

**Portfolio Budget Statements 2018–19**

**Budget Related Paper No. 1.13B**

Jobs and Innovation Portfolio   
(Jobs and Small Business)

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

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Letter to the President of the Senate, and Speaker of the House of representatives stating:
I hereby submit Portfolio Budget Statements in support of the 2018–19 Budget for the Jobs and Innovation portfolio (Jobs and Small Business).These statements have been developed, and are submitted to the Parliament, as a statement on the outcomes for the portfolio.I present these statements to provide accountability to the Parliament and, through it, the public.
Yours sincerely, Senator the Hon Michaelia Cash


Abbreviations and conventions

The following notation may be used:

NEC/nec not elsewhere classified

- nil

.. not zero, but rounded to zero

na not applicable (unless otherwise specified)

nfp not for publication

$m $ million

$b $ billion

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

Enquiries

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

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

User Guide  
To The  
Portfolio Budget Statements

# User guide

The purpose of the *2018–19 Portfolio Budget Statements* (PB Statements) is to inform Senators and Members of Parliament of the proposed allocation of resources to government outcomes by entities within the portfolio. Entities receive resources from the annual appropriations acts, special appropriations (including standing appropriations and special accounts), and revenue from other sources.

A key role of the PB Statements is to facilitate the understanding of proposed annual appropriations in Appropriation Bills (No. 1 and No. 2) 2018–19 (or Appropriation (Parliamentary Departments) Bill *(*No. 1) 2018–19 for the parliamentary departments). In this sense, the PB Statements are Budget related papers and are declared by the Appropriation Acts to be ‘relevant documents’ to the interpretation of the Acts according to section 15AB of the *Acts Interpretation Act 1901*.

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

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

**The Enhanced Commonwealth Performance Framework**

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

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


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Portfolio Overview

# Jobs and Innovation Portfolio overview

Ministers and portfolio responsibilities

The ministers responsible for the Jobs and Innovation portfolio and its entities are:

* Senator the Hon Michaelia Cash, Minister for Jobs and Innovation
* The Hon Craig Laundy MP, Minister for Small and Family Business, the Workplace and Deregulation
* Senator the Hon Zed Seselja, Assistant Minister for Science, Jobs and Innovation.

The Jobs and Innovation portfolio has been charged with harnessing the jobs of the future through new industries and small business so that Australians can adapt and thrive in an era of innovation and technological change.

Structure of the portfolio

The portfolio is split into two sub-portfolios: Jobs and Small Business, and Industry, Innovation and Science. Each sub-portfolio is headed by a department and includes related non-corporate and corporate entities.

This document provides information on the Jobs and Small Business portion of the portfolio. For information on Industry, Innovation and Science refer to the *Portfolio Budget Statements 2018–19, Budget Related Paper 1.13A, Jobs and Innovation Portfolio (Industry, Innovation and Science)*.

Jobs and Small Business

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

As part of changes announced in December 2017, the Department of Employment became the Department of Jobs and Small Business. In addition to the Department’s existing functions, small business and regulatory policy functions transferred to the Department as a result of these changes.

The Workplace Gender Equality Agency transferred to the Prime Minister and Cabinet portfolio as a result of an Administrative Arrangements Order on 19 April 2018.

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

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

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

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

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

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

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

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

The Jobs and Small Business sub-portfolio structure and outcomes can be found at Figure 1.

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

|  |
| --- |
| Senator the Hon Michaelia Cash, Minister for Jobs and Innovation  The Hon Craig Laundy MP, Minister for Small and Family Business, the Workplace and Deregulation |
| **Department of Jobs and Small Business**  Kerri Hartland, Secretary  **Outcome 1**  Foster a productive and competitive labour market through employment policies and programs that assist job seekers into work, meet employer needs and increase Australia’s workforce participation.  **Outcome 2**  Facilitate jobs growth through policies and programs that promote fair, productive and safe workplaces, and facilitate the growth of small business. |
| **Asbestos Safety and Eradication Agency**  Peter Tighe, Chief Executive Officer  **Outcome**  Assist in the prevention of exposure to asbestos fibres and the elimination of asbestos-related disease in Australia through implementing the National Strategic Plan for Asbestos Awareness and Management in Australia. |
| **Australian Building and Construction Commission**  Stephen McBurney, Commissioner  **Outcome**  Enforce workplace relations laws in the building and construction industry and ensure compliance with those laws by all participants in the building and construction industry through the provision of education, assistance and advice. |
| **Comcare, the Safety, Rehabilitation and Compensation Commission, and the Seafarers Safety, Rehabilitation and Compensation Authority**  Jennifer Taylor, Chief Executive Officer  **Outcome**  Support participation and productivity through healthy and safe workplaces that minimise the impact of harm in workplaces covered by Comcare. |
| **Fair Work Commission**  Bernadette O’Neill, General Manager  **Outcome**  Simple, fair and flexible workplace relations for employees and employers through the exercise of powers to set and vary minimum wages and modern staff awards, facilitate collective bargaining, approve agreements and deal with disputes. |

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

|  |
| --- |
| **Fair Work Ombudsman  and the Registered Organisations Commission**  Natalie James, Fair Work Ombudsman  Mark Bielecki, Registered Organisations Commissioner  **Outcome 1**  Compliance with workplace relations legislation by employees and employers through advice, education and where necessary enforcement.  **Outcome 2**  Effective governance and financial transparency of registered employee and employer organisations through regulation, investigation and appropriate enforcement action. |
| **Safe Work Australia**  Michelle Baxter, Chief Executive Officer  **Outcome**  Healthier, safer and more productive workplaces through improvements to Australian work health and safety and workers’ compensation arrangements. |

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Department of Jobs and   
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Entity resources and planned performance

Department of Jobs and Small Business

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# Department of Jobs and Small Business

## Section 1: Entity overview and resources

### Strategic direction statement

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

The Department’s name was changed from the Department of Employment to the Department of Jobs and Small Business as a result of Administrative Arrangements introduced on 20 December 2017. As part of the changes, the Department has gained small business and regulatory policy functions.

The Department has two Outcomes:

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

To achieve these outcomes, the major priorities for 2018–19 include:

* delivering efficient and effective employment services, helping more job seekers find and keep a job, through the continued implementation of jobactive
* implementing initiatives to support Australians, particularly in regional areas or experiencing unique challenges due to large-scale industry changes, and provide them with a better chance of securing future job opportunities as technology transforms the economy
* providing mature age Australians with opportunities to contribute to the workforce, share their skills and insights with younger workers and continue to benefit from the economic and social wellbeing of having a job
* supporting local solutions for jobs creation in regional areas through a targeted grant program to help stimulate communities to deliver tailored local employment solutions
* encouraging entrepreneurship and self-employment, particularly to support opportunities for mature age Australians, and providing nationally-accredited training, mentoring and business advice
* administering payments and recovery activities under the Fair Entitlements Guarantee which assists workers who have unpaid employment entitlements when they are made redundant by the liquidation or bankruptcy of their employer
* working cooperatively with our portfolio agencies to ensure a fair, productive, flexible and safe national workplace relations system
* supporting small and family business and enterprise development, and ensuring that small business interests are considered in national economic reform
* promoting safer workplaces in the building and construction industry through the Australian Government Building and Construction WHS Accreditation Scheme which provides mandated accreditation requirements for companies to undertake most Commonwealth‑funded building and construction projects
* contributing to higher productivity through implementation of national approaches to workplace health and safety and workers’ compensation laws, as well as advising government on reforms to improve the Comcare and Seacare workers’ compensation schemes
* engaging with relevant international forums and advising on policies and programs to promote Australia’s national interests and inform domestic policies, and
* contributing to the government’s deregulation agenda by reducing unnecessary compliance burdens.

Further information about the activities of the Department of Jobs and Small Business can be found at www.jobs.gov.au and in the Department of Jobs and Small Business corporate plan.

Budget measures for 2018–19 for the Department are presented in Table 1.2.

### 1.2 Entity resource statement

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

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

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

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

Table 1.1: Department of Jobs and Small Business resource statement—Budget estimates for 2018–19 as at Budget, May 2018

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | *2017–18 Estimated actual  $'000* | | 2018–19 Estimate  $'000 | |
| **Departmental** |  | |  | |
| Annual appropriations—ordinary annual services (a) |  | |  | |
| Prior year appropriations available | *129,326* | | 127,897 | |
| Departmental appropriation (b) | *310,830* | | 318,215 | |
| s74 Retained revenue receipts (c) | *52,677* | | 53,329 | |
| Departmental Capital Budget (d) | *31,306* | | 24,450 | |
| Annual appropriations—other services—non-operating (e) |  | |  | |
| Equity injection | *40,349* | | 16,390 | |
| Total departmental annual appropriations | *564,488* | | 540,281 | |
| ***Total departmental resourcing*** | ***564,488*** | | **540,281** | |
| **Administered** |  | |  | |
| Annual appropriations—ordinary annual services (a) |  | |  | |
| Prior year appropriations available | *-* | | - | |
| Outcome 1 | *1,685,365* | | 1,623,942 | |
| Outcome 2 | *38,217* | | 38,884 | |
| Payments to corporate entities (f) | *6,020* | | 5,989 | |
| Total administered annual appropriations | *1,729,602* | | 1,668,815 | |
| **Special Appropriations** |  | |  | |
| **Special Appropriations limited by criteria/entitlement** |  | |  | |
| *Public Governance, Performance and Accountability Act 2013—s77* | *30* | | 30 | |
| *Coal Mining Industry (Long Service Leave) Administration Act 1992* | *143,670* | | 113,150 | |
| *Safety, Rehabilitation and Compensation Act 1988* | *30,697* | | 31,227 | |
| *Asbestos-related Claims (Management of Commonwealth Liabilities) Act 2005* | *24,675* | | 29,309 | |
| *Fair Entitlements Guarantee Act 2012* | *204,587* | | 220,716 | |
| Total administered annual appropriations | *403,659* | | 394,432 | |
| *less payments to corporate entities from annual/special appropriations* | *6,020* | | 5,989 | |
| **Total administered resourcing** | ***2,127,241*** | | **2,057,258** | |
| **Total resourcing for Department of Jobs and Small Business** | ***2,691,729*** | | **2,597,539** | |
|  |  |  | |
|  | *2017–18* | | 2018–19 | |
| **Average staffing level (number)** | *1,965* | | 1,952 | |

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

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

1. Appropriation Bill (No.1) 2018–19.
2. Excludes Departmental Capital Budget (DCB).
3. Estimated retained revenue receipts under section 74 of the PGPA Act.
4. DCBs are not separately identified in Appropriation Bill (No.1) and form part of ordinary annual services items. Please refer to Table 3.5 for further details. For accounting purposes, this amount has been designated as a 'contribution by owner’.
5. Appropriation Bill (No.2) 2018–19.
6. 'Corporate entities' are corporate Commonwealth entities and Commonwealth companies as defined under the PGPA Act.

Table 1.1: Department of Jobs and Small Business resource statement—Budget estimates for 2018–19 as at Budget May 2018 (continued)

Third party payments from and on behalf of other entities

|  |  |  |
| --- | --- | --- |
|  | *2017–18 Estimated actual  $'000* | 2018–19 Estimate  $'000 |
| Payments made by other entities on behalf of Department of Jobs and Small Business (disclosed above) | *30,016* | 30,000 |
| Receipts received from other entities for the provision of services (disclosed above in s74 Retained revenue receipts section above) | *52,677* | 53,329 |
| Payments made to corporate entities within the Portfolio |  |  |
| Comcare (Annual Appropriation Bill 1) | *6,020* | 5,989 |

### 1.3 Budget measures

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

Table 1.2: Entity 2018–19 Budget measures

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

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | Program | 2017–18 $'000 | 2018–19 $'000 | 2019–20 $'000 | 2020–21 $'000 | 2021–22 $'000 |
| **Expense measures** |  |  |  |  |  |  |
| Better Targeting of Assistance to Support Jobseekers — amendment (a) | 1.1 |  |  |  |  |  |
| Administered expenses |  | - | - | - | - | - |
| Departmental expenses |  | - | - | - | - | - |
| **Total** |  | **-** | **-** | **-** | **-** | **-** |
| Community Development Program — reform (b) | 1.1 |  |  |  |  |  |
| Administered expenses |  | - | 446 | 470 | 340 | 335 |
| Departmental expenses |  | - | 4,666 | 1,201 | 692 | 272 |
| **Total** |  | **-** | **5,112** | **1,671** | **1,032** | **607** |
| Disability Support Pension — aligning suspension periods for imprisoned recipients (c) | 1.1 |  |  |  |  |  |
| Administered expenses |  | - | 8 | 66 | 140 | 197 |
| Departmental expenses |  | - | - | - | - | - |
| **Total** |  | **-** | **8** | **66** | **140** | **197** |
| Encouraging Self-Sufficiency for Newly Arrived Migrants — extension (c) | 1.1 |  |  |  |  |  |
| Administered expenses |  | - | - | - | - | (5,181) |
| Departmental expenses |  | - | - | - | - | - |
| **Total** |  | **-** | **-** | **-** | **-** | **(5,181)** |
| More Choices for a Longer Life — jobs and skills for mature age Australians (d) | 1.1 |  |  |  |  |  |
| Administered expenses |  | - | 14,222 | 15,033 | 6,117 | 4,927 |
| Departmental expenses |  | - | 3,772 | 2,097 | 985 | - |
| **Total** |  | **-** | **17,994** | **17,130** | **7,102** | **4,927** |
| Online Employment Services Trial (e) | 1.1 |  |  |  |  |  |
| Administered expenses |  | - | - | - | - | - |
| Departmental expenses |  | - | - | - | - | - |
| **Total** |  | **-** | **-** | **-** | **-** | **-** |
| Protecting Your Super Package — changes to insurance in superannuation (f) | 1.1 |  |  |  |  |  |
| Administered expenses |  | - | - | 377 | 1,683 | 2,969 |
| Departmental expenses |  | - | - | - | - | - |
| **Total** |  | **-** | **-** | **377** | **1,683** | **2,969** |
| Regional Employment Trials Program — establishment | 1.1 |  |  |  |  |  |
| Administered expenses |  | - | - | - | - | - |
| Departmental expenses |  | - | 2,753 | 1,718 | 234 | - |
| **Total** |  | **-** | **2,753** | **1,718** | **234** | **-** |

