74** |
| **Total comprehensive income (loss) attributable to the Australian Government** | **(39,948,957)** | **(34,922,120)** | **(39,805,455)** | **(41,747,145)** | **(43,707,742)** |

Prepared on Australian Accounting Standards basis.

Table 3.9: Schedule of budgeted assets and liabilities administered on behalf of Government (as at 30 June)

|  | 2016-17 Actual  $'000 | 2017-18 Revised budget $'000 | 2018-19 Forward estimate $'000 | 2019-20 Forward estimate $'000 | 2020-21 Forward estimate $'000 |
| --- | --- | --- | --- | --- | --- |
| **ASSETS** |  |  |  |  |  |
| **Financial assets** |  |  |  |  |  |
| Cash and cash equivalents | 85,478 | 71,365 | 65,154 | 61,709 | 58,219 |
| Trade and other receivables | 923,824 | 965,856 | 772,866 | 712,388 | 692,434 |
| Other investments | 2,338,384 | 2,338,458 | 2,338,532 | 2,338,606 | 2,338,680 |
| Other financial assets | 36,198,951 | 43,703,212 | 48,338,306 | 52,840,870 | 57,321,767 |
| **Total financial assets** | **39,546,637** | **47,078,891** | **51,514,858** | **55,953,573** | **60,411,100** |
| **Non-financial assets** |  |  |  |  |  |
| Other non-financial assets | - | - | - | - | - |
| **Total non-financial assets** | **-** | **-** | **-** | **-** | **-** |
| **Total assets administered on behalf of Government** | **39,546,637** | **47,078,891** | **51,514,858** | **55,953,573** | **60,411,100** |
| **LIABILITIES** |  |  |  |  |  |
| **Payables** |  |  |  |  |  |
| Suppliers | 95,137 | 95,137 | 95,137 | 95,137 | 95,137 |
| Personal benefits | 117,778 | 119,234 | 113,426 | 209,967 | 216,974 |
| Grants | 13,744 | 13,744 | 13,744 | 13,744 | 13,744 |
| Other payables | 15,195 | 15,194 | 15,194 | 15,194 | 15,194 |
| **Total payables** | **241,854** | **243,309** | **237,501** | **334,042** | **341,049** |
| **Interest bearing liabilities** |  |  |  |  |  |
| Other | - | - | - | - | - |
| **Total interest bearing liabilities** | **-** | **-** | **-** | **-** | **-** |
| **Provisions** |  |  |  |  |  |
| Personal benefits provisions | 979,439 | 1,088,312 | 1,161,841 | 1,270,296 | 1,347,752 |
| Provision for grants | 6,467,000 | 6,345,437 | 6,149,880 | 5,934,239 | 5,672,995 |
| **Total provisions** | **7,446,439** | **7,433,749** | **7,311,721** | **7,204,535** | **7,020,747** |
| **Total liabilities administered on behalf of Government** | **7,688,293** | **7,677,058** | **7,549,222** | **7,538,577** | **7,361,796** |
| **Net assets/(liabilities)** | **31,858,344** | **39,401,833** | **43,965,636** | **48,414,996** | **53,049,304** |

Prepared on Australian Accounting Standards basis.

Table 3.10: Schedule of budgeted administered cash flows (for the period ended 30 June)

|  | 2016-17 Actual  $'000 | 2017-18 Revised budget $'000 | 2018-19 Forward estimate $'000 | 2019-20 Forward estimate $'000 | 2020-21 Forward estimate $'000 |
| --- | --- | --- | --- | --- | --- |
| **OPERATING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Interest | 44 | 765,301 | 969,581 | 1,080,655 | 1,186,507 |
| Taxes | 9,774 | 6,574 | 6,123 | 5,643 | 5,070 |
| Net GST received | 1,176,776 | 1,101,590 | 1,161,029 | 1,224,234 | 1,294,205 |
| Other | 149,116 | 90,256 | 92,730 | 92,200 | 94,668 |
| **Total cash received** | **1,335,710** | **1,963,721** | **2,229,463** | **2,402,732** | **2,580,450** |
| **Cash used** |  |  |  |  |  |
| Grants | 28,132,663 | 28,808,574 | 30,037,960 | 31,480,748 | 33,217,839 |
| Subsidies paid | 416,764 | 406,266 | 398,467 | 404,514 | 393,441 |
| Personal benefits | 7,266,842 | 7,327,495 | 8,023,891 | 8,735,321 | 9,255,890 |
| Suppliers | 779,784 | 742,970 | 724,706 | 658,367 | 654,319 |
| Net GST paid | - | 1,101,590 | 1,161,029 | 1,224,234 | 1,294,205 |
| Payments to corporate entities | 19,891 | 19,493 | 19,388 | 19,390 | 19,484 |
| **Total cash used** | **36,615,944** | **38,406,388** | **40,365,441** | **42,522,574** | **44,835,178** |
| **Net cash from / (used by) operating activities** | **(35,280,234)** | **(36,442,667)** | **(38,135,978)** | **(40,119,842)** | **(42,254,728)** |
| **INVESTING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Repayments of advances and loans | 2,388,159 | 1,841,266 | 2,355,939 | 2,652,042 | 2,956,902 |
| **Total cash received** | **2,388,159** | **1,841,266** | **2,355,939** | **2,652,042** | **2,956,902** |
| **Cash used** |  |  |  |  |  |
| Advances and loans made | 6,995,987 | 7,854,447 | 8,594,555 | 8,731,170 | 9,046,631 |
| Other | - | 74 | 74 | 74 | 74 |
| **Total cash used** | **6,995,987** | **7,854,521** | **8,594,629** | **8,731,244** | **9,046,705** |
| **Net cash from / (used by) investing activities** | **(4,607,828)** | **(6,013,255)** | **(6,238,690)** | **(6,079,202)** | **(6,089,803)** |
| **FINANCING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Other | - | - | - | - | - |
| **Total cash received** | **-** | **-** | **-** | **-** | **-** |
| **Cash used** |  |  |  |  |  |
| Other | - | - | - | - | - |
| **Total cash used** | **-** | **-** | **-** | **-** | **-** |
| **Net cash from/(used by) financing activities** | **-** | **-** | **-** | **-** | **-** |
| **Net increase/(decrease) in cash held** | **(39,888,062)** | **(42,455,922)** | **(44,374,668)** | **(46,199,044)** | **(48,344,531)** |
| Cash and cash equivalents at beginning of reporting period | 72,092 | 85,478 | 70,265 | 64,054 | 60,609 |
| Cash from Official Public Account for: |  |  |  |  |  |
| - Appropriations | 43,765,074 | 45,104,938 | 47,768,504 | 50,003,811 | 52,574,169 |
| - Special Accounts | 36,536 | 26,144 | 14,823 | 16,804 | 5,070 |
| Total cash from Official Public Account | **43,801,610** | **45,131,082** | **47,783,327** | **50,020,615** | **52,579,239** |
| Cash to Official Public Account for: |  |  |  |  |  |
| - Appropriations | (3,850,239) | (2,649,015) | (3,393,836) | (3,804,767) | (4,229,638) |
| - Special Accounts | (49,923) | (41,358) | (21,034) | (20,249) | (8,560) |
| Total cash to Official Public Account | **(3,900,162)** | **(2,690,373)** | **(3,414,870)** | **(3,825,016)** | **(4,238,198)** |
| Effect of exchange rate movements on cash and cash equivalents at the beginning of reporting period | - | - | - | - | - |
| **Cash and cash equivalents at end of reporting period** | **85,478** | **70,265** | **64,054** | **60,609** | **57,119** |

Prepared on Australian Accounting Standards basis.

# Australian Research Council

Section 1: Entity overview and resources 53

1.1 Strategic direction statement 53

1.2 Entity resource statement 53

1.3 2017–18 measures since Budget 54

1.4 Additional estimates, resourcing and variations to outcomes 55

1.5 Breakdown of Additional Estimates by Appropriation Bill 55

Section 2: Revisions to outcomes and planned performance 56

2.1 Budgeted expenses and performance for Outcome 1 56

Budgeted expenses for Outcome 1 56

Performance criteria for Outcome 1 57

Section 3: Budgeted financial statements 58

3.1 Estimates of special account flows and balances 58

3.2 Budgeted financial statements 58

# 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 collaborations 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 developing and implementing an Engagement and Impact assessment, announced by the Australian Government in December 2015 as part of the National Science and Innovation Agenda (NISA).

For a full outline of ARC’s priorities see the Portfolio Budget Statements 2017–18.

**1.2 Entity resource statement**

The Entity Resource Statement details the resourcing for the ARC at Additional Estimates. Table 1.1 outlines the total resourcing available from all sources for the   
2017–18 Budget year, including variations through Appropriation Bill No. 3. The ARC has no variations through Bill No. 4*,* Special Appropriations and Special Accounts.

Table 1.1: ARC resource statement — Additional Estimates for 2017–18 as at Additional Estimates February 2018

|  | Actual available appropriation  2016-17 $'000 | Estimate as at Budget  2017-18 $'000 | Proposed Additional Estimates  2017-18 $'000 | Total estimate at Additional Estimates 2017-18 $'000 |
| --- | --- | --- | --- | --- |
| **Departmental** |  |  |  |  |
| Annual appropriations - ordinary annual services (a) |  |  |  |  |
| Prior year appropriations available | 13,153 | 13,146 | 2,678 | 15,824 |
| Departmental appropriation | 21,839 | 21,186 | - | 21,186 |
| s74 retained revenue receipts (b) | 9 | - | - | - |
| Departmental capital budget (c) | 1,251 | 1,235 | - | 1,235 |
| Annual appropriations - other services - non-operating (d) |  |  |  |  |
| Prior year appropriations available | 1,171 | 867 | 2,613 | 3,480 |
| Equity injection | 3,536 | 674 | - | 674 |
| *Total departmental annual appropriations* | ***40,958*** | ***37,108*** | ***5,291*** | ***42,399*** |
| ***Total departmental resourcing*** | **40,958** | **37,108** | **5,291** | **42,399** |
| **Administered** |  |  |  |  |
| Annual appropriations - ordinary annual services (a) |  |  |  |  |
| Prior year appropriations available (e) | 86 | 2,494 | *(1,234)* | 1,260 |
| Outcome 1 | 4,107 | 5,511 | *1,010* | 6,521 |
| *Total administered annual appropriations* | ***4,193*** | ***8,005*** | ***(224)*** | ***7,781*** |
| *Total administered special appropriations (f)* | ***744,363*** | ***758,055*** | ***-*** | ***758,055*** |
| Special accounts (g) |  |  |  |  |
| Opening balance | *-* | *-* | *-* | - |
| Appropriation receipts (h) | 9,000 | *-* | *-* | - |
| *Total special account receipts* | ***9,000*** | ***-*** | ***-*** | ***-*** |
| *less administered appropriations drawn from annual/special appropriations and credited to special accounts* | *9,000* | *-* | *-* | *-* |
| ***Total administered resourcing*** | ***748,556*** | ***766,060*** | ***(224)*** | ***765,836*** |
| **Total resourcing for the ARC** | **789,515** | **803,168** | **5,067** | **808,235** |
|  |  |  |  |  |
|  |  |  | *Actual 2016-17* | 2017-18 |
| **Average staffing level (number)** |  |  | *114* | 136 |

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

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

(a) Appropriation Act (No. 1) 2017–18 and Appropriation Bill (No. 3) 2017–18.

(b) Estimated retained revenue receipts under section 74 of the PGPA Act.

(c) Departmental capital budgets are not separately identified in Appropriation Act (No. 1) and form part of ordinary annual services items. Please refer to Table 3.6 for further details. For accounting purposes, this amount has been designated as a 'contribution by owner'.

(d) Appropriation Act (No. 2) 2017–18.

(e) Excludes administered annual appropriations of $2.408m subject to administrative quarantine by Finance or withheld under section 51 of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act).

(f) Excludes 'Special Public Money' held in accounts like Other Trust Monies accounts (OTM), Services for Other Government and Non-agency Bodies accounts (SOG) or Services for Other Entities and Trust Moneys accounts (SOETM). For further information on special accounts see Table 3.1.

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

(h) Administered appropriations drawn from special appropriations *Australian Research Council Act 2001* and credited to special account.

**1.3 Entity Measures**

Table 1.2 summarises new Government measures taken since the 2017–18 Budget.

Table 1.2: Entity 2017–18 measures since Budget

No measures announced since the 2017–18 Budget therefore Table 1.2 is not presented.

**1.4 Additional estimates, resourcing and variations to outcomes**

The following table details the changes to the resourcing for the ARC at Additional Estimates, by outcome. Table 1.3 details the Additional Estimates resulting from new measures and other variations since the 2017–18 Budget in Appropriation Bill No. 3. The ARC has no new measures or other variations in Bill 4.

Table 1.3: Additional estimates and other variations to outcomes since 2017–18 Budget

|  | Program impacted | 2017-18 $'000 | 2018-19 $'000 | 2019-20 $'000 | 2020-21 $'000 |
| --- | --- | --- | --- | --- | --- |
| **Outcome 1** |  |  |  |  |  |
| **Administered** |  |  |  |  |  |
| **Annual appropriations** |  |  |  |  |  |
| **Movement of Funds (a)** |  |  |  |  |  |
| Excellence in Research for Australia | 1.3 | 1,010 | 1,798 | - | - |
| **Net impact on appropriations for Outcome 1 (administered)** |  | **1,010** | **1,798** | **-** | **-** |

(a) Movement of administered funds between years. Please refer to Table 2.1.1 for further details.

**1.5 Breakdown of additional estimates by appropriation bill**

The following table details the Additional Estimates sought for the ARC through Appropriation Bill No. 3. The ARC has no additional estimates through Appropriation Bill No. 4.

Table 1.4: Appropriation Bill (No. 3) 2017–18

|  | 2016-17 Available(a) $'000 | 2017-18 Budget $'000 | 2017-18 Revised $'000 | Additional Estimates $'000 | Reduced Estimates $'000 |
| --- | --- | --- | --- | --- | --- |
| **Administered items** |  |  |  |  |  |
| **Outcome 1 -** Growth of knowledge and innovation through managing research funding schemes, measuring research excellence and providing advice | 4,107 | 5,511 | 6,521 | 1,010 | - |
| **Total administered** | **4,107** | **5,511** | **6,521** | **1,010** | **-** |
| **Departmental programs** |  |  |  |  |  |
| **Outcome 1 -** Growth of knowledge and innovation through managing research funding schemes, measuring research excellence and providing advice | 23,090 | 22,421 | 22,421 | - | - |
| **Total departmental** | **23,090** | **22,421** | **22,421** | **-** | **-** |
| **Total administered** |  |  |  |  |  |
| **and departmental** | **27,197** | **27,932** | **28,942** | **1,010** | **-** |

(a) 2016–17 available appropriation is included to allow a comparison of this year's appropriation with what was made available for use in the previous year on the resourcing of an entity through the annual Appropriation Bills.

## Section 2: Revisions to outcomes and planned performance

### 2.1 Budgeted expenses and performance for outcome 1

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

#### Linked programs

Linked programs contributing to Outcome 1 are outlined in the Portfolio Budget Statements 2017–18.

#### Budgeted expenses for Outcome 1

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

Table 2.1.1 Budgeted expenses for Outcome 1

|  | 2016-17 Actual expenses  $'000 | 2017-18 Revised estimated expenses $'000 | 2018-19  Forward estimate  $'000 | 2019-20 Forward estimate  $'000 | 2020-21 Forward estimate  $'000 |
| --- | --- | --- | --- | --- | --- |
| **Program 1.1: Discovery - Research and Research Training** |  |  |  |  |  |
| Administered expenses |  |  |  |  |  |
| Ordinary annual services (Appropriation Act No. 1 and Bill No. 3) | 1,318 | 1,122 | 1,149 | 1,172 | 1,201 |
| Special appropriations |  |  |  |  |  |
| *Australian Research Council Act 2001* | 448,610 | 492,736 | 494,194 | 512,294 | 523,051 |
| **Administered total** | 449,928 | 493,858 | 495,343 | 513,466 | 524,252 |
| **Total expenses for program 1.1** | **449,928** | **493,858** | **495,343** | **513,466** | **524,252** |
| **Program 1.2: Linkage - Cross Sector Research Partnerships** |  |  |  |  |  |
| Administered expenses |  |  |  |  |  |
| Ordinary annual services (Appropriation Act No. 1 and Bill No. 3) | 1,295 | 1,449 | 1,492 | 1,525 | 1,563 |
| Special appropriations |  |  |  |  |  |
| *Australian Research Council Act 2001* | 297,808 | 265,319 | 266,105 | 275,850 | 281,643 |
| Special accounts |  |  |  |  |  |
| *ARC Research Endowment Account* - s80 PGPA Act [s62 *Australian Research Council Act 2001*] | 9,000 | - | - | - | - |
| **Administered total** | 308,103 | 266,768 | 267,597 | 277,375 | 283,206 |
| **Total expenses for program 1.2** | **308,103** | **266,768** | **267,597** | **277,375** | **283,206** |
| **Program 1.3: Excellence in Research for Australia** |  |  |  |  |  |
| Administered expenses |  |  |  |  |  |
| Ordinary annual services (Appropriation Act No. 1 and Bill No. 3) | 1,540 | 3,950 | 4,986 | 3,087 | 3,164 |
| **Administered total** | 1,540 | 3,950 | 4,986 | 3,087 | 3,164 |
| **Total expenses for program 1.3** | **1,540** | **3,950** | **4,986** | **3,087** | **3,164** |