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

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | Program | 2017–18 $'000 | 2018–19 $'000 | 2019–20 $'000 | 2020–21 $'000 | 2021–22 $'000 |
| Streamlining Services for Refugees | 1.1 |  |  |  |  |  |
| Administered expenses |  | - | (5,385) | (17,351) | (22,347) | (26,242) |
| Departmental expenses |  | - | 66 | - | - | - |
| **Total** |  | **-** | **(5,319)** | **(17,351)** | **(22,347)** | **(26,242)** |
| Transition to Work — additional places | 1.1 |  |  |  |  |  |
| Administered expenses |  | - | 10,393 | (1,328) | (10,728) | (19,008) |
| Departmental expenses |  | - | - | - | - | - |
| **Total** |  | **-** | **10,393** | **(1,328)** | **(10,728)** | **(19,008)** |
| Youth Employment Body — establishment | 1.1 |  |  |  |  |  |
| Administered expenses |  | - | - | - | - | - |
| Departmental expenses |  | - | - | - | - | - |
| **Total** |  | **-** | **-** | **-** | **-** | **-** |
| **Total expense measures** | 1.1 |  |  |  |  |  |
| Administered |  | - | 19,684 | (2,733) | (24,795) | (42,003) |
| Departmental |  | - | 11,257 | 5,016 | 1,911 | 272 |
| **Total** |  | **-** | **30,941** | **2,283** | **(22,884)** | **(41,731)** |
| **Capital measures** |  |  |  |  |  |  |
| Community Development Program —reform (b) | 1.1 |  |  |  |  |  |
| Administered capital |  | - | - | - | - | - |
| Departmental capital |  | - | 8,015 | - | - | - |
| **Total** |  | **-** | **8,015** | **-** | **-** | **-** |
| More Choices for a Longer Life — jobs and skills for mature age Australians (d) | 1.1 |  |  |  |  |  |
| Administered capital |  | - | - | - | - | - |
| Departmental capital |  | - | 3,294 | - | - | - |
| **Total** |  | **-** | **3,294** | **-** | **-** | **-** |
| Regional Employment Trials Program — establishment | 1.1 |  |  |  |  |  |
| Administered capital |  | - | - | - | - | - |
| Departmental capital |  | - | 345 | - | - | - |
| **Total** |  | **-** | **345** | **-** | **-** | **-** |
| Streamlining Services for Refugees | 1.1 |  |  |  |  |  |
| Administered capital |  | - | - | - | - | - |
| Departmental capital |  | - | 372 | - | - | - |
| **Total** |  | **-** | **372** | **-** | **-** | **-** |
| **Total capital measures** |  |  |  |  |  |  |
| Administered |  | - | - | - | - | - |
| Departmental |  | - | 12,026 | - | - | - |
| **Total** |  | **-** | **12,026** | **-** | **-** | **-** |

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

1. The full measure description and package details appear in *Budget Paper No. 2* under the Jobs and Innovation portfolio.
2. The lead entity for this measure is the Department of the Prime Minister and Cabinet. The full measure description and package details appear in *Budget Paper No. 2* under the Prime Minister and Cabinet portfolio.
3. The lead entity for this measure is the Department of Social Services. The full measure description and package details appear in *Budget Paper No. 2* under the Social Services portfolio.
4. Refer to the Jobs and Small Business 2017–18 Portfolio Supplementary Additional Estimates Statements for 2017–18 financial year, and to the 2018–19 *Budget Paper No. 2* for the full measure impact.
5. Measure relates to decision made post MYEFO and published in Table 1.2 of the Jobs and Small Business 2017–18 Portfolio Additional Estimates Statements as measure title *Digital Employment Services — Pilot*.
6. The lead entity for this measure is the Department of the Treasury. The full measure description and package details appear in *Budget Paper No. 2* under the Treasury portfolio.

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

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

## Section 2: Outcomes and planned performance

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

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

**Note:**

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

The most recent corporate plan for the Department of Jobs and Small Business can be found at www.jobs.gov.au/about-department.

The most recent annual performance statement can be found at: www.jobs.gov.au/annual-report-2016-17/part-3-annual-performance-statement.

### 2.1 Budgeted expenses and performance for Outcome 1

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

#### Linked programs

| **Department of Human Services** |
| --- |
| **Programs**   * Program 1.1—Services to the Community—Social Security and Welfare |
| **Contribution to Outcome 1 made by linked program**  The Department of Human Services makes payments on behalf of the Department of Jobs and Small Business. |
| **Department of Social Services** |
| **Programs**   * Program 1.10—Working Age Payments |
| **Contribution to Outcome 1 made by linked program**  The jobactive program is closely linked to the Social Services portfolio through providing means in which job seekers receiving working age income support can meet their mutual obligation requirements and also providing services to help those job seekers to find work. |

#### Budgeted expenses for Outcome 1

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

Table 2.1.1: Budgeted expenses for Outcome 1

|  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Outcome 1: Foster a productive and competitive labour market through employment policies and programs that assist job seekers into work, meet employer needs and increase Australia’s workforce participation.** | | | | | | | | | | | |
|  | 2017–18 Estimated actual $'000 | | 2018–19 Budget  $'000 | | 2019–20 Forward estimate $'000 | | 2020–21 Forward estimate $'000 | | 2021–22 Forward estimate $'000 | |
| **Program 1.1: Employment Services** | | | | | | | | | | | |
| Administered expenses | |  | |  | |  | |  | |  | |
| jobactive | | 1,537,326 | | 1,369,674 | | 1,276,403 | | 1,261,753 | | 1,278,052 | |
| Empowering YOUth Initiatives | | 17,600 | | 5,050 | | 50 | | - | | - | |
| Entrepreneurship Facilitators | | - | | 2,733 | | 5,027 | | 5,027 | | 4,927 | |
| Job Commitment Bonus | | 16 | | - | | - | | - | | - | |
| Jobs Communication Campaign | | 6,000 | | 14,000 | | 7,810 | | - | | - | |
| ParentsNext | | 21,567 | | 84,702 | | 86,206 | | 90,131 | | 89,977 | |
| Regional Employment Trials | | - | | 6,472 | | 6,871 | | - | | - | |
| Seasonal Worker Programme | | 1,724 | | - | | - | | - | | - | |
| Skills and Training Incentive | | - | | 3,598 | | 6,535 | | 3,190 | | - | |
| Time to Work | | 616 | | 3,257 | | 3,257 | | 3,401 | | - | |
| Transition to Work | | 101,108 | | 135,048 | | 136,938 | | 137,981 | | 137,127 | |
| **Administered total** | | 1,685,957 | | 1,624,534 | | 1,529,097 | | 1,501,483 | | 1,510,083 | |
| **Total expenses for Program 1.1** | | **1,685,957** | | **1,624,534** | | **1,529,097** | | **1,501,483** | | **1,510,083** | |
| **Outcome 1 Totals by appropriation type** | | | | | | | | | | | |
| Administered expenses | |  | |  | |  | |  | |  | |
| Ordinary annual services (Appropriation Bill No. 1) | | 1,685,957 | | 1,624,534 | | 1,529,097 | | 1,501,483 | | 1,510,083 | |
| **Administered total** | | 1,685,957 | | 1,624,534 | | 1,529,097 | | 1,501,483 | | 1,510,083 | |
| Departmental expenses | |  | |  | |  | |  | |  | |
| Departmental appropriation | | 231,447 | | 235,505 | | 224,679 | | 220,580 | | 219,492 | |
| s74 retained revenue receipts (a) | | 39,508 | | 39,996 | | 34,456 | | 34,206 | | 34,206 | |
| Expenses not requiring appropriation in the Budget year (b) | | 28,965 | | 33,342 | | 32,494 | | 30,650 | | 29,407 | |
| **Departmental total** | | 299,920 | | 308,843 | | 291,629 | | 285,436 | | 283,105 | |
| **Total expenses for Outcome 1** | | **1,985,877** | | **1,933,377** | | **1,820,726** | | **1,786,919** | | **1,793,188** | |
|  |  | |  | |  | |  | |  | |
|  | 2017–18 | | 2018–19 | |  | |  | |  | |
| **Average staffing level (number)** | 1,495 | | 1,468 | |  | |  | |  | |

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

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

Table 2.1.2: Performance criteria for Outcome 1

Table 2.1.2 below details the performance criteria for each program associated with Outcome 1. It also summarises how each program is delivered and where 2018–19 Budget measures have created new programs or materially changed existing programs.

| Outcome 1—Foster a productive and competitive labour market through employment policies and programs that assist job seekers into work, meet employer needs and increase Australia’s workforce participation. | | |
| --- | --- | --- |
| **Program 1.1**—**Employment services**  The Australian Government’s employment services system has four key objectives. These are to: help job seekers to find and keep a job, help job seekers move from welfare to work, help job seekers meet their mutual obligations, and that employment services providers deliver quality services. The objectives of Program 1.1 contribute to Outcome 1 by helping job seekers move into employment. | | |
| **Purpose** | Our role is to deliver policies and programs that foster safe, fair and productive workplaces of all sizes, assisting job seekers to find work and small businesses to grow.[[1]](#footnote-1) | |
| **Delivery** | jobactive services include:   * assisting job seekers to find and keep a job and ensuring employers are provided with job seekers who meet their business needs * Work for the Dole and the National Work Experience Programme which provide work-like activities for job seekers to help build skills, confidence and experience to improve their job prospects and develop their employability skills * New Enterprise Incentive Scheme which encourages entrepreneurship and  self-employment through providing nationally accredited training, mentoring and business advice to assist participants to start and manage their own small businesses, and * Harvest Labour Services and the National Harvest Labour Information Service which connect workers with employers in harvesting areas across Australia.   From 1 July 2018 the Online Employment Services Trial will test an online  self-service platform that will activate and support job seekers to find work. The trial will involve 5,000 job-ready people a year for two years. The pilot will be offered to new job seekers registering for jobactive who are job-ready and do not require any specialised assistance.  The Time to Work Employment Service provides in-prison employment services to Aboriginal and Torres Strait Islander prisoners. This ensures access to support they need upon release to better prepare them to find employment and reintegrate back into the community.  The two-year Seasonal Work Incentives for Job Seekers Trial supports employers to meet their seasonal labour needs by encouraging job seekers in employment services to undertake eligible seasonal horticultural work.  Transition to Work provides intensive, pre-employment support to improve the  work-readiness of young people and help them into work (including apprenticeships and traineeships) or education. From 1 July 2018, funding will be demand-driven.  The Youth Jobs PaTH for young job seekers under 25 years of age supports young people to gain the skills and work experience they need to get and keep a job. This pathway has three elements:   * Prepare: Employability Skills Training to enhance young people’s basic employability skills. * Trial: Up to 30,000 intern placements each year for young people to help them gain real work experience in Australian businesses and demonstrate their skills to potential employers. * Hire: Provides a Youth Bonus wage subsidy of up to $10,000 paid over six months to employers who hire young job seekers aged 15–24 years of age with barriers to employment. A wage subsidy of up to $6,500 is also available for the most job-ready young job seekers.   Empowering YOUth Initiatives support new, innovative approaches to help  long-term unemployed young people aged 15 to 24 years to improve their skills and move toward sustainable employment.  ParentsNext helps eligible parents to plan and prepare for employment by the time their youngest child reaches school age. ParentsNext providers work with parents to help them to identify their education and employment goals, develop a pathway to achieve their goals, and link them to activities and services in the local community.  The Career Transition Assistance Program helps mature age job seekers become more competitive in their local labour market. It will be rolled out nationally and eligibility expanded from July 2019.  The Launch into Work Program trials pre-employment projects that provide training, mentoring, work experience and guaranteed employment to all participants who successfully complete the project. Projects select job seekers based on their values and attributes and train them for specific roles within a business and/or industry.  From 1 July 2018, up to 10 Pathway to Work pilots will assist people looking for work, particularly those facing barriers such as mature age Australians, to prepare and train for vacancies in specific industries.  The Stronger Transitions package supports workers who are to be retrenched, or have been retrenched, to transition into new jobs. The package will operate in five regions impacted by structural change.  The More Choices for a Longer Life Package introduces a new Skills and Training Incentive, 20 additional Entrepreneurship Facilitators in selected locations, a range of Job Change initiatives to help older Australians facing retrenchment, a Collaborative Partnership on Mature Age Employment, and new funding arrangements for wage subsidies to ensure they continue to be available to employers to encourage them to hire disadvantaged Australians. | |
| **Performance information** | | |
| **Year** | **Performance criteria** | **Targets** |
| 2017–18 | Help job seekers find and keep a job | * Count of job placements (overall): 380,000  **Assessment**: Forecast achievement is not on track * Count of job placements (Indigenous): 38,000  **Assessment**: Forecast achievement is not on track[[2]](#footnote-2) |
|  |  | * Proportion of job placements sustained to 4 weeks (overall): 55% **Assessment**: Forecast achievement is on track * Proportion of job placements sustained to 4 weeks (Indigenous): 55% **Assessment**: Forecast achievement is on track * Proportion of job placements sustained to 12 weeks (overall): 45% **Assessment**: Forecast achievement is on track * Proportion of job placements sustained to 12 weeks (Indigenous): 45% **Assessment**: Forecast achievement is on track * Proportion of job placements sustained to 26 weeks (overall): 25% **Assessment**: Forecast achievement is on track * Proportion of job placements sustained to 26 weeks (Indigenous): 25% **Assessment**: Forecast achievement is on track * Proportion of job seekers employed three months following participation in employment services  Stream A: 55%  Stream B: 35%  Stream C: 25%  Overall: 45% **Assessment**: Forecast achievement is on track |
|  | Help job seekers move from welfare to work | * Proportion of job seekers moving off income support, or with reduced reliance on income support, six months after participation in jobactive: 40%  **Assessment**: Forecast achievement is on track |
|  | Help job seekers meet their mutual obligations | * Proportion of Work for the Dole participants who report increased motivation to find a job: 75% **Assessment**: Forecast achievement is on track * Proportion of Provider appointments attended: 90% **Assessment**: Forecast achievement is not on track * Proportion of job seekers (with Mutual Obligation requirements) who are actively looking for work: 95% **Assessment**: Forecast achievement on track |
|  | jobactive organisations deliver quality services | * Proportion of employers satisfied with the assistance provided by a jobactive organisation: 80%  **Assessment**: Forecast achievement is on track * Proportion of jobactive providers that meet their service level requirements: 80%  **Assessment**: Forecast achievement is on track |
|  | jobactive—overall program performance | * $2,500 cost per employment outcome **Assessment**: Forecast achievement is on track |
|  | Help young people move into work or education (Transition to Work)[[3]](#footnote-3) | * Proportion of placements sustained to a 12 week Employment or Hybrid Outcome, or a 26 week Education Outcome: 65%  **Assessment**: Forecast achievement is on track * Proportion of placements that are converted to Sustainability Outcomes: 40% **Assessment**: Forecast achievement is on track * Proportion of Transition to Work participants moving off income support, with reduced reliance on income support, or on to Youth Allowance (student) six months after participation in the service: 30% **Assessment**: Forecast achievement is on track |
| 2018–19 | Help job seekers find and keep a job | * Proportion of job placements sustained to 26 weeks (overall): 30% * Proportion of job placements sustained to 26 weeks (Indigenous): 30% * Proportion of job seekers employed three months after accessing jobactive services (some will still be accessing jobactive and some will have exited)   Stream A 55%  Stream B 40%  Stream C 25%  Overall 45% |
|  | Help job seekers move from welfare to work | * Proportion of job seekers moving off income support, or with reduced reliance on income support, six months after participation in jobactive: 40% |
|  | Help job seekers meet their mutual obligations | * Proportion of Work for the Dole participants who report increased motivation to find a job: 75% * Proportion of Provider appointments attended: 90% * Proportion of job seekers (with Mutual Obligation requirements) who are actively looking for work: 98% |
|  | jobactive providers deliver quality services | * Proportion of employers satisfied with the assistance provided by a jobactive organisation: 80% * Proportion of assessed commitments met by jobactive providers: 80% |
|  | jobactive—overall program measure | * Cost per employment outcome: $2,500 |
|  | New Enterprise Incentive Scheme (NEIS)—help people to create their own job through self-employment | * Proportion of NEIS participants off income support or working 20 hours per week three months after participating in and exiting NEIS: 68% |
|  | ParentsNext—support parents to build their work readiness | * Proportion of ParentsNext participants who are in a current activity: 80% |
|  | Transition to Work—help young people move into work or education | * Proportion of placements sustained to a 12 week Employment or Hybrid Outcome, or a 26 week Education Outcome**:** 65% * Proportion of placements that are converted to Sustainability Outcomes: 40% * Proportion of Transition to Work participants moving off income support, with reduced reliance on income support, or on to Youth Allowance (student) six months after participation in the service: 30% |
|  | Time to Work Employment Service | * Proportion of eligible prisoners that participate in the service: 50% * Proportion of participants that complete a facilitated transfer from their in-prison service provider to their post-release employment service provider: 60% |
| 2019–20 and beyond | As per 2018–19 | As per 2018–19 |
| **Material changes to Program 1.1 resulting from the following measures:**   * More Choices for a Longer Life — jobs and skills for mature age Australians * Regional Employment Trials Program—establishment * Streamlining Services for Refugees | | |