Table 2.1.1 Budgeted expenses for Outcome 1 (continued)

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Program 1.4: ARC - Departmental** |  |  |  |  |  |
| Departmental expenses |  |  |  |  |  |
| Departmental appropriation | 18,459 | 21,186 | 21,440 | 21,247 | 21,363 |
| s74 Retained revenue receipts (a) | 24 | - | - | - | - |
| Expenses not requiring appropriation in the Budget year (b) | 3,738 | 3,648 | 3,032 | 2,691 | 2,532 |
| **Departmental total** | 22,221 | 24,834 | 24,472 | 23,938 | 23,895 |
| **Total expenses for program 1.4** | **22,221** | **24,834** | **24,472** | **23,938** | **23,895** |
| **Outcome 1 Totals by appropriation type** |  |  |  |  |  |
| Administered expenses |  |  |  |  |  |
| Ordinary annual services (Appropriation Act No. 1 and Bill No. 3) | 4,153 | 6,521 | 7,627 | 5,784 | 5,928 |
| Special appropriations | 746,418 | 758,055 | 760,299 | 788,144 | 804,694 |
| Special accounts | 9,000 | - | - | - | - |
| **Administered total** | 759,571 | 764,576 | 767,926 | 793,928 | 810,622 |
| Departmental expenses |  |  |  |  |  |
| Departmental appropriation | 18,459 | 21,186 | 21,440 | 21,247 | 21,363 |
| s74 Retained revenue receipts (a) | 24 | - | - | - | - |
| Expenses not requiring appropriation in the Budget year (b) | 3,738 | 3,648 | 3,032 | 2,691 | 2,532 |
| **Departmental total** | 22,221 | 24,834 | 24,472 | 23,938 | 23,895 |
| **Total expenses for Outcome 1** | **781,792** | **789,410** | **792,398** | **817,866** | **834,517** |

Table 2.1.1 Budgeted expenses for Outcome 1 (continued)

| **Movement of administered funds between years (c)** | 2016-17 Actual expenses  $'000 | 2017-18 Revised estimated expenses $'000 | 2018-19  Forward estimate  $'000 | 2019-20 Forward estimate  $'000 | 2020-21 Forward estimate  $'000 |
| --- | --- | --- | --- | --- | --- |
| Outcome 1: |  |  |  |  |  |
| Program 1.3: Excellence in Research for Australia | (2,808) | 1,010 | 1,798 | - | - |
| **Total movement of administered funds** | **(2,808)** | **1,010** | **1,798** | **-** | **-** |
|  |  |  |  |  |  |
|  | 2016-17 | 2017-18 |  |  |  |
| **Average staffing level (number)** | 114 | 136 |  |  |  |

Prepared on Australian Accounting Standards basis.

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

(b) Expenses not requiring appropriation in the Budget year are made up of depreciation expenses, amortisation expenses, audit fees and gain from sale of fixed assets.

(c) Figures displayed as a negative (-) represent a decrease in funds and a positive (+) represent an increase in funds.

#### Performance criteria for Outcome 1

There are no changes to performance criteria for Outcome 1 resulting from decisions made since the 2017–18 Budget. For a full outline of all performance criteria associated with Outcome 1 see the Portfolio Budget Statements 2017–18.

## Section 3: Budgeted financial statements

**3.1 Special account flows**

There are no changes to the Special Account resulting from decisions made since the 2017–18 Budget.

Table 3.1: Estimates of special account flows and balances

|  | Outcome | Opening balance **2017-18** *2016-17* $'000 | Receipts **2017-18** *2016-17* $'000 | Payments **2017-18** *2016-17* $'000 | Adjustments **2017-18** *2016-17* $'000 | Closing balance **2017-18** *2016-17* $'000 |
| --- | --- | --- | --- | --- | --- | --- |
| ***ARC Research Endowment Account* - s80 PGPA Act [s62 *Australian Research Council Act 2001*] (A)** | **1** | **-** | **-** | **-** | **-** | **-** |
| *ARC Research Endowment Account - s80 PGPA Act [s62 Australian Research Council Act 2001] (A)* | 1 | *-* | *9,000* | *(9,000)* | *-* | *-* |
| **Total special accounts 2017-18 Budget estimate** |  | **-** | **-** | **-** | **-** | **-** |
| *Total special accounts 2016-17 actual* |  | *-* | *9,000* | *(9,000)* | *-* | *-* |

Prepared on Australian Accounting Standards basis.

(A) = Administered

(D) = Departmental

**3.2 Budgeted financial statements**

### 3.2.1 Analysis of budgeted financial statements

Section 3 presents budgeted financial statements which have been updated to reflect changes resulting from the new measures and variations as outlined in Table 1.3.

The major change for the ARC since the Portfolio Budget Statements 2017–18 is a movement of administered funds between financial years for program 1.3 - Excellence in Research for Australia.

### 3.2.2 Budgeted financial statements

Table 3.2: Comprehensive income statement (showing net cost of services) for the period ended 30 June

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2016-17 Actual  $'000 | 2017-18 Revised budget $'000 | 2018-19 Forward estimate $'000 | 2019-20 Forward estimate $'000 | 2020-21 Forward estimate $'000 |
| **EXPENSES** |  |  |  |  |  |
| Employee benefits | 13,855 | 15,200 | 15,492 | 15,792 | 16,097 |
| Suppliers | 4,421 | 5,790 | 5,785 | 5,326 | 5,170 |
| Depreciation and amortisation | 3,645 | 3,580 | 2,964 | 2,623 | 2,464 |
| Finance costs | 300 | 264 | 231 | 197 | 164 |
| Write-down and impairment of assets | 3 | - | - | - | - |
| **Total expenses** | **22,224** | **24,834** | **24,472** | **23,938** | **23,895** |
| **LESS:** |  |  |  |  |  |
| **OWN-SOURCE INCOME** |  |  |  |  |  |
| **Own-source revenue** |  |  |  |  |  |
| Other revenue | 92 | 68 | 68 | 68 | 68 |
| **Total own-source revenue** | **92** | **68** | **68** | **68** | **68** |
| **Gains** |  |  |  |  |  |
| Sale of assets | 28 | - | - | - | - |
| **Total gains** | **28** | **-** | **-** | **-** | **-** |
| **Total own-source income** | **120** | **68** | **68** | **68** | **68** |
| **Net cost of / (contribution by)** |  |  |  |  |  |
| **services** | **22,104** | **24,766** | **24,404** | **23,870** | **23,827** |
| Revenue from Government | 21,839 | 21,186 | 21,440 | 21,247 | 21,363 |
| **Surplus/(deficit) attributable to the Australian Government** | **(265)** | **(3,580)** | **(2,964)** | **(2,623)** | **(2,464)** |
| **Total comprehensive income/(loss) attributable to the Australian Government** | **(265)** | **(3,580)** | **(2,964)** | **(2,623)** | **(2,464)** |

Table 3.2: Comprehensive income statement (showing net cost of services) for the period ended 30 June (continued)

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2016-17 $'000 | 2017-18 $'000 | 2018-19 $'000 | 2019-20 $'000 | 2020-21 $'000 |
| **Total comprehensive income/(loss)  excluding depreciation/  amortisation expenses previously  funded through revenue  appropriations** | **3,380** | - | **-** | **-** | **-** |
| less depreciation/amortisation  expenses previously funded through  revenue appropriations (a) | 3,645 | 3,580 | 2,964 | 2,623 | 2,464 |
| **Total comprehensive income/(loss)  - as per the statement of  comprehensive income** | **(265)** | **(3,580)** | **(2,964)** | **(2,623)** | **(2,464)** |

Prepared on Australian Accounting Standards basis.

(a) From 2010–11, the Government introduced net cash appropriation arrangements where Appropriation Act No. 1 or Bill No. 3 revenue appropriations for the depreciation/amortisation expenses of non-corporate Commonwealth entities were replaced with a separate capital budget (the Departmental Capital Budget, or DCB) provided through Appropriation Act No. 1 or Bill No. 3 equity appropriations. For information regarding DCBs, please refer to Table 3.6 Departmental Capital Budget Statement.

Table 3.3: Budgeted departmental balance sheet (as at 30 June)

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2016-17 Actual  $'000 | 2017-18 Revised budget $'000 | 2018-19 Forward estimate $'000 | 2019-20 Forward estimate $'000 | 2020-21 Forward estimate $'000 |
| **ASSETS** |  |  |  |  |  |
| **Financial assets** |  |  |  |  |  |
| Cash and cash equivalents | 467 | 467 | 467 | 467 | 467 |
| Trade and other receivables | 19,430 | 19,135 | 18,823 | 18,586 | 18,333 |
| **Total financial assets** | **19,897** | **19,602** | **19,290** | **19,053** | **18,800** |
| **Non-financial assets** |  |  |  |  |  |
| Land and buildings | 1,803 | 1,668 | 1,525 | 1,374 | 1,219 |
| Property, plant and equipment | 938 | 766 | 548 | 378 | 296 |
| Intangibles | 10,904 | 9,540 | 8,165 | 7,092 | 6,101 |
| Other non-financial assets | 360 | 360 | 360 | 360 | 360 |
| **Total non-financial assets** | **14,005** | **12,334** | **10,598** | **9,204** | **7,976** |
| **Total assets** | **33,902** | **31,936** | **29,888** | **28,257** | **26,776** |
| **LIABILITIES** |  |  |  |  |  |
| **Payables** |  |  |  |  |  |
| Suppliers | 457 | 457 | 457 | 457 | 457 |
| Other payables | 109 | 153 | 208 | 319 | 379 |
| **Total payables** | **566** | **610** | **665** | **776** | **836** |
| **Interest bearing liabilities** |  |  |  |  |  |
| Leases | 2,715 | 2,376 | 2,009 | 1,661 | 1,348 |
| **Total interest bearing liabilities** | **2,715** | **2,376** | **2,009** | **1,661** | **1,348** |
| **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** | **7,584** | **7,289** | **6,977** | **6,740** | **6,487** |
| **Net assets** | **26,318** | **24,647** | **22,911** | **21,517** | **20,289** |
| **EQUITY(a)** |  |  |  |  |  |
| **Parent entity interest** |  |  |  |  |  |
| Contributed equity | 34,374 | 36,283 | 37,511 | 38,740 | 39,976 |
| Reserves | 58 | 58 | 58 | 58 | 58 |
| Retained surplus / |  |  |  |  |  |
| (accumulated deficit) | (8,114) | (11,694) | (14,658) | (17,281) | (19,745) |
| ***Total parent entity interest*** | ***26,318*** | ***24,647*** | ***22,911*** | ***21,517*** | ***20,289*** |
| **Total Equity** | **26,318** | **24,647** | **22,911** | **21,517** | **20,289** |

Prepared on Australian Accounting Standards basis.

(a) Equity is the residual interest in assets after the deduction of liabilities.

Table 3.4: Departmental statement of changes in equity — summary of movement (2017–18 Budget year)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | Retained earnings   $'000 | Asset revaluation reserve $'000 | Contributed equity / capital $'000 | Total equity  $'000 |
| **Opening balance as at 1 July 2017** |  |  |  |  |
| Balance carried forward from |  |  |  |  |
| previous period | (8,114) | 58 | 34,374 | 26,318 |
| **Adjusted opening balance** | **(8,114)** | **58** | **34,374** | **26,318** |
| **Comprehensive income** |  |  |  |  |
| Surplus/(deficit) for the period | (3,580) | - | - | (3,580) |
| **Total comprehensive income** | **(3,580)** | **-** | **-** | **(3,580)** |
| of which: |  |  |  |  |
| Attributable to the Australian  Government | (3,580) | - | - | (3,580) |
| **Transactions with owners** |  |  |  |  |
| **Contributions by owners** |  |  |  |  |
| Equity Injection - Appropriation | - | - | 674 | 674 |
| Departmental Capital Budget (DCB) | - | - | 1,235 | 1,235 |
| **Sub-total transactions with owners** | **-** | **-** | **1,909** | **1,909** |
| **Estimated closing balance as at  30 June 2018** | **(11,694)** | **58** | **36,283** | **24,647** |
| **Closing balance attributable to  the Australian Government** | **(11,694)** | **58** | **36,283** | **24,647** |

Prepared on Australian Accounting Standards basis

Table 3.5: Budgeted departmental statement of cash flows (for the period ended 30 June)

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2016-17 Actual  $'000 | 2017-18 Revised budget $'000 | 2018-19 Forward estimate $'000 | 2019-20 Forward estimate $'000 | 2020-21 Forward estimate $'000 |
| **OPERATING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Appropriations | 19,013 | 21,481 | 21,752 | 21,484 | 21,616 |
| Sale of goods and rendering of services | 9 | - | - | - | - |
| Net GST received | 720 | 550 | 550 | 550 | 550 |
| Other | 366 | - | - | - | - |
| **Total cash received** | **20,108** | **22,031** | **22,302** | **22,034** | **22,166** |
| **Cash used** |  |  |  |  |  |
| Employees | 14,241 | 15,156 | 15,437 | 15,681 | 16,037 |
| Suppliers | 4,598 | 5,722 | 5,717 | 5,258 | 5,102 |
| Borrowing costs | 293 | 264 | 231 | 197 | 164 |
| Net GST paid | 722 | 550 | 550 | 550 | 550 |
| s74 Retained Revenue Receipts transferred to OPA | 9 | - | - | - | - |
| **Total cash used** | **19,863** | **21,692** | **21,935** | **21,686** | **21,853** |
| **Net cash from / (used by) operating activities** | **245** | **339** | **367** | **348** | **313** |
| **INVESTING ACTIVITIES** |  |  |  |  |  |
| **Cash used** |  |  |  |  |  |
| Purchase of property, plant, equipment and intangibles | 2,413 | 1,909 | 1,228 | 1,229 | 1,236 |
| **Total cash used** | **2,413** | **1,909** | **1,228** | **1,229** | **1,236** |
| **Net cash from / (used by) investing activities** | **(2,413)** | **(1,909)** | **(1,228)** | **(1,229)** | **(1,236)** |
| **FINANCING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Contributed equity | 2,641 | 1,909 | 1,228 | 1,229 | 1,236 |
| **Total cash received** | **2,641** | **1,909** | **1,228** | **1,229** | **1,236** |
| **Cash used** |  |  |  |  |  |
| Repayment of finance leases | 311 | 339 | 367 | 348 | 313 |
| **Total cash used** | **311** | **339** | **367** | **348** | **313** |
| **Net cash from / (used by) financing activities** | **2,330** | **1,570** | **861** | **881** | **923** |
| **Net increase/(decrease) in cash held** | **162** | **-** | **-** | **-** | **-** |
| Cash and cash equivalents at the beginning of the reporting period | 305 | 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 3.6: Departmental capital budget statement (for the period ended 30 June)

|  | 2016-17 Actual  $'000 | 2017-18 Revised budget $'000 | 2018-19 Forward estimate $'000 | 2019-20 Forward estimate $'000 | 2020-21 Forward estimate $'000 |
| --- | --- | --- | --- | --- | --- |
| **NEW CAPITAL APPROPRIATIONS** |  |  |  |  |  |
| Capital budget - Act No. 1 and Bill 3 (DCB) | 1,251 | 1,235 | 1,228 | 1,229 | 1,236 |
| Equity injections - Act No. 2 and Bill 4 | 3,536 | 674 | - | - | - |
| **Total new capital appropriations** | **4,787** | **1,909** | **1,228** | **1,229** | **1,236** |
| **Provided for:** |  |  |  |  |  |
| Purchase of non-financial assets | 4,787 | 1,909 | 1,228 | 1,229 | 1,236 |
| **Total Items** | **4,787** | **1,909** | **1,228** | **1,229** | **1,236** |
| **PURCHASE OF NON-FINANCIAL ASSETS** |  |  |  |  |  |
| Funded by capital appropriations (a) | 1,162 | 674 | - | - | - |
| Funded by capital appropriation - DCB (b) | 1,251 | 1,235 | 1,228 | 1,229 | 1,236 |
| **TOTAL AMOUNT SPENT** | **2,413** | **1,909** | **1,228** | **1,229** | **1,236** |
| **RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE** |  |  |  |  |  |
| Total purchases | 2,413 | 1,909 | 1,228 | 1,229 | 1,236 |
| **TOTAL CASH REQUIRED TO ACQUIRE ASSETS** | **2,413** | **1,909** | **1,228** | **1,229** | **1,236** |

Prepared on Australian Accounting Standards basis.