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

### 2.2 Budgeted expenses and performance for Outcome 2

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

#### Program changes

Figure 2: Changes to the program structure for Outcome 2 since the last Portfolio Budget Statement

|  |  |  |
| --- | --- | --- |
| **Program No.** | **Program title** | **Description of change** |
| 2.3 | Small Business Support | New program created for small business functions transferred to the department following the AAO of 20 December 2017. |

#### Budgeted expenses for Outcome 2

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

Table 2.2.1: Budgeted expenses for Outcome 2

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Outcome 2: Facilitate jobs growth through policies and programs that promote fair, productive and safe workplaces, and facilitate the growth of small business.** | | | | | |
|  | 2017–18 Estimated actual $'000 | 2018–19 Budget  $'000 | 2019–20 Forward estimate $'000 | 2020–21 Forward estimate $'000 | 2021–22 Forward estimate $'000 |
| **Program 2.1: Workplace Support** | | | | | |
| Administered expenses |  |  |  |  |  |
| Fair Entitlements Guarantee | 20,051 | 19,222 | 11,802 | 11,953 | 12,106 |
| General Employee Entitlements and Redundancy Scheme | 18 | - | - | - | - |
| International Labour Organization Subscription | 11,822 | 11,955 | 12,068 | 12,253 | 12,630 |
| Protected Action Ballots Scheme | 1,600 | 1,600 | 1,600 | 1,600 | 1,600 |
| Special appropriations |  |  |  |  |  |
| *Coal Mining Industry (Long Service Leave) Administration Act 1992* | 143,670 | 113,150 | 154,618 | 154,618 | 154,618 |
| *Fair Entitlements Guarantee Act 2012* | 204,637 | 220,766 | 219,370 | 216,642 | 218,401 |
| **Administered total** | 381,798 | 366,693 | 399,458 | 397,066 | 399,355 |
| **Total expenses for Program 2.1** | **381,798** | **366,693** | **399,458** | **397,066** | **399,355** |

Table 2.2.1: Budgeted expenses for Outcome 2 (continued)

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2017–18 Estimated actual $'000 | 2018–19 Budget  $'000 | 2019–20 Forward estimate $'000 | 2020–21 Forward estimate $'000 | 2021–22 Forward estimate $'000 |
| **Program 2.2: Workers' Compensation Payments** | | | | | |
| Administered expenses |  |  |  |  |  |
| Comcare | 6,020 | 5,989 | 5,995 | 6,034 | 6,069 |
| Special appropriations |  |  |  |  |  |
| *Asbestos-related Claims Act 2005* | 24,675 | 29,309 | 27,126 | 28,137 | 28,837 |
| *Safety, Rehabilitation & Compensation Act 1998* | 30,697 | 31,227 | 30,035 | 28,720 | 27,440 |
| **Administered total** | 61,392 | 66,525 | 63,156 | 62,891 | 62,346 |
| **Total expenses for Program 2.2** | **61,392** | **66,525** | **63,156** | **62,891** | **62,346** |
| **Program 2.3: Small Business Support** | | | | | |
| Administered expenses |  |  |  |  |  |
| Small Business Advisory Services | 4,706 | 5,994 | 6,292 | 5,974 | 6,278 |
| **Administered total** | 4,706 | 5,994 | 6,292 | 5,974 | 6,278 |
| **Total expenses for Program 2.3** | **4,706** | **5,994** | **6,292** | **5,974** | **6,278** |
| **Outcome 2 Totals by appropriation type** | | | | | |
| Administered expenses |  |  |  |  |  |
| Ordinary annual services (Appropriation Bill No. 1) | 44,217 | 44,760 | 37,757 | 37,814 | 38,683 |
| Special appropriations | 403,679 | 394,452 | 431,149 | 428,117 | 429,296 |
| **Administered total** | 447,896 | 439,212 | 468,906 | 465,931 | 467,979 |
| Departmental expenses |  |  |  |  |  |
| Departmental appropriation | 79,383 | 82,710 | 82,447 | 82,986 | 83,221 |
| s74 Retained revenue receipts (a) | 13,169 | 13,333 | 11,486 | 11,401 | 11,401 |
| Expenses not requiring appropriation in the Budget year (b) | 8,622 | 8,059 | 7,484 | 7,132 | 6,921 |
| **Departmental total** | 101,174 | 104,102 | 101,417 | 101,519 | 101,543 |
| **Total expenses for Outcome 2** | **549,070** | **543,314** | **570,323** | **567,450** | **569,522** |
|  |  |  |  |  |  |
|  | 2017–18 | 2018–19 |  |  |  |
| **Average staffing level (number)** | 470 | 484 |  |  |  |

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

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

Table 2.2.2: Performance criteria for Outcome 2

Table 2.2.2 below details the performance criteria for each program associated with Outcome 2. It also summarises how each program is delivered and where 2018–19 Budget measures have created new programs or materially changed existing programs.

| Outcome 2—Facilitate jobs growth through policies and programs that promote fair, productive and safe workplaces, and facilitate the growth of small business. | | |
| --- | --- | --- |
| **Program 2.1**—**Workplace Support**  Contributes to Outcome 2 through:   * the promotion of fair workplaces by ensuring the protection of employee entitlements in certain circumstances, and * ensuring the efficient operation of the workplace relations system through initiatives designed to encourage employers and employees to adopt fair, productive, flexible and safe workplace relations. | | |
| **Purpose** | Our role is to deliver policies and programs that foster safe, fair and productive workplaces of all sizes, assisting job seekers to find work and small businesses to grow.[[4]](#footnote-4) | |
| **Delivery** | Program 2.1 delivers two services to promote fair workplaces by ensuring the protection of employee entitlements in certain circumstances:   * Fair Entitlements Guarantee—established under the *Fair Entitlements Guarantee Act 2012* to provide financial assistance for certain unpaid employment entitlements when an employee loses their job through the liquidation or bankruptcy of their employer. * *Coal Mining Industry (Long Service Leave) Administration Act 1992* financing arrangements—under this Act the cost of portable long service leave entitlements is managed through a central fund administered by the Coal Mining Industry (Long Service Leave Funding) Corporation. Monthly levy collection transfers are made from the consolidated revenue fund to the central fund.[[5]](#footnote-5)   The Program contributes to the Government’s productivity agenda by ensuring the operation of the workplace relations system through initiatives designed to encourage employers and employees to adopt fair, productive, flexible and safe workplace relations, including the:   * Protected Action Ballots Scheme—costs incurred by the Australian Electoral Commission in relation to protected action ballots. A protected action ballot is a statutory prerequisite to protected industrial action under the Fair Work Act.[[6]](#footnote-6)   International Labour Organization (ILO)—the Australian Government’s annual membership subscription to the ILO. The government works with other member states and representatives from employer and employee organisations to: participate in international policy discussions on labour issues, contribute to technical cooperation in the Asia-Pacific region, report on standards at the national level, and participate as a member of the ILO Governing Body.[[7]](#footnote-7) | |
| **Performance information** | | |
| **Year** | **Performance criteria** | **Targets** |
| 2017–18 | Fair Entitlements Guarantee program functions effectively | * Fair Entitlements Guarantee—percentage of claims processed within 16 weeks of receipt of an effective claim: 80% **Assessment**: Forecast Achievement is on track * Fair Entitlements Guarantee—average processing time for all claims: 14 weeks **Assessment**: Forecast Achievement is on track * Fair Entitlements Guarantee—claim payments are correct: 95%  **Assessment**: Forecast Achievement is on track * Fair Entitlements Guarantee—claimants satisfied with the department’s administration of Fair Entitlements Guarantee: 80% **Assessment**: Forecast Achievement is on track * Fair Entitlements Guarantee—insolvency Practitioners satisfied with the administration of Fair Entitlements Guarantee: 80% **Assessment:** Forecast achievement is unknown because data is not yet available |
|  | Commonwealth-funded projects are undertaken by builders accredited by the Office of the Federal Safety Commissioner | * Percentage of accreditation applications assessed and contact made with the applicant within 10 working days: 90% **Assessment:** Forecast achievement is on track   Satisfaction of accredited companies with the service provided by the OFSC: majority rate the level of service as satisfactory or better  **Assessment:** Forecast achievement is on track   * Companies consider that workplace safety has improved due to accreditation: majority of companies say accreditation has improved their safety performance  **Assessment:** Forecast achievement is on track |
| 2018–19 | Fair Entitlements Guarantee program functions effectively | * Fair Entitlements Guarantee—percentage of claims processed within 16 weeks of receipt of an effective claim: 80% * Fair Entitlements Guarantee—average processing time for all claims: 14 weeks * Fair Entitlements Guarantee—claim payments are correct: 95% * Fair Entitlements Guarantee—claimants satisfied with the department’s administration of Fair Entitlements Guarantee: 80% * Fair Entitlements Guarantee—insolvency Practitioners satisfied with the administration of Fair Entitlements Guarantee: 80% |
|  | Commonwealth-funded projects are undertaken by builders accredited by the Office of the Federal Safety Commissioner | * Percentage of accreditation applications assessed and contact made with the applicant within 10 working days: 90% * Satisfaction of accredited companies with the service provided by the OFSC: majority rate the level of service as satisfactory or better * Companies consider that workplace safety has improved due to accreditation: majority of companies say accreditation has improved their safety performance |
| 2019–20 and beyond | As per 2018–19 | As per 2018–19 |
| **Material changes to Program 2.1 resulting from the following measures:**  Nil | | |

| Outcome 2—Facilitate jobs growth through policies and programs that promote fair, productive and safe workplaces, and facilitate the growth of small business. | | | |
| --- | --- | --- | --- |
| **Program 2.2**—**Workers’ compensation payments**  Managed by Comcare and contributes to Outcome 2 by managing the Comcare Workers’ Compensation Scheme.  Further information can be found in the Comcare, the Safety, Rehabilitation and Compensation Commission and the Seafarers Safety, Rehabilitation and Compensation Authority section of this document. | | | |
| Outcome 2—Facilitate jobs growth through policies and programs that promote fair, productive and safe workplaces, and facilitate the growth of small business. | | | |
| **Program 2.3**—**Small Business Support**  The Australian Small Business Advisory Services (ASBAS) program aims to enhance the capabilities of business advisory service providers to provide low cost, high quality advice to small businesses to build sustainable and productive businesses. The objectives of Program 2.3 contribute to Outcome 2 by facilitating job growth and contributing to the Australian economy. | | | |
| **Purpose** | Our role is to deliver policies and programs that foster safe, fair and productive workplaces of all sizes, assisting job seekers to find work and small businesses to grow.[[8]](#footnote-8) | | |
| **Delivery** | The ASBAS Digital Solutions 2018 program provides grants to business advisory service providers to enhance their capabilities to deliver low cost, high quality digital advisory services to Australian small businesses in metropolitan and regional areas across four priority digital capabilities:   * Websites and selling online. * Social media and digital marketing. * Using small business software. * Online security and data privacy.   Service delivery will run from 2 July 2018 until 30 June 2021. Services will be delivered through a combination of delivery formats, including face to face, video calls online, web-chats, interactive webinars and phone calls. Providers are required to offer services proportionately to the number of small businesses across the metropolitan and regional areas of the states/territories in their coverage areas. | | |
| **Performance information** | | | |
| **Year** | | **Performance criteria** | **Targets** |
| 2017–18 | | N/A | N/A |
| 2018–19 | | Increased access by small businesses to advisory services that support and enhance their digital capabilities | N/A |
| 2019–20 and beyond | | As per 2018–19 | As per 2018–19 |
| **Material changes to Program 2.3 resulting from the following measures:**  Nil | | | |

## Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2018–19 budget year, including the impact of budget measures and resourcing on financial statements.

### 3.1 Budgeted financial statements

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

##### Departmental

The Department of Jobs and Small Business is budgeting for an operating loss equal to the unappropriated depreciation and amortisation expense of $41.0 million for the 2018–19 financial year.

Total revenues are estimated to be $371.5 million and total expenses $412.9 million.

Total assets at the end of the 2018–19 year are estimated to be $357.7 million.

Total liabilities for 2018–19 are estimated at $141.1 million. The largest liability item is accrued employee entitlements.

Movements from 2017–18 to 2018–19 are predominately related to measures and the full year impact of the Machinery of Government changes.

##### Administered

Administered revenues for the 2018–19 budget year are estimated to be $190.5 million, consistent with the 2017–18 estimated actual.

Administered expenses in 2018–19 are estimated to be $2.1 billion, a decrease of $70.1 million from the 2017–18 estimated actual. This decrease is attributable to revised program parameters and impacts from measures.