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

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

Table 3.7: Statement of asset movements (2017–18 Budget year)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | Buildings   $'000 | Other property, plant and equipment $'000 | Computer software and intangibles $'000 | Total   $'000 |
| **As at 1 July 2017** |  |  |  |  |
| Gross book value | 2,926 | 1,520 | 23,498 | 27,944 |
| Accumulated depreciation/amortisation and impairment | (1,123) | (582) | (12,594) | (14,299) |
| **Opening net book balance** | **1,803** | **938** | **10,904** | **13,645** |
| **CAPITAL ASSET ADDITIONS** |  |  |  |  |
| **Estimated expenditure on new or replacement assets** |  |  |  |  |
| By purchase - appropriation equity (a) | - | - | 674 | 674 |
| By purchase - appropriation ordinary annual services (b) | 100 | 150 | 985 | 1,235 |
| **Total additions** | **100** | **150** | **1,659** | **1,909** |
| **Other movements** |  |  |  |  |
| Depreciation/amortisation expense | (235) | (322) | (3,023) | (3,580) |
| **Total other movements** | **(235)** | **(322)** | **(3,023)** | **(3,580)** |
| **As at 30 June 2018** |  |  |  |  |
| Gross book value | 3,026 | 1,670 | 25,157 | 29,853 |
| Accumulated depreciation/amortisation and impairment | (1,358) | (904) | (15,617) | (17,879) |
| **Closing net book balance** | **1,668** | **766** | **9,540** | **11,974** |

Prepared on Australian Accounting Standards basis.

(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.

Table 3.8: Schedule of budgeted income and expenses administered on behalf of Government (for the period ended 30 June)

|  | 2016-17 Actual  $'000 | 2017-18 Revised budget $'000 | 2018-19 Forward estimate $'000 | 2019-20 Forward estimate $'000 | 2020-21 Forward estimate $'000 |
| --- | --- | --- | --- | --- | --- |
| **EXPENSES ADMINISTERED ON BEHALF OF GOVERNMENT** |  |  |  |  |  |
| Suppliers | 13,153 | 6,521 | 7,627 | 5,784 | 5,928 |
| Grants | 746,418 | 758,055 | 760,299 | 788,144 | 804,694 |
| **Total expenses administered on behalf of Government** | **759,571** | **764,576** | **767,926** | **793,928** | **810,622** |
| **LESS:** |  |  |  |  |  |
| **OWN-SOURCE INCOME** |  |  |  |  |  |
| **Non-taxation revenue** |  |  |  |  |  |
| Recovery of prior year grant payments (a) | 10,185 | 7,000 | 7,000 | 7,000 | 7,000 |
| ***Total non-taxation revenue*** | ***10,185*** | ***7,000*** | ***7,000*** | ***7,000*** | ***7,000*** |
| **Total own-source income administered on behalf of Government** | **10,185** | **7,000** | **7,000** | **7,000** | **7,000** |
| **Net cost of/(contribution by) services** | **(749,386)** | **(757,576)** | **(760,926)** | **(786,928)** | **(803,622)** |
| **Total comprehensive income (loss) attributable to the Australian Government** | **(749,386)** | **(757,576)** | **(760,926)** | **(786,928)** | **(803,622)** |

Prepared on Australian Accounting Standards basis.

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

Table 3.9: Schedule of budgeted assets and liabilities administered on behalf of Government (as at 30 June)

|  | 2016-17 Actual  $'000 | 2017-18 Revised budget $'000 | 2018-19 Forward estimate $'000 | 2019-20 Forward estimate $'000 | 2020-21 Forward estimate $'000 |
| --- | --- | --- | --- | --- | --- |
| **ASSETS** |  |  |  |  |  |
| **Financial assets** |  |  |  |  |  |
| Taxation receivables | 135 | 135 | 135 | 135 | 135 |
| **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 3.10: Schedule of budgeted administered cash flows (for the period ended 30 June)

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2016-17 Actual  $'000 | 2017-18 Revised budget $'000 | 2018-19 Forward estimate $'000 | 2019-20 Forward estimate $'000 | 2020-21 Forward estimate $'000 |
| **OPERATING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Net GST received | 1,911 | 5,300 | 5,300 | 5,300 | 5,300 |
| Other | 10,267 | 7,000 | 7,000 | 7,000 | 7,000 |
| **Total cash received** | **12,178** | **12,300** | **12,300** | **12,300** | **12,300** |
| **Cash used** |  |  |  |  |  |
| Grants | 734,499 | 758,055 | 760,299 | 788,144 | 804,694 |
| Suppliers | 12,096 | 6,521 | 7,627 | 5,784 | 5,928 |
| Net GST paid | 1,572 | 5,300 | 5,300 | 5,300 | 5,300 |
| **Total cash used** | **748,167** | **769,876** | **773,226** | **799,228** | **815,922** |
| **Net cash from / (used by) operating activities** | **(735,989)** | **(757,576)** | **(760,926)** | **(786,928)** | **(803,622)** |
| **Net increase/(decrease) in cash held** | **(735,989)** | **(757,576)** | **(760,926)** | **(786,928)** | **(803,622)** |
| Cash and cash equivalents at beginning of reporting period | - | - | - | - | - |
| Cash from Official Public Account for: |  |  |  |  |  |
| - Appropriations | 737,595 | 764,576 | 767,926 | 793,928 | 810,622 |
| - Special Accounts | 9,000 | - | - | - | - |
| - Administered GST   appropriations | 1,572 | 5,300 | 5,300 | 5,300 | 5,300 |
| **Total cash from Official Public Account** | **748,167** | **769,876** | **773,226** | **799,228** | **815,922** |
| Cash to Official Public Account for: |  |  |  |  |  |
| - Appropriations | 10,267 | 7,000 | 7,000 | 7,000 | 7,000 |
| Return of GST Appropriation to OPA | 1,911 | 5,300 | 5,300 | 5,300 | 5,300 |
| **Total cash to Official Public Account** | **12,178** | **12,300** | **12,300** | **12,300** | **12,300** |
| **Cash and cash equivalents at end of reporting period** | **-** | **-** | **-** | **-** | **-** |

Prepared on Australian Accounting Standards basis.

# Tertiary Education Quality and Standards Agency

Section 1: Entity overview and resources 71

1.1 Strategic direction statement 71

1.2 Entity resource statement 72

1.3 2017–18 measures since Budget 73

1.4 Additional estimates, resourcing and variations to outcomes 73

1.5 Breakdown of Additional Estimates by Appropriation Bill 74

Section 2: Revisions to outcomes and planned performance 75

2.1 Budgeted expenses and performance for Outcome 1 75

Budgeted expenses for Outcome 1 75

Performance criteria for Outcome 1 76

Section 3: Special account flows and budgeted financial statements 77

3.1 Estimates of special account flows and balances 77

3.2 Budgeted financial statements 77

# 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 operations on 29 January 2012.

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

* register regulated entities as registered higher education providers and accredit courses of study
* conduct compliance assessment 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 English Language Intensive Courses for Overseas Students (ELICOS) providers if they have an entry arrangement with a registered higher education provider, and for Foundation Program providers. A full outline of the TEQSA’s strategic direction can be found in the Portfolio Budget Statements 2017–18.

During 2017 TEQSA continued to experience higher than anticipated regulatory workload, which has seen a tripling in the number of applications from prospective providers over three years. To address the increased workload, the Government is providing additional funding of $1.9 million in 2017–18 to enable TEQSA to meet the objectives of the Government’s recent strengthened legislation to protect the integrity of the higher education sector.

**1.2 Entity resource statement**

The Entity Resource Statement details the resourcing for the TEQSA at Additional Estimates. Table 1.1 outlines the total resourcing available from all sources for the   
2017–18 Budget year, including variations through Appropriation Bills No. 3 and No. 4*,* Special Appropriations and Special Accounts.

Table 1.1: TEQSA resource statement — Additional Estimates for 2017–18 as at Additional Estimates February 2018

|  | *Actual available appropriation  2016-17 $'000* | Estimate as at Budget  2017-18 $'000 | Proposed Additional Estimates  2017-18 $'000 | Total estimate at Additional Estimates 2017-18 $'000 |
| --- | --- | --- | --- | --- |
| **Departmental** |  |  |  |  |
| Annual appropriations - ordinary annual services (a) |  |  |  |  |
| Prior year appropriations available (b) | *7,404* | *5,628* | *-* | 5,628 |
| Departmental appropriation | *11,359* | *12,198* | *1,874* | 14,072 |
| s 74 retained revenue receipts (c) | *1,176* | *260* | *-* | 260 |
| Departmental capital budget (d) | *864* | *851* | *-* | 851 |
| Annual appropriations - other services - non-operating (e) |  |  |  | - |
| Equity injection | *-* | *100* | *-* | 100 |
| *Total departmental annual appropriations* | *20,803* | *19,037* | *1,874* | **20,911** |
| ***Total departmental resourcing*** | **20,803** | **19,037** | **1,874** | **20,911** |
| **Administered** |  |  |  |  |
| *Total administered special appropriations (e)* | **-** | **200** | **-** | **200** |
| ***Total administered resourcing*** | **-** | **200** | **-** | **200** |
| **Total resourcing for entity TEQSA** | **20,803** | **19,237** | **1,874** | **21,111** |
|  |  |  |  |  |
|  |  |  | *Actual 2016-17* | 2017-18 |
| **Average staffing level (number)** |  |  | *44* | 51 |

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

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

(a) Appropriation Act (No. 1) 2017–2018 and Appropriation Bill (No. 3) 2017–2018

(b) Excludes $0.015m subject to administrative quarantine by Finance or withheld under section 51 of the Public Governance, Performance and Accountability Act 2013.

(c) Estimated retained revenue receipts under section 74 of the PGPA Act.

(d) Departmental capital budgets are not separately identified in Appropriation Act (No. 1) and form part of ordinary annual services items. Please refer to Table 3.6 for further details. For accounting purposes, this amount has been designated as a 'contribution by owner'.

(e) Excludes 'Special Public Money' held in accounts like Other Trust Monies accounts (OTM), Services for Other Government and Non-agency Bodies accounts (SOG) or Services for Other Entities and Trust Moneys accounts (SOETM). For further information on special accounts see Table 3.1

**1.3 Entity Measures**

Table 1.2 summarises new Government measures taken since the 2017–18 Budget. The table is split into revenue, expense and capital measures, with the affected program identified.

Table 1.2: Entity 2017–18 measures since Budget

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | Program | 2017-18 $'000 | 2018-19 $'000 | 2019-20 $'000 | 2020-21 $'000 |
| **Expense measures** |  |  |  |  |  |
| Additional Funding | 1.1 |  |  |  |  |
| Departmental expenses |  | 1,874 | *-* | *-* | *-* |
| **Total** |  | **1,874** | *-* | *-* | *-* |
| **Total expense measures** |  |  |  |  | *-* |
| Departmental |  | 1,874 | *-* | *-* | *-* |
| **Total** |  | **1,874** | *-* | *-* | *-* |

Prepared on a Government Financial Statistics (fiscal) basis

**1.4 Additional estimates, resourcing and variations to outcomes**

The following table details the changes to the resourcing for the TEQSA at Additional Estimates, by outcome. Table 1.3 details the Additional Estimates resulting from new measures and other variations since the 2017–18 Budget in Appropriation Bills Nos. 3.

Table 1.3: Additional estimates and other variations to outcomes since 2017–18 Budget

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | Program impacted | 2017-18 $'000 | 2018-19 $'000 | 2019-20 $'000 | 2020-21 $'000 |
| **Outcome 1** |  |  |  |  |  |
| **Departmental** |  |  |  |  |  |
| **Annual appropriations** |  |  |  |  |  |
| Additonal Funding | 1.1 | 1,874 | **-** | **-** | **-** |
| **Net impact on appropriations for Outcome 1 (departmental)** |  | **1,874** | **-** | **-** | **-** |
| **Total net impact on appropriations for Outcome 1** |  | **1,874** | **-** | **-** | **-** |

**1.5 Breakdown of additional estimates by appropriation bill**

The following tables detail the Additional Estimates sought for the TEQSA through Appropriation Bills Nos. 3.

Table 1.4: Appropriation Bill (No. 3) 2017–18

|  | *2016-17 Available $'000* | 2017-18 Budget $'000 | 2017-18 Revised $'000 | Additional Estimates $'000 | Reduced Estimates $'000 |
| --- | --- | --- | --- | --- | --- |
| **Departmental programs** |  |  |  |  |  |
| **Outcome 1 - TEQSA** | 12,223 | 13,049 | 14,923 | 1,874 | - |
| **Total departmental** | **12,223** | **13,049** | **14,923** | **1,874** | **-** |

Notes:

2016–17 available appropriation is included to allow a comparison of this year's appropriation with what was made available for use in the previous year.

No departmental appropriation is provided in Appropriation Bill No. 3 for an agency where the total funding change across outcomes for departmental programs is negative. (if the amount in the 'Reduced Estimates' column is greater than the amount in the 'Additional Estimates' column, a footnote is required to explain).

## Section 2: Revisions to outcomes and planned performance

### 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.

#### Linked programs

Linked programs contributing to Outcome 1 are outlined in the Portfolio Budget Statements 2017–18.

#### 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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2016-17 Actual expenses  $'000 | 2017-18 Revised estimated expenses $'000 | 2018-19  Forward estimate  $'000 | 2019-20 Forward estimate  $'000 | 2020-21 Forward estimate  $'000 |
| **Program 1.1: Regulation and Quality Assurance** |  |  |  |  |  |
| Departmental expenses |  |  |  |  |  |
| Departmental appropriation | 11,866 | 14,072 | 11,548 | 11,889 | 11,771 |
| s 74 Retained revenue receipts (a) | 424 | 260 | 261 | 262 | 263 |
| Expenses not requiring appropriation in the Budget year (b) | 670 | 728 | 613 | 555 | 565 |
| **Departmental total** | **12,960** | **15,060** | **12,422** | **12,706** | **12,599** |
| **Total expenses for program 1.1** | **12,960** | 15,060 | **12,422** | **12,706** | **12,599** |
|  |  |  |  |  |  |
| **Outcome 1 Totals by appropriation type** |  |  |  |  |
| Departmental expenses |  |  |  |  |  |
| Departmental appropriation | 11,866 | 14,072 | 11,548 | 11,889 | 11,771 |
| s 74 Retained revenue receipts (a) | 424 | 260 | 261 | 262 | 263 |
| Expenses not requiring appropriation in the Budget year (b) | 670 | 728 | 613 | 555 | 565 |
| **Departmental total** | 12,960 | 15,060 | 12,422 | 12,706 | 12,599 |
| **Total expenses for Outcome 1** | **12,960** | 15,060 | 12,422 | 12,706 | 12,599 |
|  |  |  |  |  |  |
|  | 2016-17 | 2017-18 |  |  |  |
| **Average staffing level (number)** | 44 | 51 |  |  |  |

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

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

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

#### Performance criteria for Outcome 1

This section details changes to performance criteria for Outcome 1 resulting from decisions made since the 2017–18 Budget. For a full outline of all performance criteria associated with Outcome 1 see the Portfolio Budget Statements 2017–18. This section also includes further detail on the program expenses associated with Outcome 1.

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

###### Performance information 1.1 Regulation and Quality Assurance

There has been no change to the performance criteria for Outcome 1 since the Portfolio Budget Statements 2017–18.

## Section 3: Special account flows and budgeted financial statements

**3.1 Special account flows**

### Estimates of special account flows

Special Accounts provide a means to set aside and record amounts used for specified purposes. Table 3.1 shows the expected additions (receipts) and reductions (payments) for each account used by the TEQSA.

Table 3.1: Estimates of special account flows and balances

TEQSA does not have a Special Account.

**3.2 Budgeted financial statements**

### 3.2.1 Analysis of budgeted financial statements

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

### 3.2.2 Budgeted financial statements

Table 3.2: Comprehensive income statement (showing net cost of services) for the period ended 30 June

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2016-17 Actual  $'000 | 2017-18 Revised budget $'000 | 2018-19 Forward estimate $'000 | 2019-20 Forward estimate $'000 | 2020-21 Forward estimate $'000 |
| **EXPENSES** |  |  |  |  |  |
| Employee benefits | 5,804 | 6,959 | 6,920 | 7,215 | 7,186 |
| Suppliers | 6,519 | 7,417 | 4,933 | 4,980 | 4,892 |
| Depreciation and amortisation | 617 | 676 | 561 | 503 | 513 |
| Finance costs | 10 | 8 | 8 | 8 | 8 |
| Losses from asset sales | 10 | - | - | - | - |
| **Total expenses** | **12,960** | **15,060** | **12,422** | **12,706** | **12,599** |
| **LESS:** |  |  |  |  |  |
| **OWN-SOURCE INCOME** |  |  |  |  |  |
| **Own-source revenue** |  |  |  |  |  |
| Sale of goods and rendering | 86 | 5 | 5 | 5 | 5 |
| of services |  |  |  |  |  |
| Rental income | 316 | 255 | 256 | 257 | 258 |
| Other revenue | 22 | - | - | - | - |
| **Total own-source revenue** | **424** | **260** | **261** | **262** | **263** |
| **Gains** |  |  |  |  |  |
| Other gains | 53 | 52 | 52 | 52 | 52 |
| **Total gains** | **53** | **52** | **52** | **52** | **52** |
| **Total own-source income** | **477** | **312** | **313** | **314** | **315** |
| **Net cost of / (contribution by)** |  |  |  |  |  |
| **services** | **12,483** | **14,748** | **12,109** | **12,392** | **12,284** |
| Revenue from Government | 11,359 | 14,072 | 11,548 | 11,889 | 11,771 |
| **Surplus/(deficit) attributable to the Australian Government** | **(1,124)** | **(676)** | **(561)** | **(503)** | **(513)** |
| **OTHER COMPREHENSIVE INCOME** |  |  |  |  |  |
| **Total other comprehensive income** | **-** | **-** | **-** | **-** | **-** |
| **Total comprehensive income/(loss) attributable to the Australian Government** | **(1,124)** | **(676)** | **(561)** | **(503)** | **(513)** |