### 3.2. Budgeted financial statements tables

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2017–18 Estimated actual $'000 | 2018–19 Budget  $'000 | 2019–20 Forward estimate $'000 | 2020–21 Forward estimate $'000 | 2021–22 Forward estimate $'000 |
| **EXPENSES** |  |  |  |  |  |
| Employee benefits | 226,843 | 231,766 | 227,473 | 227,703 | 226,950 |
| Suppliers | 137,074 | 140,188 | 126,005 | 121,880 | 121,780 |
| Depreciation and amortisation (a) | 37,177 | 40,991 | 39,568 | 37,372 | 35,918 |
| **Total expenses** | **401,094** | **412,945** | **393,046** | **386,955** | **384,648** |
| **LESS:** |  |  |  |  |  |
| **OWN-SOURCE INCOME** |  |  |  |  |  |
| **Own-source revenue** |  |  |  |  |  |
| Sale of goods and rendering of services | 52,677 | 53,329 | 45,942 | 45,607 | 45,607 |
| External Audit | 410 | 410 | 410 | 410 | 410 |
| **Total own-source revenue** | **53,087** | **53,739** | **46,352** | **46,017** | **46,017** |
| **Gains** |  |  |  |  |  |
| Other | - | - | - | - | - |
| **Total gains** | **-** | **-** | **-** | **-** | **-** |
| **Total own-source income** | **53,087** | **53,739** | **46,352** | **46,017** | **46,017** |
| **Net (cost of)/contribution by services** | **(348,007)** | **(359,206)** | **(346,694)** | **(340,938)** | **(338,631)** |
| Revenue from Government | 310,830 | 318,215 | 307,126 | 303,566 | 302,713 |
| **Surplus/(deficit) attributable to the  Australian Government** | **(37,177)** | **(40,991)** | **(39,568)** | **(37,372)** | **(35,918)** |
| **OTHER COMPREHENSIVE INCOME** |  |  |  |  |  |
| Changes in asset revaluation surplus | - | - | **-** | **-** | **-** |
| **Total other comprehensive income** | **-** | **-** | **-** | **-** | **-** |
| **Total comprehensive income/(loss)** | **(37,177)** | **(40,991)** | **(39,568)** | **(37,372)** | **(35,918)** |
| **Total comprehensive income/(loss) attributable to the Australian Government** | **(37,177)** | **(40,991)** | **(39,568)** | **(37,372)** | **(35,918)** |

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Note: Impact of net cash appropriation arrangements** | | |  | |  | |  | |
|  | 2017–18 $'000 | 2018–19 $'000 | | 2019–20 $'000 | | 2020–21 $'000 | | 2021–22 $'000 | |
| **Total comprehensive income/(loss) excluding depreciation/amortisation expenses previously funded through revenue appropriations** | **-** | **-** | | **-** | | **-** | | **-** | |
| less depreciation/amortisation expenses previously funded through revenue appropriations (a) | 37,177 | 40,991 | | 39,568 | | 37,372 | | 35,918 | |
| **Total comprehensive income/(loss)—as per the statement of comprehensive income** | **(37,177)** | **(40,991)** | | **(39,568)** | | **(37,372)** | | **(35,918)** | |

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

Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2017–18 Estimated actual $'000 | 2018–19 Budget  $'000 | 2019–20 Forward estimate $'000 | 2020–21 Forward estimate $'000 | 2021–22 Forward estimate $'000 |
| **ASSETS** |  |  |  |  |  |
| **Financial assets** |  |  |  |  |  |
| Cash and cash equivalents | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 |
| Trade and other receivables | 154,384 | 153,209 | 150,878 | 150,936 | 150,939 |
| Other financial assets | 898 | 898 | 898 | 898 | 898 |
| ***Total financial assets*** | ***157,282*** | ***156,107*** | ***153,776*** | ***153,834*** | ***153,837*** |
| **Non-financial assets** |  |  |  |  |  |
| Leasehold improvements | 24,098 | 23,640 | 23,275 | 22,987 | 22,710 |
| Property, plant and equipment | 31,991 | 28,856 | 26,799 | 27,411 | 27,840 |
| Intangibles | 128,445 | 131,887 | 121,651 | 114,247 | 108,125 |
| Other non-financial assets | 17,162 | 17,162 | 17,162 | 17,162 | 17,162 |
| ***Total non-financial assets*** | ***201,696*** | ***201,545*** | ***188,887*** | ***181,807*** | ***175,837*** |
| **Total assets** | **358,978** | **357,652** | **342,663** | **335,641** | **329,674** |
| **LIABILITIES** |  |  |  |  |  |
| **Payables** |  |  |  |  |  |
| Suppliers | 44,601 | 45,041 | 45,075 | 45,075 | 45,075 |
| Other payables | 24,490 | 22,175 | 19,765 | 19,766 | 19,766 |
| ***Total payables*** | ***69,091*** | ***67,216*** | ***64,840*** | ***64,841*** | ***64,841*** |
| **Provisions** |  |  |  |  |  |
| Employee provisions | 73,099 | 73,799 | 73,844 | 73,901 | 73,904 |
| Other provisions | 52 | 52 | 52 | 52 | 52 |
| ***Total provisions*** | ***73,151*** | ***73,851*** | ***73,896*** | ***73,953*** | ***73,956*** |
| **Total liabilities** | **142,242** | **141,067** | **138,736** | **138,794** | **138,797** |
| **Net assets** | **216,736** | **216,585** | **203,927** | **196,847** | **190,877** |
| **EQUITY\*** |  |  |  |  |  |
| **Parent entity interest** |  |  |  |  |  |
| Contributed equity | 334,139 | 374,979 | 401,889 | 432,181 | 462,129 |
| Reserves | 10,252 | 10,252 | 10,252 | 10,252 | 10,252 |
| Retained surplus (accumulated deficit) | (124,976) | (165,967) | (205,535) | (242,907) | (278,825) |
| ***Total parent entity interest*** | ***219,415*** | ***219,264*** | ***206,606*** | ***199,526*** | ***193,556*** |
| **Total equity** | **219,415** | **219,264** | **206,606** | **199,526** | **193,556** |

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

Prepared on Australian Accounting Standards basis.

Table 3.3: Departmental statement of changes in equity—summary of movement (Budget year 2018–19)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | Retained earnings  $'000 | Asset revaluation reserve $'000 | Contributed equity/ capital $'000 | Total equity   $'000 |
| **Opening balance as at 1 July 2018** |  |  |  |  |
| Balance carried forward from previous period | (124,976) | 10,252 | 334,139 | 219,415 |
| Adjustment for changes in accounting policies | - | - | - | - |
| ***Adjusted opening balance*** | ***(124,976)*** | ***10,252*** | ***334,139*** | ***219,415*** |
| **Comprehensive income** |  |  |  |  |
| Other comprehensive income | - | - | - | - |
| Surplus/(deficit) for the period | (40,991) | - | - | (40,991) |
| ***Total comprehensive income*** | ***(40,991)*** | ***-*** | ***-*** | ***(40,991)*** |
| of which: |  |  |  |  |
| Attributable to the Australian Government | (40,991) | - | - | (40,991) |
| **Transactions with owners** |  |  |  |  |
| ***Contributions by owners*** |  |  |  |  |
| Equity injection—Appropriation | - | - | 16,390 | 16,390 |
| Departmental Capital Budget (DCB) | - | - | 24,450 | 24,450 |
| ***Sub-total transactions with owners*** | ***-*** | ***-*** | ***40,840*** | ***40,840*** |
| Transfers between equity components | - | - | - | - |
| **Estimated closing balance as at 30 June 2019** | **(165,967)** | **10,252** | **374,979** | **219,264** |
| Less: non-controlling interests | - | - | - | - |
| **Closing balance attributable to the Australian Government** | **(165,967)** | **10,252** | **374,979** | **219,264** |

Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2017–18 Estimated actual $'000 | 2018–19 Budget  $'000 | 2019–20 Forward estimate $'000 | 2020–21 Forward estimate $'000 | 2021–22 Forward estimate $'000 |
| **OPERATING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Appropriations | 310,598 | 318,574 | 308,642 | 303,508 | 302,710 |
| Sale of goods and rendering of services | 52,744 | 54,145 | 46,757 | 45,607 | 45,607 |
| Net GST received | 13,707 | 14,019 | 12,601 | 12,189 | 12,178 |
| ***Total cash received*** | ***377,049*** | ***386,738*** | ***368,000*** | ***361,304*** | ***360,495*** |
| **Cash used** |  |  |  |  |  |
| Employees | 226,853 | 230,987 | 227,445 | 227,645 | 226,947 |
| Suppliers | 100,508 | 105,068 | 95,941 | 89,380 | 89,269 |
| s74 Retained revenue receipts transferred to OPA | 51,349 | 50,683 | 44,614 | 44,279 | 44,279 |
| ***Total cash used*** | ***378,710*** | ***386,738*** | ***368,000*** | ***361,304*** | ***360,495*** |
| **Net cash from/(used by) operating activities** | **(1,661)** | **-** | **-** | **-** | **-** |
| **INVESTING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Proceeds from sales of property, plant and equipment | - | - | - | - | - |
| ***Total cash received*** | ***-*** | ***-*** | ***-*** | ***-*** | ***-*** |
| **Cash used** |  |  |  |  |  |
| Purchase of property, plant and equipment and intangibles | 71,655 | 40,840 | 26,910 | 30,292 | 29,948 |
| ***Total cash used*** | ***71,655*** | ***40,840*** | ***26,910*** | ***30,292*** | ***29,948*** |
| **Net cash from/(used by) investing activities** | **(71,655)** | **(40,840)** | **(26,910)** | **(30,292)** | **(29,948)** |
| **FINANCING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Contributed equity | 71,655 | 40,840 | 26,910 | 30,292 | 29,948 |
| ***Total cash received*** | ***71,655*** | ***40,840*** | ***26,910*** | ***30,292*** | ***29,948*** |
| **Cash used** |  |  |  |  |  |
| Other | - | - | - | - | - |
| ***Total cash used*** | ***-*** | ***-*** | ***-*** | ***-*** | ***-*** |
| **Net cash from/(used by) financing activities** | **71,655** | **40,840** | **26,910** | **30,292** | **29,948** |
| **Net increase/(decrease) in cash held** | **(1,661)** | **-** | **-** | **-** | **-** |
| Cash and cash equivalents at the beginning of the reporting period | 3,661 | 2,000 | 2,000 | 2,000 | 2,000 |
| **Cash and cash equivalents at the end of the reporting period** | **2,000** | **2,000** | **2,000** | **2,000** | **2,000** |

Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2017–18 Estimated actual $'000 | 2018–19 Budget  $'000 | 2019–20 Forward estimate $'000 | 2020–21 Forward estimate $'000 | 2021–22 Forward estimate $'000 |
| **NEW CAPITAL APPROPRIATIONS** |  |  |  |  |  |
| Capital budget—Bill 1 (DCB) | 31,306 | 24,450 | 26,396 | 29,774 | 29,948 |
| Equity injections—Bill 2 | 40,349 | 16,390 | 514 | 518 | - |
| **Total new capital appropriations** | **71,655** | **40,840** | **26,910** | **30,292** | **29,948** |
| ***Provided for:*** |  |  |  |  |  |
| *Purchase of non-financial assets* | *71,655* | *40,840* | *26,910* | *30,292* | *29,948* |
| ***Total items*** | ***71,655*** | ***40,840*** | ***26,910*** | ***30,292*** | ***29,948*** |
| **PURCHASE OF NON-FINANCIAL ASSETS** |  |  |  |  |  |
| Funded by capital appropriations (a) | 40,349 | 16,390 | 514 | 518 | - |
| Funded by capital appropriation—DCB (b) | 31,306 | 24,450 | 26,396 | 29,774 | 29,948 |
| **TOTAL** | **71,655** | **40,840** | **26,910** | **30,292** | **29,948** |
| **RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE** |  |  |  |  |  |
| Total purchases | 71,655 | 40,840 | 26,910 | 30,292 | 29,948 |
| **Total cash used to acquire assets** | **71,655** | **40,840** | **26,910** | **30,292** | **29,948** |

1. Includes both current Bill 2 and prior Act 2/4/6 appropriations.
2. Does not include annual finance lease costs. Includes purchases from current and previous years’ Departmental Capital Budgets (DCBs).

Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | Leasehold improvements   $'000 | Other property, plant and equipment $'000 | Computer software and intangibles  $'000 | Total    $'000 |
| **As at 1 July 2018** |  |  |  |  |
| Gross book value | 33,259 | 46,944 | 205,008 | 285,211 |
| Accumulated depreciation/amortisation and impairment | (9,161) | (14,953) | (76,563) | (100,677) |
| **Opening net book balance** | **24,098** | **31,991** | **128,445** | **184,534** |
| **Capital asset additions** |  |  |  |  |
| **Estimated expenditure on new or replacement assets** |  |  |  |  |
| By purchase—appropriation equity (a) | 4,846 | 3,626 | 32,368 | 40,840 |
| **Total additions** | **4,846** | **3,626** | **32,368** | **40,840** |
| **Other movements** |  |  |  |  |
| Depreciation/amortisation expense | (5,304) | (6,761) | (28,926) | (40,991) |
| **Total other movements** | **(5,304)** | **(6,761)** | **(28,926)** | **(40,991)** |
| **As at 30 June 2019** |  |  |  |  |
| Gross book value | 38,105 | 50,570 | 237,376 | 326,051 |
| Accumulated depreciation/amortisation and impairment | (14,465) | (21,714) | (105,489) | (141,668) |
| **Closing net book balance** | **23,640** | **28,856** | **131,887** | **184,383** |

1. ‘Appropriation equity’ refers to equity injections appropriations provided through Appropriation Bill (No. 2) 2018–19.

Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2017–18 Estimated actual $'000 | 2018–19 Budget  $'000 | 2019–20 Forward estimate $'000 | 2020–21 Forward estimate $'000 | 2021–22 Forward estimate $'000 |
| **EXPENSES** |  |  |  |  |  |
| Suppliers | 1,382,784 | 1,407,129 | 1,352,665 | 1,322,901 | 1,304,843 |
| Subsidies | 341,782 | 257,058 | 254,603 | 257,118 | 284,289 |
| Personal benefits | 302,983 | 321,255 | 320,707 | 318,049 | 319,808 |
| Grants | 99,642 | 71,673 | 63,391 | 62,670 | 62,411 |
| Write-down and impairment of assets | 642 | 642 | 642 | 642 | 642 |
| Payments to corporate entities | 6,020 | 5,989 | 5,995 | 6,034 | 6,069 |
| **Total expenses administered on behalf   of Government** | **2,133,853** | **2,063,746** | **1,998,003** | **1,967,414** | **1,978,062** |
| **LESS:** |  |  |  |  |  |
| **OWN-SOURCE INCOME** |  |  |  |  |  |
| **Own-source revenue** |  |  |  |  |  |
| **Taxation revenue** |  |  |  |  |  |
| Other taxes | 143,670 | 113,150 | 154,618 | 154,618 | 154,618 |
| ***Total taxation revenue*** | ***143,670*** | ***113,150*** | ***154,618*** | ***154,618*** | ***154,618*** |
| **Non-taxation revenue** |  |  |  |  |  |
| Recoveries | 70,612 | 74,126 | 76,100 | 78,156 | 78,156 |
| Other revenue | 3,190 | 3,190 | 3,190 | 3,190 | 3,190 |
| ***Total non-taxation revenue*** | ***73,802*** | ***77,316*** | ***79,290*** | ***81,346*** | ***81,346*** |
| **Total own-source revenue administered on behalf of Government** | **217,472** | **190,466** | **233,908** | **235,964** | **235,964** |
| **Total own-sourced income administered on behalf of Government** | **217,472** | **190,466** | **233,908** | **235,964** | **235,964** |
| **Net cost of/contribution by services** | **1,916,381** | **1,873,280** | **1,764,095** | **1,731,450** | **1,742,098** |
| **Surplus/(deficit) before income tax** | **(1,916,381)** | **(1,873,280)** | **(1,764,095)** | **(1,731,450)** | **(1,742,098)** |
| Income tax expense | - | - | - | - | - |
| **Surplus/(deficit) after income tax** | (1,916,381) | (1,873,280) | (1,764,095) | (1,731,450) | (1,742,098) |
| **OTHER COMPREHENSIVE INCOME** |  |  |  |  |  |
| **Items not subject of subsequent  reclassification to net cost of services** |  |  |  |  |  |
| Changes in asset revaluation surplus | - | - | - | - | - |
| **Total other comprehensive income** | **-** | **-** | **-** | **-** | **-** |
| **Total comprehensive income/(loss)** | **(1,916,381)** | **(1,873,280)** | **(1,764,095)** | **(1,731,450)** | **(1,742,098)** |

Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2017–18 Estimated actual $'000 | 2018–19 Budget  $'000 | 2019–20 Forward estimate $'000 | 2020–21 Forward estimate $'000 | 2021–22 Forward estimate $'000 |
| **ASSETS** |  |  |  |  |  |
| **Financial assets** |  |  |  |  |  |
| Taxation receivables | 10,454 | 10,454 | 10,454 | 10,454 | 10,454 |
| Trade and other receivables | 27,547 | 27,547 | 27,547 | 27,547 | 26,905 |
| Other investments | 346,245 | 346,245 | 346,245 | 346,245 | 346,245 |
| ***Total financial assets*** | ***384,246*** | ***384,246*** | ***384,246*** | ***384,246*** | ***383,604*** |
| **Non-financial assets** |  |  |  |  |  |
| Other non-financial assets | 5,921 | 6,034 | 6,034 | 6,219 | 6,410 |
| ***Total non-financial assets*** | ***5,921*** | ***6,034*** | ***6,034*** | ***6,219*** | ***6,410*** |
| Assets held for sale | - | - | - | - | - |
| **Total assets administered on  behalf of Government** | **390,167** | **390,280** | **390,280** | **390,465** | **390,014** |
| **LIABILITIES** |  |  |  |  |  |
| **Payables** |  |  |  |  |  |
| Suppliers | 80,968 | 80,968 | 80,968 | 80,968 | 80,968 |
| Subsidies | 36,890 | 36,890 | 36,890 | 36,890 | 36,890 |
| Personal benefits | 3,521 | 3,521 | 3,521 | 3,521 | 3,521 |
| Grants | 2,189 | 2,189 | 2,189 | 2,189 | 2,189 |
| Other payables | 2,507,259 | 2,424,122 | 2,374,661 | 2,331,941 | 2,298,371 |
| ***Total payables*** | ***2,630,827*** | ***2,547,690*** | ***2,498,229*** | ***2,455,509*** | ***2,421,939*** |
| **Total liabilities administered on  behalf of Government** | **2,630,827** | **2,547,690** | **2,498,229** | **2,455,509** | **2,421,939** |
| **Net assets/(liabilities)** | **(2,240,660)** | **(2,157,410)** | **(2,107,949)** | **(2,065,044)** | **(2,031,925)** |

Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2017–18 Estimated actual $'000 | 2018–19 Budget  $'000 | 2019–20 Forward estimate $'000 | 2020–21 Forward estimate $'000 | 2021–22 Forward estimate $'000 |
| **OPERATING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Taxes | 143,670 | 113,150 | 154,618 | 154,618 | 154,618 |
| Net GST received | 134,241 | 136,738 | 132,037 | 129,017 | 127,160 |
| Other | 73,802 | 77,316 | 79,290 | 81,346 | 81,346 |
| ***Total cash received*** | ***351,713*** | ***327,204*** | ***365,945*** | ***364,981*** | ***363,124*** |
| **Cash used** |  |  |  |  |  |
| Grant | 99,642 | 71,673 | 63,391 | 62,670 | 62,411 |
| Subsidies paid | 341,782 | 257,058 | 254,603 | 257,118 | 284,289 |
| Personal benefits | 302,983 | 321,255 | 320,707 | 318,049 | 319,808 |
| Suppliers | 1,382,814 | 1,407,242 | 1,352,665 | 1,323,086 | 1,305,034 |
| Payments to corporate entities | 6,020 | 5,989 | 5,995 | 6,034 | 6,069 |
| ***Total cash used*** | ***2,133,241*** | ***2,063,217*** | ***1,997,361*** | ***1,966,957*** | ***1,977,611*** |
| **Net cash from/(used by) operating activities** | **(1,781,528)** | **(1,736,013)** | **(1,631,416)** | **(1,601,976)** | **(1,614,487)** |
| ***Net increase/(decrease) in cash held*** | ***(1,781,528)*** | ***(1,736,013)*** | ***(1,631,416)*** | ***(1,601,976)*** | ***(1,614,487)*** |
| Cash and cash equivalents at beginning of reporting period | 10 | - | - | - | - |
| Cash from Official Public Account for: |  |  |  |  |  |
| – Appropriations | 2,133,261 | 2,063,247 | 1,997,391 | 1,966,987 | 1,977,641 |
| – GST appropriations | 134,241 | 136,738 | 132,037 | 129,017 | 127,160 |
| *Total cash from Official Public Account* | *2,267,502* | *2,199,985* | *2,129,428* | *2,096,004* | *2,104,801* |
| Cash to Official Public Account for: |  |  |  |  |  |
| – Appropriations | (351,743) | (327,234) | (365,975) | (365,011) | (363,154) |
| – Return of GST appropriations | (134,241) | (136,738) | (132,037) | (129,017) | (127,160) |
| *Total cash to Official Public Account* | *(485,984)* | *(463,972)* | *(498,012)* | *(494,028)* | *(490,314)* |
| **Cash and cash equivalents at end of reporting period** | **-** | **-** | **-** | **-** | **-** |

Prepared on Australian Accounting Standards basis.

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

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

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

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

Asbestos Safety and Eradication Agency

Entity resources and planned performance

Asbestos Safety and Eradication Agency

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# Asbestos Safety and Eradication Agency

## Section 1: Entity overview and resources

### 1.1 Strategic direction statement

The Asbestos Safety and Eradication Agency (ASEA) oversees efforts to prevent exposure to asbestos fibres in order to eliminate asbestos-related disease in Australia.

ASEA works with all levels of government and stakeholders to create a nationally consistent approach to asbestos management and awareness to reduce the risks of asbestos-related disease. ASEA provides a national focus on asbestos issues which go beyond workplace safety to encompass environmental, public health and planning issues. The agency is supported by the Asbestos Safety and Eradication Council, which provides advice and makes recommendations to the agency.

ASEA and the council work towards the achievement of the elimination of asbestos-related disease in Australia by coordinating the National Strategic Plan for Asbestos Management and Awareness (NSP). ASEA is also responsible for the administration of the National Asbestos Exposure Register.

The agency’s main functions are to:

* encourage, coordinate, monitor and report on the implementation of the NSP
* review and amend the NSP as required
* publish and promote the NSP
* provide advice to the Minister about asbestos safety
* liaise with Commonwealth, state, territory, local and other governments, agencies or bodies about the implementation of the NSP and asbestos safety, and
* commission, monitor and promote research about asbestos safety.

The elimination of asbestos-related disease is a long-term and complex challenge. The NSP was launched in 2015 and establishes a five-year framework for this work. During 2018–19, ASEA will work with all levels of governments in Australia to coordinate the development of the next phase of the plan.

### 1.2 Entity resource statement

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

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

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

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

Table 1.1: Asbestos Safety and Eradication Agency resource statement—Budget estimates for 2018–19 as at Budget, May 2018

|  |  |  |
| --- | --- | --- |
|  | *2017–18 Estimated actual  $'000* | 2018–19 Estimate  $'000 |
| **Departmental** |  |  |
| Annual appropriations—ordinary annual services (a) |  |  |
| Prior year appropriations available | *4,369* | 4,369 |
| Departmental appropriation (b) | *4,016* | 3,318 |
| s74 retained revenue receipts (c) | *240* | 225 |
| Departmental Capital Budget (d) | *60* | 59 |
| Total departmental annual appropriations | *8,685* | 7,971 |
| **Total resourcing for Asbestos Safety and Eradication Agency** | ***8,685*** | **7,971** |
|  |  |  |
|  | *2017–18* | 2018–19 |
| **Average staffing level (number)** | *12* | 12 |

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

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

1. Appropriation Bill (No.1) 2018–19.
2. Excludes Departmental Capital Budget (DCB).
3. Estimated retained revenue receipts under section 74 of the PGPA Act.
4. DCBs are not separately identified in Appropriation Bill (No.1) and form part of ordinary annual services items. Please refer to Table 3.5 for further details. For accounting purposes, this amount has been designated as a 'contribution by owner’.

### 1.3 Budget measures

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

Table 1.2: Entity 2018–19 Budget measures

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

The Asbestos Safety and Eradication Agency does not have any new measures since the 2017–18 MYEFO. For this reason, Part 1 of Table 1.2 is not presented.

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

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | Program | 2017–18 $'000 | 2018–19 $'000 | 2019–20 $'000 | 2020–21 $'000 | 2021–22 $'000 |
| **Measures** |  |  |  |  |  |  |
| Asbestos Safety and Eradication Agency — additional funding (a) | 1.1 |  |  |  |  |  |
| Administered expenses |  | - | - | - | - | - |
| Departmental expenses |  | - | 1,699 | 1,699 | 1,699 | 1,700 |
| **Total** |  | **-** | **1,699** | **1,699** | **1,699** | **1,700** |
| **Total measures** |  |  |  |  |  |  |
| Administered |  | - | - | - | - | - |
| Departmental |  | - | 1,699 | 1,699 | 1,699 | 1,700 |
| **Total** |  | **-** | **1,699** | **1,699** | **1,699** | **1,700** |

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

1. See the 2017–18 MYEFO, under the former Employment portfolio, for the full measure description.

## Section 2: Outcomes and planned performance

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

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

**Note:**

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

The most recent corporate plan for the Asbestos Safety and Eradication Agency can be found at: [www.asbestossafety.gov.au/national-strategic-plan](http://www.asbestossafety.gov.au/national-strategic-plan).

The most recent annual performance statement can be found at: <https://www.asbestossafety.gov.au/annual-report-2016-17/report-performance/annual-performance-statement>.

### 2.1 Budgeted expenses and performance for Outcome 1

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

#### Budgeted expenses for Outcome 1

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

Table 2.1.1: Budgeted expenses for Outcome 1

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Outcome 1: Assist in the prevention of exposure to asbestos fibres and the elimination of asbestos-related disease in Australia through implementing the National Strategic Plan for Asbestos Awareness and Management in Australia.** | | | | | |
|  | 2017–18 Estimated actual $'000 | 2018–19 Budget  $'000 | 2019–20 Forward estimate $'000 | 2020–21 Forward estimate $'000 | 2021–22 Forward estimate $'000 | |
| **Program 1.1: Asbestos Safety and Eradication Agency** | | | | | |
| Departmental expenses |  |  |  |  |  | |
| Departmental appropriation | 4,016 | 3,318 | 3,313 | 3,323 | 3,333 | |
| s74 Retained revenue receipts (a) | 240 | 225 | 225 | 225 | 200 | |
| Expenses not requiring appropriation in the Budget year (b) | 108 | 120 | 132 | 137 | 126 | |
| **Departmental total** | 4,364 | 3,663 | 3,670 | 3,685 | 3,659 | |
| **Total expenses for Program 1.1** | **4,364** | **3,663** | **3,670** | **3,685** | **3,659** | |
| **Outcome 1 Totals by appropriation type** | | | | | |
| Departmental expenses |  |  |  |  |  | |
| Departmental appropriation | 4,016 | 3,318 | 3,313 | 3,323 | 3,333 | |
| s74 Retained revenue receipts (a) | 240 | 225 | 225 | 225 | 200 | |
| Expenses not requiring appropriation in the Budget year (b) | 108 | 120 | 132 | 137 | 126 | |
| **Departmental total** | 4,364 | 3,663 | 3,670 | 3,685 | 3,659 | |
| **Total expenses for Outcome 1** | **4,364** | **3,663** | **3,670** | **3,685** | **3,659** | |
|  |  |  |  |  |  | |
|  | 2017–18 | 2018–19 |  |  |  | |
| **Average staffing level (number)** | 12 | 12 |  |  |  | |

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

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

Table 2.1.2: Performance criteria for Outcome 1

Table 2.1.2 below details the performance criteria for each program associated with Outcome 1. It also summarises how each program is delivered and where 2018–19 Budget measures have created new programs or materially changed existing programs.

| Outcome 1—Assist the prevention of exposure to asbestos fibres and the elimination of asbestos-related disease in Australia through implementing the National Strategic Plan for Asbestos Awareness and Management in Australia. | | |
| --- | --- | --- |
| **Program 1.1**—**Asbestos Safety and Eradication Agency**  The Asbestos Safety and Eradication Agency delivers Outcome 1 through administering the National Strategic Plan. To meet this objective, the agency commissions, monitors and promotes research about asbestos safety, works collaboratively with regulators, industry, agencies and other bodies across workplace, environment, public health, planning and building sectors, as well as the community, to improve awareness of asbestos safety. | | |
| **Purpose** | The Asbestos Safety and Eradication Agency’s purpose is to facilitate the prevention of exposure to asbestos fibres in order to eliminate asbestos-related disease in Australia. This is achieved through the National Strategic Plan for Asbestos Management and Awareness. | |
| **Delivery** | The deliverables for the Asbestos Safety and Eradication Agency, through the coordination of the implementation of the NSP, include:   1. Awareness: Increase public awareness of the health risks posed by working with or being exposed to asbestos 2. Best practice: Identify and share best practice in asbestos management, education, handling, storage and disposal 3. Identification: Improve the identification and grading of asbestos and sharing of information regarding the location of asbestos-containing materials (ACMs) 4. Removal: Identify priority areas where ACMs present a risk, the barriers to the safe removal of asbestos and review management and removal infrastructure to estimate the capacity and rate for the safe removal of asbestos 5. Research: Commission, monitor and promote research into asbestos exposure pathways, prevention and asbestos-related disease to inform policy options, and 6. International leadership: Australia to continue to play a leadership role in a global campaign for a worldwide asbestos ban. | |
| **Performance information** | | |
| **Year** | **Performance criteria** | **Targets** |
| 2017–18 | Increase public awareness about asbestos safety  Effectively coordinate national issues that relate to the NSP and asbestos safety issues | Increase in awareness, coordination and evidence demonstrating progress in relation to the NSP and reduction in asbestos exposure risks  **Assessment:** On track |
|  | Identify targeted and practical initiatives to reduce the risks of asbestos-related disease in Australia | Demonstrated by development of resources, delivery of events, progress tracking of NSP, including publishing the annual NSP progress report, and supporting the Asbestos Safety and Eradication Council meetings  **Assessment:** On track |
| 2018–19 | As per 2017–18, and coordinate the development of the second phase of the NSP | As per 2017–18, and the outcomes of the first phase of the plan inform the second phase of the NSP |
| 2019–20 and beyond | Administer the next phase of the NSP and contribute to the elimination of exposure to asbestos fibres in order to eliminate asbestos-related disease | ASEA effectively encourages and supports the next phase of the NSP with research, reporting, coordination evaluation and advice |
| **Material changes to Program 1.1 resulting from the following measures:**  Nil | | |

## Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2018–19 budget year, including the impact of budget measures and resourcing on financial statements.

### 3.1 Budgeted financial statements

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

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

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

The Asbestos Safety and Eradication Agency is budgeting for an operating loss equal to the unappropriated depreciation and amortisation expense of $0.05 million for the 2018–19 financial year.

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

Total assets at the end of the 2018–19 financial year are estimated to be $4.7 million. The majority of the assets represent appropriations receivable.

### 3.2. Budgeted financial statements tables

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

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | | 2017–18 Estimated actual $'000 | | 2018–19 Budget  $'000 | | | 2019–20 Forward estimate $'000 | | | 2020–21 Forward estimate $'000 | | | 2021–22 Forward estimate $'000 | | |
| **EXPENSES** | |  | |  | | |  | | |  | | |  | | |
| Employee benefits | | 1,603 | | 1,643 | | | 1,648 | | | 1,691 | | | 1,691 | | |
| Suppliers | | 2,726 | | 1,973 | | | 1,963 | | | 1,930 | | | 1,910 | | |
| Depreciation and amortisation (a) | | 35 | | 47 | | | 59 | | | 64 | | | 58 | | |
| **Total expenses** | | **4,364** | | **3,663** | | | **3,670** | | | **3,685** | | | **3,659** | | |
| **LESS:** | |  | |  | | |  | | |  | | |  | | |
| **OWN-SOURCE INCOME** | |  | |  | | |  | | |  | | |  | | |
| **Own-source revenue** | |  | |  | | |  | | |  | | |  | | |
| Sale of goods and rendering of services | | 240 | | 225 | | | 225 | | | 225 | | | 200 | | |
| **Total own-source revenue** | | **240** | | **225** | | | **225** | | | **225** | | | **200** | | |
| **Gains** | |  | |  | | |  | | |  | | |  | | |
| Other | | 73 | | 73 | | | 73 | | | 73 | | | 68 | | |
| **Total gains** | | **73** | | **73** | | | **73** | | | **73** | | | **68** | | |
| **Total own-source income** | | **313** | | **298** | | | **298** | | | **298** | | | **268** | | |
| **Net (cost of)/contribution by services** | | **(4,051)** | | **(3,365)** | | | **(3,372)** | | | **(3,387)** | | | **(3,391)** | | |
| Revenue from Government | | 4,016 | | 3,318 | | | 3,313 | | | 3,323 | | | 3,333 | | |
| **Surplus/(deficit) attributable to the Australian Government** | | **(35)** | | **(47)** | | | **(59)** | | | **(64)** | | | **(58)** | | |
| **Total comprehensive income/(loss)** | | **(35)** | | **(47)** | | | **(59)** | | | **(64)** | | | **(58)** | | |
| **Total comprehensive income/(loss) attributable to the Australian Government** | | **(35)** | | **(47)** | | | **(59)** | | | **(64)** | | | **(58)** | | |
|  |  | |  | |  | | |  | | |  | | |
| **Note: Impact of net cash appropriation arrangements** | | | | | |  | | |  | | |  | | |
|  | | 2017–18 $'000 | | 2018–19 $'000 | | | 2019–20 $'000 | | | 2020–21 $'000 | | | 2021–22 $'000 | | |
| **Total comprehensive income/(loss) excluding depreciation/amortisation expenses previously funded through revenue appropriations** | | **-** | | **-** | | | **-** | | | **-** | | | **-** | | |
| less depreciation/amortisation expenses previously funded through revenue appropriations (a) | | 35 | | 47 | | | 59 | | | 64 | | | 58 | | |
| **Total comprehensive income/(loss)—as per the statement of comprehensive income** | | **(35)** | | **(47)** | | | **(59)** | | | **(64)** | | | **(58)** | | |

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

Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2017–18 Estimated actual $'000 | 2018–19 Budget  $'000 | 2019–20 Forward estimate $'000 | 2020–21 Forward estimate $'000 | 2021–22 Forward estimate $'000 |
| **ASSETS** |  |  |  |  |  |
| **Financial assets** |  |  |  |  |  |
| Cash and cash equivalents | 66 | 66 | 66 | 66 | 66 |
| Trade and other receivables | 4,382 | 4,382 | 4,382 | 4,382 | 4,382 |
| ***Total financial assets*** | ***4,448*** | ***4,448*** | ***4,448*** | ***4,448*** | ***4,448*** |
| **Non-financial assets** |  |  |  |  |  |
| Property, plant and equipment | 158 | 170 | 170 | 164 | 165 |
| Other non-financial assets | 52 | 52 | 52 | 52 | 52 |
| ***Total non-financial assets*** | ***210*** | ***222*** | ***222*** | ***216*** | ***217*** |
| **Total assets** | **4,658** | **4,670** | **4,670** | **4,664** | **4,665** |
| **LIABILITIES** |  |  |  |  |  |
| **Payables** |  |  |  |  |  |
| Suppliers | 618 | 618 | 618 | 618 | 618 |
| Other payables | 15 | 15 | 15 | 15 | 15 |
| ***Total payables*** | ***633*** | ***633*** | ***633*** | ***633*** | ***633*** |
| **Provisions** |  |  |  |  |  |
| Employee provisions | 365 | 365 | 365 | 365 | 365 |
| ***Total provisions*** | ***365*** | ***365*** | ***365*** | ***365*** | ***365*** |
| **Total liabilities** | **998** | **998** | **998** | **998** | **998** |
| **Net assets** | **3,660** | **3,672** | **3,672** | **3,666** | **3,667** |
| **EQUITY\*** |  |  |  |  |  |
| **Parent entity interest** |  |  |  |  |  |
| Contributed equity | 302 | 361 | 420 | 478 | 537 |
| Retained surplus (accumulated deficit) | 3,358 | 3,311 | 3,252 | 3,188 | 3,130 |
| ***Total parent entity interest*** | ***3,660*** | ***3,672*** | ***3,672*** | ***3,666*** | ***3,667*** |
| **Total equity** | **3,660** | **3,672** | **3,672** | **3,666** | **3,667** |

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

Prepared on Australian Accounting Standards basis.

Table 3.3: Departmental statement of changes in equity—summary of movement (Budget year 2018–19)

|  |  |  |  |
| --- | --- | --- | --- |
|  | Retained earnings $'000 | Contributed equity/capital $'000 | Total equity   $'000 |
| **Opening balance as at 1 July 2018** |  |  |  |
| Balance carried forward from previous period | 3,358 | 302 | 3,660 |
| ***Adjusted opening balance*** | ***3,358*** | ***302*** | ***3,660*** |
| **Comprehensive income** |  |  |  |
| Other comprehensive income | - | - | - |
| Surplus/(deficit) for the period | (47) | - | (47) |
| ***Total comprehensive income*** | ***(47)*** | ***-*** | ***(47)*** |
| of which: |  |  |  |
| Attributable to the Australian Government | (47) | - | (47) |
| **Transactions with owners** |  |  |  |
| ***Contributions by owners*** |  |  |  |
| Departmental Capital Budget (DCB) | - | 59 | 59 |
| ***Sub-total transactions with owners*** | ***-*** | ***59*** | ***59*** |
| Transfers between equity |  |  |  |
| Transfers between equity components | - | - | - |
| **Estimated closing balance as at 30 June 2019** | **3,311** | **361** | **3,672** |
| Less: non-controlling interests | - | - | - |
| **Closing balance attributable to the  Australian Government** | **3,311** | **361** | **3,672** |

Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2017–18 Estimated actual $'000 | 2018–19 Budget  $'000 | 2019–20 Forward estimate $'000 | 2020–21 Forward estimate $'000 | 2021–22 Forward estimate $'000 |
| **OPERATING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Appropriations | 3,996 | 3,318 | 3,313 | 3,323 | 3,333 |
| Sale of goods and rendering of services | 240 | 225 | 225 | 225 | 200 |
| ***Total cash received*** | ***4,236*** | ***3,543*** | ***3,538*** | ***3,548*** | ***3,533*** |
| **Cash used** |  |  |  |  |  |
| Employees | 1,583 | 1,643 | 1,648 | 1,691 | 1,691 |
| Suppliers | 2,653 | 1,900 | 1,890 | 1,857 | 1,842 |
| ***Total cash used*** | ***4,236*** | ***3,543*** | ***3,538*** | ***3,548*** | ***3,533*** |
| **Net cash from/(used by) operating activities** | **-** | **-** | **-** | **-** | **-** |
| **INVESTING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Other | - | - | - | - | - |
| ***Total cash received*** | ***-*** | ***-*** | ***-*** | ***-*** | ***-*** |
| **Cash used** |  |  |  |  |  |
| Purchase of property, plant and equipment and intangibles | 60 | 59 | 59 | 58 | 59 |
| ***Total cash used*** | ***60*** | ***59*** | ***59*** | ***58*** | ***59*** |
| **Net cash from/(used by) investing activities** | **(60)** | **(59)** | **(59)** | **(58)** | **(59)** |
| **FINANCING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Contributed equity | 60 | 59 | 59 | 58 | 59 |
| ***Total cash received*** | ***60*** | ***59*** | ***59*** | ***58*** | ***59*** |
| **Cash used** |  |  |  |  |  |
| Other | - | - | - | - | - |
| ***Total cash used*** | ***-*** | ***-*** | ***-*** | ***-*** | ***-*** |
| **Net cash from/(used by) financing activities** | **60** | **59** | **59** | **58** | **59** |
| **Net increase/(decrease) in cash held** | **-** | **-** | **-** | **-** | **-** |
| Cash and cash equivalents at the beginning of the reporting period | 66 | 66 | 66 | 66 | 66 |
| **Cash and cash equivalents at the end of the reporting period** | **66** | **66** | **66** | **66** | **66** |

Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2017–18 Estimated actual $'000 | 2018–19 Budget  $'000 | 2019–20 Forward estimate $'000 | 2020–21 Forward estimate $'000 | 2021–22 Forward estimate $'000 |
| **NEW CAPITAL APPROPRIATIONS** |  |  |  |  |  |
| Capital budget—Bill 1 (DCB) | 60 | 59 | 59 | 58 | 59 |
| **Total new capital appropriations** | **60** | **59** | **59** | **58** | **59** |
| ***Provided for:*** |  |  |  |  |  |
| *Purchase of non-financial assets* | *60* | *59* | *59* | *58* | *59* |
| ***Total items*** | ***60*** | ***59*** | ***59*** | ***58*** | ***59*** |
| **PURCHASE OF NON-FINANCIAL ASSETS** |  |  |  |  |  |
| Funded by capital appropriation—DCB (a) | 60 | 59 | 59 | 58 | 59 |
| **TOTAL** | **60** | **59** | **59** | **58** | **59** |
| **RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE** |  |  |  |  |  |
| Total purchases | 60 | 59 | 59 | 58 | 59 |
| **Total cash used to acquire assets** | **60** | **59** | **59** | **58** | **59** |

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

Prepared on Australian Accounting Standards basis.

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

|  |  |  |
| --- | --- | --- |
|  | Other property, plant and equipment $'000 | Total  $'000 |
| **As at 1 July 2018** |  |  |
| Gross book value | 214 | 214 |
| Accumulated depreciation/amortisation and impairment | (56) | (56) |
| **Opening net book balance** | **158** | **158** |
| **Capital asset additions** |  |  |
| **Estimated expenditure on new or replacement assets** |  |  |
| By purchase—appropriation equity (a) | 59 | 59 |
| **Total additions** | **59** | **59** |
| **Other movements** |  |  |
| Depreciation/amortisation expense | (47) | (47) |
| **Total other movements** | **(47)** | **(47)** |
| **As at 30 June 2019** |  |  |
| Gross book value | 273 | 273 |
| Accumulated depreciation/amortisation and impairment | (103) | (103) |
| **Closing net book balance** | **170** | **170** |

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

Prepared on Australian Accounting Standards basis.

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

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

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

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

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

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

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

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

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

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

Australian Building and Construction Commission

Entity resources and planned performance

Australian Building and Construction Commission

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# Australian Building and Construction Commission

## Section 1: Entity overview and resources

### 1.1 Strategic direction statement

The Australian Building and Construction Commission (ABCC) was re-established by the *Building and Construction Industry (Improving Productivity) Act 2016* (BCIIP Act). The ABCC commenced operations on 2 December 2016, transitioning from its predecessor agency, the Office of the Fair Work Building Industry Inspectorate, known as Fair Work Building and Construction.

The ABCC’s main objective is to impartially contribute to an improved workplace relations framework for building work to ensure that building work is carried out fairly, efficiently and productively.

In accordance with its responsibilities under the BCIIP Act, the ABCC:

* enforces workplace relations laws in the building and construction industry through the provision of education, assistance and advice, and where necessary, civil penalty litigation in the courts, and
* ensures compliance with Commonwealth Building Codes by educating the industry, monitoring compliance, and where appropriate, seeking rectification by, or sanctions against, non-compliant contractors.

### 1.2 Entity resource statement

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

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

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

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

Table 1.1: Australian Building and Construction Commission resource statement—Budget estimates for 2018–19 as at Budget, May 2018

|  |  |  |
| --- | --- | --- |
|  | *2017–18 Estimated actual  $'000* | 2018–19 Estimate  $'000 |
| **Departmental** |  |  |
| Annual appropriations—ordinary annual services (a) |  |  |
| Prior year appropriations available | *41,817* | 41,206 |
| Departmental appropriation (b) | *32,412* | 32,280 |
| s74 Retained revenue receipts (c) | *370* | 370 |
| Departmental Capital Budget (d) | *441* | 441 |
| Total departmental annual appropriations | *75,040* | 74,297 |
| ***Total departmental resourcing*** | ***75,040*** | **74,297** |
| **Total resourcing for Australian Building and Construction Commission** | ***75,040*** | **74,297** |
|  |  |  |
|  | *2017–18* | 2018–19 |
| **Average staffing level (number)** | *155* | 155 |

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

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

1. Appropriation Bill (No.1) 2018–19.
2. Excludes Departmental Capital Budget (DCB).
3. Estimated retained revenue receipts under section 74 of the PGPA Act.
4. DCBs are not separately identified in Appropriation Bill (No.1) and form part of ordinary annual services items. Please refer to Table 3.5 for further details. For accounting purposes, this amount has been designated as a 'contribution by owner’.

### 1.3 Budget measures

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

Table 1.2: Entity 2018–19 Budget measures

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

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | Program | 2017–18 $'000 | 2018–19 $'000 | 2019–20 $'000 | 2020–21 $'000 | 2021–22 $'000 |
| **Expense measures** |  |  |  |  |  |  |
| Commonwealth Ombudsman — additional funding (a) | 1.1 |  |  |  |  |  |
| Administered expenses |  | - | - | - | - | - |
| Departmental expenses |  | (110) | (110) | (110) | (110) | (110) |
| **Total** |  | **(110)** | **(110)** | **(110)** | **(110)** | **(110)** |
| **Total expense measures** |  |  |  |  |  |  |
| Administered |  | - | - | - | - | - |
| Departmental |  | (110) | (110) | (110) | (110) | (110) |
| **Total** |  | **(110)** | **(110)** | **(110)** | **(110)** | **(110)** |

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

1. The lead entity for this measure is the Department of the Prime Minister and Cabinet. The full measure description and package details appear in *Budget Paper No. 2* under the Prime Minister and Cabinet portfolio.

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

The Australian Building and Construction Commission have no other measures not previously reported in a portfolio statement. For this reason, Part 2 of Table 1.2 is not presented.

## Section 2: Outcomes and planned performance

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

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

**Note:**

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

The most recent corporate plan for Australian Building and Construction Commission can be found at: [www.abcc.gov.au/about/accountability-and-reporting/corporate-plan-2016-17](https://www.abcc.gov.au/about/accountability-and-reporting/corporate-plan-2016-17).

The most recent annual performance statement can be found at: <https://www.abcc.gov.au/about/accountability-and-reporting/annual-report-series/abcc-annual-report-2016-17>.