Table 3.2: Comprehensive income statement (showing net cost of services) for the period ended 30 June (continued)

Note: Impact of net cash appropriation arrangements

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2016-17 $'000 | 2017-18 $'000 | 2018-19 $'000 | 2019-20 $'000 | 2020-21 $'000 |
| **Total comprehensive income/(loss)  excluding depreciation/  amortisation expenses previously  funded through revenue  appropriations** | **(507)** | - | **-** | **-** | **-** |
| less depreciation/amortisation  expenses previously funded through  revenue appropriations (a) | 617 | 676 | 561 | 503 | 513 |
| **Total comprehensive income/(loss)  - as per the statement of  comprehensive income** | **(1,124)** | (676) | **(561)** | **(503)** | **(513)** |

(a) From 2010–11, the Government introduced net cash appropriation arrangements where Appropriation Act No. 1 or Bill No. 3 revenue appropriations for the depreciation/amortisation expenses of non-corporate Commonwealth entities were replaced with a separate capital budget (the Departmental Capital Budget, or DCB) provided through Appropriation Act No. 1 or Bill No. 3 equity appropriations. For information regarding DCBs, please refer to Table 3.6 Departmental Capital Budget Statement.

Table 3.3: Budgeted departmental balance sheet (as at 30 June)

|  | 2016-17 Actual  $'000 | 2017-18 Revised budget $'000 | 2018-19 Forward estimate $'000 | 2019-20 Forward estimate $'000 | 2020-21 Forward estimate $'000 |
| --- | --- | --- | --- | --- | --- |
| **ASSETS** |  |  |  |  |  |
| **Financial assets** |  |  |  |  |  |
| Cash and cash equivalents | 112 | 112 | 112 | 112 | 112 |
| Trade and other receivables | 5,982 | 5,922 | 5,937 | 6,214 | 6,518 |
| **Total financial assets** | **6,094** | **6,034** | **6,049** | **6,326** | **6,630** |
| **Non-financial assets** |  |  |  |  |  |
| Land and buildings | 1,006 | 837 | 678 | 529 | 380 |
| Property, plant and equipment | 367 | 305 | 343 | 338 | 373 |
| Intangibles | 1,599 | 1,790 | 1,801 | 1,604 | 1,407 |
| Other non-financial assets | 180 | 181 | 174 | 169 | 169 |
| **Total non-financial assets** | **3,152** | **3,113** | **2,996** | **2,640** | **2,329** |
| **Total assets** | **9,246** | **9,147** | **9,045** | **8,966** | **8,959** |
| **LIABILITIES** |  |  |  |  |  |
| **Payables** |  |  |  |  |  |
| Suppliers | 533 | 453 | 444 | 439 | 435 |
| Other payables | 1,478 | 1,372 | 1,130 | 841 | 498 |
| **Total payables** | **2,011** | **1,825** | **1,574** | **1,280** | **933** |
| **Provisions** |  |  |  |  |  |
| Employee provisions | 1,297 | 1,246 | 1,244 | 1,246 | 1,244 |
| Other provisions | 890 | 753 | 619 | 488 | 491 |
| **Total provisions** | **2,187** | **1,999** | **1,863** | **1,734** | **1,735** |
| **Total liabilities** | **4,198** | **3,824** | **3,437** | **3,014** | **2,668** |
| **Net assets** | **5,048** | **5,323** | **5,608** | **5,952** | **6,291** |
| **EQUITY(a)** |  |  |  |  |  |
| **Parent entity interest** |  |  |  |  |  |
| Contributed equity | 10,463 | 11,414 | 12,260 | 13,107 | 13,959 |
| Reserves | - | - | - | - | - |
| Retained surplus / |  |  |  |  |  |
| (accumulated deficit) | (5,415) | (6,091) | (6,652) | (7,155) | (7,668) |
| ***Total parent entity interest*** | ***5,048*** | ***5,323*** | ***5,608*** | ***5,952*** | ***6,291*** |
| **Total Equity** | **5,048** | **5,323** | **5,608** | **5,952** | **6,291** |

Prepared on Australian Accounting Standards basis.

(a) Equity is the residual interest in assets after the deduction of liabilities

Table 3.4: Departmental statement of changes in equity — summary of movement (2017–18 Budget year)

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | Retained earnings   $'000 | Asset revaluation reserve $'000 | Other reserves  $'000 | Contributed equity / capital $'000 | Total equity  $'000 |
| **Opening balance as at 1 July 2017** |  |  |  |  |  |
| Balance carried forward from |  |  |  |  |  |
| previous period | (5,415) | - | - | 10,463 | 5,048 |
| **Adjusted opening balance** | **(5,415)** | **-** | **-** | **10,463** | **5,048** |
| **Comprehensive income** |  |  |  |  |  |
| Surplus/(deficit) for the period | (676) | - | - | - | (676) |
| **Total comprehensive income** | **(676)** | **-** | **-** | **-** | **(676)** |
| of which: |  |  |  |  |  |
| Attributable to the Australian  Government | - | - | - | - | - |
| **Transactions with owners** |  |  |  |  |  |
| **Contributions by owners** |  |  |  |  |  |
| Equity Injection - Appropriation | - | - | - | 100 | 100 |
| Departmental Capital Budget (DCB) | - | - | - | 851 | 851 |
| **Sub-total transactions with owners** | **-** | **-** | **-** | **951** | **951** |
| **Estimated closing balance as at  30 June 2018** | **(6,091)** | **-** | **-** | **11,414** | **5,323** |
| **Closing balance attributable to  the Australian Government** | **(6,091)** | **-** | **-** | **11,414** | **5,323** |

Prepared on Australian Accounting Standards basis

Table 3.5: Budgeted departmental statement of cash flows (for the period ended 30 June)

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2016-17 Actual  $'000 | 2017-18 Revised budget $'000 | 2018-19 Forward estimate $'000 | 2019-20 Forward estimate $'000 | 2020-21 Forward estimate $'000 |
| **OPERATING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Appropriations | 14,346 | 14,061 | 11,477 | 11,551 | 11,500 |
| Sale of goods and rendering of services | 427 | 259 | 261 | 261 | 264 |
| Net GST received | 581 | 28 | 5 | 3 | 1 |
| Other | - | 44 | 51 | 59 | (35) |
| **Total cash received** | **15,354** | **14,392** | **11,794** | **11,874** | **11,730** |
| **Cash used** |  |  |  |  |  |
| Employees | 6,836 | 6,916 | 6,921 | 7,209 | 7,187 |
| Suppliers | 7,259 | 7,452 | 4,888 | 4,933 | 4,839 |
| s 74 Retained revenue receipts |  |  |  |  |  |
| transferred to OPA | 1,176 | - | - | - | - |
| Other | - | 339 | 380 | 427 | 354 |
| **Total cash used** | **15,271** | **14,707** | **12,189** | **12,569** | **12,380** |
| **Net cash from / (used by) operating activities** | **83** | **(315)** | **(395)** | **(695)** | **(650)** |
| **INVESTING ACTIVITIES** |  |  |  |  |  |
| **Cash used** |  |  |  |  |  |
| Purchase of property, plant, equipment and intangibles | 912 | 636 | 451 | 152 | 202 |
| **Total cash used** | **912** | **636** | **451** | **152** | **202** |
| **Net cash from / (used by) investing activities** | **(912)** | **(636)** | **(451)** | **(152)** | **(202)** |
| **FINANCING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Contributed equity | 825 | 951 | 846 | 847 | 852 |
| **Total cash received** | **825** | **951** | **846** | **847** | **852** |
| **Net cash from / (used by) financing activities** | **825** | **951** | **846** | **847** | **852** |
| **Net increase/(decrease) in cash held** | **(4)** | **-** | **-** | **-** | **-** |
| Cash and cash equivalents at the beginning of the reporting period | 116 | 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 3.6: Departmental capital budget statement (for the period ended 30 June)

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2016-17 Actual  $'000 | 2017-18 Revised budget $'000 | 2018-19 Forward estimate $'000 | 2019-20 Forward estimate $'000 | 2020-21 Forward estimate $'000 |
| **NEW CAPITAL APPROPRIATIONS** |  |  |  |  |  |
| Capital budget - Act No. 1 and Bill 3 (DCB) | 864 | 851 | 846 | 847 | 852 |
| Equity injections - Act No. 2 and Bill 4 | - | 100 | - | - | - |
| **Total new capital appropriations** | **864** | **951** | **846** | **847** | **852** |
| **Provided for:** |  |  |  |  |  |
| Purchase of non-financial assets | 864 | 636 | 451 | 152 | 202 |
| Other Items | - | 315 | 395 | 695 | 650 |
| **Total Items** | **864** | **951** | **846** | **847** | **852** |
| **PURCHASE OF NON-FINANCIAL ASSETS** |  |  |  |  |  |
| Funded by capital appropriations (a) | - | 100 | - | - | - |
| Funded by capital appropriation - DCB (b) | 864 | 536 | 451 | 152 | 202 |
| Funded internally from departmental resources (c) | 886 | - | - | - | - |
| **TOTAL AMOUNT SPENT** | **1,750** | **636** | **451** | **152** | **202** |
| **RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE** |  |  |  |  |  |
| Total purchases | 1,750 | 636 | 451 | 152 | 202 |
| **TOTAL CASH REQUIRED TO ACQUIRE ASSETS** | **1,750** | **636** | **451** | **152** | **202** |

(a) Includes both current and prior Bill No. 4 and prior Act No. 2/4/6 appropriations and special capital appropriations.

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

(c) Includes the following sources of funding:

- current Bill No. 3 and prior year Act No. 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.

Table 3.7: Statement of asset movements (2017–18 Budget year)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | Buildings   $'000 | Other property, plant and equipment $'000 | Computer software and intangibles $'000 | Total   $'000 |
| **As at 1 July 2017** |  |  |  |  |
| Gross book value | 1,142 | 493 | 2,921 | 4,556 |
| Accumulated depreciation/amortisation and impairment | (136) | (126) | (1,322) | (1,584) |
| **Opening net book balance** | **1,006** | **367** | **1,599** | **2,972** |
| **CAPITAL ASSET ADDITIONS** |  |  |  |  |
| **Estimated expenditure on new or replacement assets** |  |  |  |  |
| By purchase - appropriation equity (a) | - | 45 | 591 | 636 |
| **Total additions** | **-** | **45** | **591** | **636** |
| **Other movements** |  |  |  |  |
| Depreciation/amortisation expense | (169) | (107) | (400) | (676) |
| Disposals (a) | - | - | - | - |
| **Total other movements** | **(169)** | **(107)** | **(400)** | **(676)** |
| **As at 30 June 2018** |  |  |  |  |
| Gross book value | 1,132 | 474 | 3,512 | 5,118 |
| Accumulated depreciation/amortisation and impairment | (295) | (169) | (1,722) | (2,186) |
| **Closing net book balance** | **837** | **305** | **1,790** | **2,932** |

Prepared on Australian Accounting Standards basis.

(a) Net Proceeds may be returned to the OPA.

Table 3.8: Schedule of budgeted income and expenses administered on behalf of Government (for the period ended 30 June)

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2016-17 Actual  $'000 | 2017-18 Revised budget $'000 | 2018-19 Forward estimate $'000 | 2019-20 Forward estimate $'000 | 2020-21 Forward estimate $'000 |
| **EXPENSES ADMINISTERED ON BEHALF OF GOVERNMENT** |  |  |  |  |  |
| **Total expenses administered on behalf of Government** | **-** | **-** | **-** | **-** | **-** |
| **LESS:** |  |  |  |  |  |
| **OWN-SOURCE INCOME** |  |  |  |  |  |
| **Own-source revenue** |  |  |  |  |  |
| **Taxation revenue** |  |  |  |  |  |
| ***Total taxation revenue*** | ***-*** | ***-*** | ***-*** | ***-*** | ***-*** |
| **Non-taxation revenue** |  |  |  |  |  |
| Fees and fines | 2,829 | 3,643 | 2,519 | 2,696 | 4,276 |
| ***Total non-taxation revenue*** | ***2,829*** | ***3,643*** | ***2,519*** | ***2,696*** | ***4,276*** |
| **Total own-source revenue administered on behalf of Government** | **2,829** | **3,643** | **2,519** | **2,696** | **4,276** |
| **Gains** |  |  |  |  |  |
| **Total gains administered on behalf of Government** | **-** | **-** | **-** | **-** | **-** |
| **Total own-source income administered on behalf of Government** | **2,829** | **3,643** | **2,519** | **2,696** | **4,276** |
| **Net cost of/(contribution by) services** | **(2,829)** | **(3,643)** | **(2,519)** | **(2,696)** | **(4,276)** |
| **Surplus/(deficit) before income tax** | **2,829** | **3,643** | **2,519** | **2,696** | **4,276** |
| Income tax expense |  |  |  |  |  |
| **Surplus/(deficit) after income tax** | **2,829** | **3,643** | **2,519** | **2,696** | **4,276** |
| **OTHER COMPREHENSIVE INCOME** |  |  |  |  |  |
| **Items not subject to subsequent reclassification to profit or loss** |  |  |  |  |  |
| **Total other comprehensive income** | **-** | **-** | **-** | **-** | **-** |
| **Total comprehensive income (loss) attributable to the Australian Government** | **2,829** | **3,643** | **2,519** | **2,696** | **4,276** |

Prepared on Australian Accounting Standards basis.

Table 3.9: Schedule of budgeted assets and liabilities administered on behalf of Government (as at 30 June)

Table not required.

Table 3.10: Schedule of budgeted administered cash flows (for the period ended 30 June)

|  | 2016-17 Actual  $'000 | 2017-18 Revised budget $'000 | 2018-19 Forward estimate $'000 | 2019-20 Forward estimate $'000 | 2020-21 Forward estimate $'000 |
| --- | --- | --- | --- | --- | --- |
| **OPERATING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Sale of goods and rendering of services | 2,829 | 3,443 | 2,319 | 4,496 | 4,076 |
| **Total cash received** | **2,829** | **3,443** | **2,319** | **4,496** | **4,076** |
| **Cash used** |  |  |  |  |  |
| **Total cash used** | **-** | **-** | **-** | **-** | **-** |
| **Net cash from / (used by) operating activities** | **2,829** | **3,443** | **2,319** | **4,496** | **4,076** |
| **Net increase/(decrease) in cash held** | **2,829** | **3,443** | **2,319** | **4,496** | **4,076** |
| 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 to Official Public Account for: |  |  |  |  |  |
| - Appropriations | (3,108) | (3,643) | (2,519) | (4,696) | (4,276) |
| Total cash to Official Public Account | (3,108) | (3,643) | (2,519) | (4,696) | (4,276) |
| **Cash and cash equivalents at end of reporting period** | **-** | **-** | **-** | **-** | **-** |

Prepared on Australian Accounting Standards basis.

Portfolio glossary and acronyms

## Portfolio glossary

| Term | Definition |
| --- | --- |
| 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. |
| 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. |
| 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 Section 74 of the PGPA Act 2013. |
| 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 (CFR) 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 2013) or through an Act of Parliament (referred to in s80 of the PGPA Act 2013). |
| 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 | Definition |
| --- | --- |
| AIATSIS | Australian Institute of Aboriginal and Torres Strait Islander Studies |
| AM | Member of the Order of Australia |
| AMSI | Australian Mathematical Sciences Institute |
| AO | Officer of the Order of Australia |
| ANU | Australian National University |
| ARC | Australian Research Council |
| CDAB | Collection Development Acquisition Budget |
| CGS | Commonwealth Grant Scheme |
| COPE | Commonwealth own-purpose expense |
| CRF | Consolidated Revenue Fund |
| DCB | Departmental Capital Budget |
| EIF | Education Investment Fund |
| ELICOS | English Language Intensive Courses for Overseas Students |
| ELLA | Early Learning Languages Australia |
| ERA | Excellence in Research in Australia |
| ESOS | Education Services for Overseas Students |
| FDC | Family Day Care |
| GST | Goods and Services Tax |
| HECS-HELP | Higher Education Contribution Scheme -Higher Education Loan Program |
| HELP | Higher Education Loan Program |
| IHC | In Home Care |
| JETCCFA | Jobs Education and Training, Child Care Fee Assistance |
| MYEFO | Mid-Year Economic and Fiscal Outlook |
| NCGP | National Competitive Grants Program |
| NISA | National Science and Innovation Agenda |
| OPA | Official Public Account |
| OS-HELP | Overseas - Higher Education Loan Program |
| OTM | Other Trust Monies |
| PAES | Portfolio Additional Estimates Statements |
| PBS | Portfolio Budget Statements |
| PGPA Act | Public Governance, Performance and Accountability Act 2013 |
| SA-HELP | Loan scheme that assist eligible students to pay for all or part of their student services and amenities fee |
| 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 |
| 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 |