### 2.1 Budgeted expenses and performance for Outcome 1

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

#### Budgeted expenses for Outcome 1

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

Table 2.1.1: Budgeted expenses for Outcome 1

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Outcome 1: Enforce workplace relations laws in the building and construction industry and ensure compliance with those laws by all participants in the building and construction industry through the provision of education, assistance and advice.** | | | | | |
|  | 2017–18 Estimated actual $'000 | 2018–19 Budget  $'000 | 2019–20 Forward estimate $'000 | 2020–21 Forward estimate $'000 | 2021–22 Forward estimate $'000 |
| **Program 1.1: Education Services and Compliance Activities** | | | | | |
| Departmental expenses |  |  |  |  |  |
| Departmental appropriation | 32,412 | 32,280 | 32,293 | 33,026 | 33,807 |
| s74 Retained revenue receipts (a) | 370 | 370 | 370 | 370 | 370 |
| Expenses not requiring appropriation in the Budget year (b) | 1,372 | 1,334 | 1,452 | 1,479 | 1,479 |
| **Departmental total** | 34,154 | 33,984 | 34,115 | 34,875 | 35,656 |
| **Total expenses for Program 1.1** | **34,154** | **33,984** | **34,115** | **34,875** | **35,656** |
| **Outcome 1 Totals by appropriation type** | | | | | |
| Departmental expenses |  |  |  |  |  |
| Departmental appropriation | 32,412 | 32,280 | 32,293 | 33,026 | 33,807 |
| s74 Retained revenue receipts (a) | 370 | 370 | 370 | 370 | 370 |
| Expenses not requiring appropriation in the Budget year (b) | 1,372 | 1,334 | 1,452 | 1,479 | 1,479 |
| **Departmental total** | 34,154 | 33,984 | 34,115 | 34,875 | 35,656 |
| **Total expenses for Outcome 1** | **34,154** | **33,984** | **34,115** | **34,875** | **35,656** |
|  |  |  |  |  |  |
|  | 2017–18 | 2018–19 |  |  |  |
| **Average staffing level (number)** | 155 | 155 |  |  |  |

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

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

Table 2.1.2: Performance criteria for Outcome 1

Table 2.1.2 below details the performance criteria for each program associated with Outcome 1. It also summarises how each program is delivered and where 2018–19 Budget measures have created new programs or materially changed existing programs.

| Outcome 1—Enforce workplace relations laws in the building and construction industry and ensure compliance with those laws by all participants in the building and construction industry through the provision of education, assistance and advice. | | |
| --- | --- | --- |
| **Program 1.1—Education, compliance and enforcement**  To educate building industry participants in order to promote compliance with workplace laws. | | |
| **Purpose** | In accordance with its responsibilities under the Building and Construction Industry (Improving Productivity) Act 2016, the ABCC:   1. enforces workplace relations laws in the building and construction industry through the provision of education, assistance and advice, and where necessary, civil penalty litigation in the courts, and 2. ensures compliance with Building Codes by educating the industry, monitoring compliance, and where appropriate, seeking rectification by, or sanctions against, non-compliant contractors. | |
| **Delivery** | * Provide education, assistance and advice to building industry participants. * Conduct inspections and audits involving Building Codes, and where appropriate, seek rectification by or sanctions against non-compliant contractors. * Investigate claims regarding alleged breaches of workplace laws and undertake targeted activities, and where necessary, litigate to enforce compliance with workplace laws. | |
| **Performance information** | | |
| **Year** | **Performance criteria** | **Targets** |
| 2017–18 | Surveyed stakeholders are satisfied or highly satisfied with the quality and timeliness of advice and assistance provided | 75%  **Assessment:** On track |
|  | Number of formal presentations delivered to stakeholders | 150 **Assessment:** On track |
|  | Surveyed stakeholders indicate that presentations, advice and/or materials provided by ABCC have improved their understanding of workplace rights and responsibilities | 75% **Assessment:** On track |
|  | Compliance activities to improve compliance with the Building Codes | 300 **Assessment:** On track |
|  | Legal proceedings in court within 12 months of complaint being initiated | 75%  **Assessment:** On track |
| 2018–19 | Surveyed stakeholders are satisfied or highly satisfied with the quality and timeliness of advice and assistance provided | 80% |
|  | Number of formal presentations delivered to stakeholders | 150 |
|  | Surveyed stakeholders indicate that tools and resources provided by ABCC have improved their understanding of workplace rights and responsibilities | 75% |
|  | Activities to improve compliance with designated building laws and the Building Codes | 450 |
|  | Average time taken to commence civil penalty proceeding | <12 months |
| 2019–20 and beyond | As per 2018–19 | As per 2018–19 |
| **Material changes to Program 1.1 resulting from the following measures:**  Nil | | |

## Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2018–19 budget year, including the impact of budget measures and resourcing on financial statements.

### 3.1 Budgeted financial statements

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

The Agency Resource Statement (Table 1.1) details the total appropriation available to an agency from all sources. For departmental operating appropriations (outputs) this includes carry-forward amounts as well as amounts appropriated at Budget. The difference between the agency resource statement and the sum of all payments made at the departmental outputs level is the expected carry-forward amount of resources for the 2018–19 Budget year, including amounts related to meeting future employee entitlement obligations.

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

The Australian Building and Construction Commission is budgeting for an operating loss equal to the unappropriated depreciation and amortisation expense of $1.3 million for the 2018–19 financial year.

Total revenues are estimated to be $32.7 million and total expenses $34.0 million.

Total assets at the end of the 2018–19 financial year are estimated to be $47.5 million. The majority of the assets represent receivables (appropriations receivable) and property fit outs. Asset acquisitions are planned in Information Technology equipment and systems.

Total liabilities for 2018–19 are estimated at $6.8 million. The largest liability item is accrued employee entitlements.

### 3.2. Budgeted financial statements tables

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

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | 2017–18 Estimated actual $'000 | 2018–19 Budget  $'000 | | 2019–20 Forward estimate $'000 | | 2020–21 Forward estimate $'000 | | 2021–22 Forward estimate $'000 | |
| **EXPENSES** |  |  | |  | |  | |  | |
| Employee benefits | 18,637 | 18,936 | | 19,079 | | 19,237 | | 19,750 | |
| Suppliers | 14,180 | 13,749 | | 13,619 | | 14,194 | | 14,462 | |
| Depreciation and amortisation (a) | 1,337 | 1,299 | | 1,417 | | 1,444 | | 1,444 | |
| **Total expenses** | **34,154** | **33,984** | | **34,115** | | **34,875** | | **35,656** | |
| **LESS:** |  |  | |  | |  | |  | |
| **OWN-SOURCE INCOME** |  |  | |  | |  | |  | |
| **Own-source revenue** |  |  | |  | |  | |  | |
| Other | 405 | 405 | | 405 | | 405 | | 405 | |
| **Total own-source revenue** | **405** | **405** | | **405** | | **405** | | **405** | |
| **Total own-source income** | **405** | **405** | | **405** | | **405** | | **405** | |
| **Net (cost of)/contribution by services** | **(33,749)** | **(33,579)** | | **(33,710)** | | **(34,470)** | | **(35,251)** | |
| Revenue from Government | 32,412 | 32,280 | | 32,293 | | 33,026 | | 33,807 | |
| **Surplus/(deficit) attributable to the  Australian Government** | **(1,337)** | **(1,299)** | | **(1,417)** | | **(1,444)** | | **(1,444)** | |
| **OTHER COMPREHENSIVE INCOME** |  |  | |  | |  | |  | |
| Changes in asset revaluation surplus | - | - | | - | | - | | - | |
| **Total other comprehensive income** | **-** | - | | **-** | | **-** | | **-** | |
| **Total comprehensive income/(loss)** | **(1,337)** | **(1,299)** | | **(1,417)** | | **(1,444)** | | **(1,444)** | |
| **Total comprehensive income/(loss)  attributable to the Australian Government** | **(1,337)** | **(1,299)** | | **(1,417)** | | **(1,444)** | | **(1,444)** | |
|  |  |  | |  | |  | |  | |
| **Note: Impact of net cash appropriation arrangements** | | |  | |  | |  | |
|  | 2017–18 $'000 | 2018–19 $'000 | | 2019–20 $'000 | | 2020–21 $'000 | | 2021–22 $'000 | |
| **Total comprehensive income/(loss) excluding depreciation/amortisation expenses previously funded through revenue appropriations** | **-** | **-** | | **-** | | **-** | | **-** | |
| less depreciation/amortisation expenses previously funded through revenue appropriations (a) | 1,337 | 1,299 | | 1,417 | | 1,444 | | 1,444 | |
| **Total comprehensive income/(loss)—as per the statement of comprehensive income** | **(1,337)** | **(1,299)** | | **(1,417)** | | **(1,444)** | | **(1,444)** | |

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

Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2017–18 Estimated actual $'000 | 2018–19 Budget  $'000 | 2019–20 Forward estimate $'000 | 2020–21 Forward estimate $'000 | 2021–22 Forward estimate $'000 |
| **ASSETS** |  |  |  |  |  |
| **Financial assets** |  |  |  |  |  |
| Cash and cash equivalents | 154 | 154 | 154 | 154 | 154 |
| Trade and other receivables | 41,302 | 40,673 | 40,258 | 40,258 | 40,258 |
| ***Total financial assets*** | ***41,456*** | ***40,827*** | ***40,412*** | ***40,412*** | ***40,412*** |
| **Non-financial assets** |  |  |  |  |  |
| Land and buildings | 5,603 | 4,498 | 3,819 | 2,569 | 1,319 |
| Property, plant and equipment | 239 | 679 | 660 | 873 | 1,089 |
| Intangibles | 753 | 1,189 | 1,325 | 1,361 | 1,397 |
| Other non-financial assets | 306 | 306 | 306 | 306 | 306 |
| ***Total non-financial assets*** | ***6,901*** | ***6,672*** | ***6,110*** | ***5,109*** | ***4,111*** |
| **Total assets** | **48,357** | **47,499** | **46,522** | **45,521** | **44,523** |
| **LIABILITIES** |  |  |  |  |  |
| **Payables** |  |  |  |  |  |
| Suppliers | 2,422 | 2,422 | 2,422 | 2,422 | 2,422 |
| Other payables | 630 | 630 | 630 | 630 | 630 |
| ***Total payables*** | ***3,052*** | ***3,052*** | ***3,052*** | ***3,052*** | ***3,052*** |
| **Provisions** |  |  |  |  |  |
| Employee provisions | 3,657 | 3,657 | 3,657 | 3,657 | 3,657 |
| Other provisions | 69 | 69 | 69 | 69 | 69 |
| ***Total provisions*** | ***3,726*** | ***3,726*** | ***3,726*** | ***3,726*** | ***3,726*** |
| **Total liabilities** | **6,778** | **6,778** | **6,778** | **6,778** | **6,778** |
| **Net assets** | **41,579** | **40,721** | **39,744** | **38,743** | **37,745** |
| **EQUITY\*** |  |  |  |  |  |
| **Parent entity interest** |  |  |  |  |  |
| Contributed equity | 5,523 | 5,964 | 6,404 | 6,847 | 7,293 |
| Retained surplus (accumulated deficit) | 36,056 | 34,757 | 33,340 | 31,896 | 30,452 |
| ***Total parent entity interest*** | ***41,579*** | ***40,721*** | ***39,744*** | ***38,743*** | ***37,745*** |
| **Total equity** | **41,579** | **40,721** | **39,744** | **38,743** | **37,745** |

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

Prepared on Australian Accounting Standards basis.

Table 3.3: Departmental statement of changes in equity—summary of movement (Budget year 2018–19)

|  |  |  |  |
| --- | --- | --- | --- |
|  | Retained earnings $'000 | Contributed equity/capital $'000 | Total equity    $'000 |
| **Opening balance as at 1 July 2018** |  |  |  |
| Balance carried forward from previous period | 36,056 | 5,523 | 41,579 |
| ***Adjusted opening balance*** | ***36,056*** | ***5,523*** | ***41,579*** |
| **Comprehensive income** |  |  |  |
| Surplus/(deficit) for the period | (1,299) | - | (1,299) |
| ***Total comprehensive income*** | ***(1,299)*** | ***-*** | ***(1,299)*** |
| of which: |  |  |  |
| Attributable to the Australian Government | (1,299) | - | (1,299) |
| **Transactions with owners** |  |  |  |
| ***Contributions by owners*** |  |  |  |
| Departmental Capital Budget (DCB) | - | 441 | 441 |
| ***Sub-total transactions with owners*** | ***-*** | ***441*** | ***441*** |
| **Estimated closing balance as at 30 June 2019** | **34,757** | **5,964** | **40,721** |
| Less: non-controlling interests | - | - | - |
| **Closing balance attributable to the  Australian Government** | **34,757** | **5,964** | **40,721** |

Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2017–18 Estimated actual $'000 | 2018–19 Budget  $'000 | 2019–20 Forward estimate $'000 | 2020–21 Forward estimate $'000 | 2021–22 Forward estimate $'000 |
| **OPERATING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Appropriations | 33,023 | 32,909 | 32,708 | 33,026 | 33,807 |
| Other | 370 | 370 | 370 | 370 | 370 |
| ***Total cash received*** | ***33,393*** | ***33,279*** | ***33,078*** | ***33,396*** | ***34,177*** |
| **Cash used** |  |  |  |  |  |
| Employees | 18,637 | 18,936 | 19,079 | 19,237 | 19,750 |
| Suppliers | 14,145 | 13,714 | 13,584 | 14,159 | 14,427 |
| ***Total cash used*** | ***32,782*** | ***32,650*** | ***32,663*** | ***33,396*** | ***34,177*** |
| **Net cash from/(used by) operating activities** | **611** | **629** | **415** | **-** | **-** |
| **INVESTING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Other | - | - | - | - | - |
| ***Total cash received*** | ***-*** | ***-*** | ***-*** | ***-*** | ***-*** |
| **Cash used** |  |  |  |  |  |
| Purchase of property, plant and equipment and intangibles | 1,052 | 1,070 | 855 | 443 | 446 |
| ***Total cash used*** | ***1,052*** | ***1,070*** | ***855*** | ***443*** | ***446*** |
| **Net cash from/(used by) investing activities** | **(1,052)** | **(1,070)** | **(855)** | **(443)** | **(446)** |
| **FINANCING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Contributed equity | 441 | 441 | 440 | 443 | 446 |
| ***Total cash received*** | ***441*** | ***441*** | ***440*** | ***443*** | ***446*** |
| **Cash used** |  |  |  |  |  |
| Other | - | - | - | - | - |
| ***Total cash used*** | ***-*** | ***-*** | ***-*** | ***-*** | ***-*** |
| **Net cash from/(used by) financing activities** | **441** | **441** | **440** | **443** | **446** |
| **Net increase/(decrease) in cash held** | **-** | **-** | **-** | **-** | **-** |
| Cash and cash equivalents at the beginning of the reporting period | 154 | 154 | 154 | 154 | 154 |
| **Cash and cash equivalents at the end of the reporting period** | **154** | **154** | **154** | **154** | **154** |

Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2017–18 Estimated actual $'000 | 2018–19 Budget  $'000 | 2019–20 Forward estimate $'000 | 2020–21 Forward estimate $'000 | 2021–22 Forward estimate $'000 |
| **NEW CAPITAL APPROPRIATIONS** |  |  |  |  |  |
| Capital budget—Bill 1 (DCB) | 441 | 441 | 440 | 443 | 446 |
| **Total new capital appropriations** | **441** | **441** | **440** | **443** | **446** |
| ***Provided for:*** |  |  |  |  |  |
| *Purchase of non-financial assets* | *441* | *441* | *440* | *443* | *446* |
| ***Total items*** | ***441*** | ***441*** | ***440*** | ***443*** | ***446*** |
| **PURCHASE OF NON-FINANCIAL ASSETS** |  |  |  |  |  |
| Funded by capital appropriation—DCB (a) | 441 | 441 | 440 | 443 | 446 |
| Funded internally from departmental resources (b) | 611 | 629 | 415 | - | - |
| **TOTAL** | **1,052** | **1,070** | **855** | **443** | **446** |
| **RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE** |  |  |  |  |  |
| Total purchases | 1,052 | 1,070 | 855 | 443 | 446 |
| **Total cash used to acquire assets** | **1,052** | **1,070** | **855** | **443** | **446** |

1. Does not include annual finance lease costs. Includes purchases from current and previous years’ Departmental Capital Budgets (DCBs).
2. Includes the following sources of funding:

* current Bill 1 and prior year Act 1/3/5 appropriations (excluding amounts from the DCB), and
* s74 Retained revenue receipts.

Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | Buildings   $'000 | Other property, plant and equipment $'000 | Computer software and intangibles $'000 | Total   $'000 |
| **As at 1 July 2018** |  |  |  |  |
| Gross book value | 15,827 | 1,315 | 1,611 | 18,753 |
| Accumulated depreciation/ amortisation and impairment | (10,224) | (1,076) | (858) | (12,158) |
| **Opening net book balance** | **5,603** | **239** | **753** | **6,595** |
| **Capital asset additions** |  |  |  |  |
| **Estimated expenditure on new or replacement assets** |  |  |  |  |
| By purchase—appropriation equity (a) | - | 570 | 500 | 1,070 |
| **Total additions** | **-** | **570** | **500** | **1,070** |
| **Other movements** |  |  |  |  |
| Depreciation/amortisation expense | (1,105) | (130) | (64) | (1,299) |
| **Total other movements** | **(1,105)** | **(130)** | **(64)** | **(1,299)** |
| **As at 30 June 2019** |  |  |  |  |
| Gross book value | 15,827 | 1,885 | 2,111 | 19,823 |
| Accumulated depreciation/ amortisation and impairment | (11,329) | (1,206) | (922) | (13,457) |
| **Closing net book balance** | **4,498** | **679** | **1,189** | **6,366** |

1. ‘Appropriation equity’ refers to equity injections appropriations provided through Appropriation Bill (No. 2) 2018–19.

Prepared on Australian Accounting Standards basis.

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

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

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

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

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

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

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

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

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

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

Comcare,   
the Safety, Rehabilitation and Compensation Commission, and the Seafarers Safety, Rehabilitation and Compensation Authority

Entity resources and planned performance

Comcare, the Safety, Rehabilitation and Compensation Commission,   
and the Seafarers Safety, Rehabilitation and Compensation Authority

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# Comcare, the Safety, Rehabilitation and Compensation Commission, and the Seafarers Safety, Rehabilitation and Compensation Authority

## Section 1: Entity overview and resources

### 1.1 Strategic direction statement

Comcare’s efforts are driven by our outcome—*support participation and productivity through healthy and safe workplaces that minimise the impact of harm*.

The *Safety, Rehabilitation and Compensation Act 1988* (SRC Act) establishes Comcare and the Safety, Rehabi**l**itation and Compensation Commission (SRCC), and sets out the functions and powers of these bodies. Comcare also has functions and responsibilities under the *Work Health and Safety Act 2011* (WHS Act) and the *Asbestos-related Claims (Management of Commonwealth Liabilities) Act 2005* (ARC Act).

Comcare provides expert advice and services to the SRCC and the Seafarers Safety, Rehabilitation and Compensation Authority (Seacare Authority). Comcare is the national work health and safety regulator under the national WHS Act.

Comcare’s five strategic priorities drive our efforts to achieve national excellence and leadership in working with employees, employers and other stakeholders to achieve our outcome. Our strategic priorities are to:

* be the leading workers’ compensation insurer, working with employers and employees to minimise the impact of harm in workplaces, facilitate recovery at and return to work, and deliver sustainable management of the fund
* be an effective national regulator. Achieving safer and healthier workplaces through promoting continuous improvements in work health, safety and rehabilitation practices and monitoring compliance with the law
* achieve excellence in scheme design and management to achieve sustainable and better national schemes
* deliver efficient and effective operations. Working collaboratively and innovatively across the organisation to enable the business to achieve Comcare’s outcome and support the business to drive change, and
* drive innovation and better practice for the schemes. Collaborate across Comcare and sectors to design and deliver research and innovative initiatives to further enhance scheme outcomes.

The *Comcare Corporate Plan 2018—19* outlines our strategic focus for all our efforts to deliver our outcome. Comcare will continue to:

* work with employees and employers to minimise the impact of harm in the workplace, improve recovery at and return to work, and promote the health benefits of work through good work design
* manage claims liabilities by investing in strategic projects aimed at improving return to work outcomes, improving efficiency and effectiveness in business processes and focus on liability management
* foster continuous improvement across the jurisdiction, to protect the health, safety and welfare of employees through delivering effective compliance enforcement activities, and
* provide access to compensation for people with asbestos-related disease where the Commonwealth has liability through the management of claims.

### 1.2 Entity resource statement

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

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

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

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

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

|  |  |  |
| --- | --- | --- |
|  | *2017–18 Estimated actual $'000* | 2018–19 Estimate  $'000 |
| **Opening balance/cash reserves at 1 July** | *979,779* | 1,007,227 |
| **Funds from Government** |  |  |
| Annual appropriations—ordinary annual services (a) |  |  |
| Outcome 1 | *6,020* | 5,989 |
| Total annual appropriations | *6,020* | *5,989* |
| Amounts received from related entities |  |  |
| Amounts from portfolio department (b) | *55,372* | 60,536 |
| Total amounts received from related entities | *55,372* | 60,536 |
| **Total funds from Government** | ***61,392*** | **66,525** |
| **Funds from industry sources** |  |  |
| License fees | *15,601* | 15,954 |
| **Total funds from industry sources** | ***15,601*** | **15,954** |
| **Funds from other sources** |  |  |
| Interest | *29,012* | 30,048 |
| Sale of goods and services | *2,770* | 3,992 |
| Regulatory contributions | *19,789* | 19,508 |
| Workers Compensation premiums | *284,895* | 277,430 |
| **Total funds from other sources** | ***336,466*** | **330,978** |
| **Total net resourcing for Comcare** | ***1,393,238*** | **1,420,684** |
|  |  |  |
|  | *2017–18* | 2018–19 |
| **Average staffing level (number)** | *630* | 652 |

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

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

1. Appropriation Bill (No.1) 2018–19.
2. Comcare is not directly appropriated as it is a corporate Commonwealth entity. Grants from its portfolio department include special appropriations under the *Safety, Rehabilitation and Compensation Act 1988* for the payment of pre-premium claims costs and the *Asbestos-related Claims (Management of Commonwealth Liabilities) Act 2005* for asbestos-related claims settlements.

### 1.3 Budget measures

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

Table 1.2: Entity 2018–19 Budget measures

Comcare does not have any new measures since the 2017–18 MYEFO, or any other measures not previously reported in a portfolio statement. For this reason, Table 1.2 is not presented.

## Section 2: Outcomes and planned performance

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

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

**Note:**

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

The most recent corporate plan for Comcare can be found at: http://www.comcare.gov.au/about\_us/comcare\_2017-18\_corporate\_plan.

The most recent annual performance statement can be found at: <http://www.comcare.gov.au/annual_report_2016-17/annual_performance_statement/overview>.

### 2.1 Budgeted expenses and performance for Outcome 1

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

#### Budgeted expenses for Outcome 1

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

Table 2.1.1: Budgeted expenses for Outcome 1

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Outcome 1: Support participation and productivity through healthy and safe workplaces that minimise the impact of harm in workplaces covered by Comcare.** | | | | | |
|  | 2017–18 Estimated actual $'000 | 2018–19 Budget  $'000 | 2019–20 Forward estimate $'000 | 2020–21 Forward estimate $'000 | 2021–22 Forward estimate $'000 |
| **Program 1.1: Comcare Departmental** | | | | | |
| Revenue from Government |  |  |  |  |  |
| Ordinary annual services (Appropriation Bill No. 1) | 6,020 | 5,989 | 5,995 | 6,034 | 6,069 |
| Grants received from portfolio department | 55,372 | 60,536 | 57,161 | 56,857 | 56,278 |
| Revenues from industry sources | 15,601 | 15,954 | 16,213 | 16,462 | 17,015 |
| Revenues from independent sources | 336,466 | 330,978 | 341,138 | 353,748 | 362,792 |
| Revenues from other independent sources (a) | (156,948) | (71,780) | (37,533) | (37,197) | (33,374) |
| Expenses not requiring revenue | - | - | - | - | - |
| **Total expenses for Program 1.1** | **256,511** | **341,677** | **382,974** | **395,904** | **408,780** |
| **Outcome 1 totals by resource type** | | | | | |
| Revenue from Government |  |  |  |  |  |
| Ordinary annual services (Appropriation Bill No. 1) | 6,020 | 5,989 | 5,995 | 6,034 | 6,069 |
| Grants received from portfolio department | 55,372 | 60,536 | 57,161 | 56,857 | 56,278 |
| Revenues from industry sources | 15,601 | 15,954 | 16,213 | 16,462 | 17,015 |
| Revenues from independent sources | 336,466 | 330,978 | 341,138 | 353,748 | 362,792 |
| Revenues from other independent sources (a) | (156,948) | (71,780) | (37,533) | (37,197) | (33,374) |
| Expenses not requiring revenue | - | - | - | - | - |
| **Total expenses for Outcome 1** | **256,511** | **341,677** | **382,974** | **395,904** | **408,780** |
|  |  |  |  |  |  |
|  | 2017–18 | 2018–19 |  |  |  |
| **Average staffing level (number)** | 630 | 652 |  |  |  |

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

Table 2.1.2: Program components of Outcome 1

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Program 1.1: Comcare Departmental** | | | | | |
|  | 2017–18 Estimated actual $'000 | 2018–19 Budget  $'000 | 2019–20 Forward estimate $'000 | 2020–21 Forward estimate $'000 | 2021–22 Forward estimate $'000 |
| *1.1—Work Health, Safety and Rehabilitation Regulation* | | | | | |
| Annual departmental expenses: |  |  |  |  |  |
| Annual Appropriation | 722 | 718 | 719 | 724 | 728 |
| Expenses not requiring appropriation in the Budget year | 28,975 | 28,985 | 29,305 | 29,969 | 28,892 |
| **Total component 1.1 expenses** | **29,697** | **29,703** | **30,024** | **30,693** | **29,620** |
| *1.2—Comcare Workers Compensation Scheme Management* | | | | | |
| Expenses not requiring appropriation in the Budget year | 7,840 | 7,356 | 7,416 | 7,583 | 7,665 |
| **Total component 1.2 expenses** | **7,840** | **7,356** | **7,416** | **7,583** | **7,665** |
| *1.3—SRCC and Seacare Authority Support* | | | | | |
| Annual departmental expenses: |  |  |  |  |  |
| Annual Appropriation | 361 | 360 | 360 | 362 | 364 |
| Expenses not requiring appropriation in the Budget year | 4,778 | 4,802 | 4,887 | 4,966 | 5,047 |
| **Total component 1.3 expenses** | **5,139** | **5,162** | **5,247** | **5,328** | **5,411** |
| *1.4—Premium Claims* | | | | | |
| Annual departmental expenses: |  |  |  |  |  |
| Annual Appropriation | 205 | 204 | 204 | 205 | 207 |
| Expenses not requiring appropriation in the Budget year | 196,885 | 281,088 | 320,080 | 332,540 | 346,744 |
| **Total component 1.4 expenses** | **197,090** | **281,292** | **320,284** | **332,745** | **346,951** |
| *1.5—Pre-premium Claims* | | | | | |
| Annual departmental expenses: |  |  |  |  |  |
| Grants received from portfolio department | 30,697 | 31,227 | 30,035 | 28,720 | 27,440 |
| Expenses not requiring appropriation in the Budget year | (31,701) | (26,945) | (24,553) | (22,485) | (20,673) |
| **Total component 1.5 expenses** | **(1,004)** | **4,282** | **5,482** | **6,235** | **6,767** |
| *1.6—Asbestos Claims* | | | | | |
| Annual departmental expenses: |  |  |  |  |  |
| Annual Appropriation | 4,732 | 4,707 | 4,712 | 4,743 | 4,770 |
| Grants received from portfolio department | 24,675 | 29,309 | 27,126 | 28,137 | 28,837 |
| Expenses not requiring appropriation in the Budget year | (11,658) | (20,134) | (17,317) | (19,560) | (21,241) |
| **Total component 1.6 expenses** | **17,749** | **13,882** | **14,521** | **13,320** | **12,366** |
| **Total program expenses** | **256,511** | **341,677** | **382,974** | **395,904** | **408,780** |

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

Table 2.1.3: Performance criteria for Outcome 1

Table 2.1.3 below details the performance criteria for each program associated with Outcome 1. It also summarises how each program is delivered and where 2018–19 Budget measures have created new programs or materially changed existing programs.

| Outcome 1—Support participation and productivity through healthy and safe workplaces that minimise the impact of harm | | |
| --- | --- | --- |
| **Program Component 1.1—Work Health, Safety and Rehabilitation Regulation**  This program component contributes to the outcome by achieving compliance with the SRC Act and WHS Act and regulations. It leads continuous improvements in work health and safety and rehabilitation outcomes. | | |
| **Purpose** | Effective National Regulator—Achieving safer and healthier workplaces through promoting continuous improvements in work health, safety and rehabilitation practices and monitoring compliance with the law. | |
| **Delivery** | Comcare will foster and monitor continuous improvement and WHS compliance across the jurisdiction. Delivery of effective and consistent compliance enforcement activities. | |
| **Performance information** | | |
| **Year** | **Performance criteria** | **Targets** |
| 2017–18 | Our proactive regulatory reach is extended to all entities in our scheme, to further our breadth of activities both in cities and remote workplaces, and ensure we have increased the number of active relationships with entities | **Assessment:** On track |
|  | Our approach improves WHS outcomes in workplaces, measured by increased knowledge, awareness and compliance to ensure regulatory intervention makes a positive difference | **Assessment:** On track |
|  | A sustained high level of satisfaction and engagement with services provided, measured by survey, to ensure regulatory actions are appropriate, responsive and relevant | **Assessment:** On track |
| 2018–19 | Our proactive regulatory reach is extended to all entities in our scheme, to further our breadth of activities both in cities and remote workplaces, and ensure we have increased the number of active relationships with entities | Regulator interaction with 100% of entities in our scheme |
|  | Our approach improves WHS outcomes in workplaces, measured by increased knowledge, awareness and compliance to ensure regulatory intervention makes a positive difference | 80% of surveyed workplaces have improved WHS outcomes following regulatory intervention |
|  | A sustained high level of satisfaction and engagement with services provided, measured by survey, to ensure regulatory actions are appropriate, responsive and relevant | Satisfaction rating of 85% or more |
| 2019–20 and beyond | Our proactive regulatory reach is extended to all entities in our scheme, to further our breadth of activities both in cities and remote workplaces, and ensure we have increased the number of active relationships with entities | Regulator interaction with 100% of entities in our scheme |
|  | Our approach improves WHS outcomes in workplaces, measured by increased knowledge, awareness and compliance to ensure regulatory intervention makes a positive difference | 85% of surveyed workplaces have improved WHS outcomes following regulatory intervention |
|  | A sustained high level of satisfaction and engagement with services provided, measured by survey, to ensure regulatory actions are appropriate, responsive and relevant | Satisfaction rating of 85% or more |
| **Material changes to Program Component 1.1 resulting from the following measures:**  Nil | | |

| **Program Component 1.2—Comcare Workers’ Compensation Scheme Management**  National leader in the design, implementation and management of the national schemes that improves work health, safety and rehabilitation outcomes. | | |
| --- | --- | --- |
| **Purpose** | Excellent in Scheme Design and Management—Excellence in scheme design and management to achieve sustainable and better national schemes. | |
| **Delivery** | Leadership of the scheme, provision of high quality advice and assistance, increase knowledge and understanding of the scheme requirements, provide quality analysis and insights that highlight emerging risks and trends. Transparent pricing of the scheme management, regulatory function and develop innovative policies and programs. | |
| **Performance information** | | |
| **Year** | **Performance criteria** | **Targets** |
| 2017–18 | Return to work rates developed through the existing biennial Return to Work Survey indicating the rehabilitation outcomes achieved | **Assessment:** On track |
|  | Improve the financial sustainability of the scheme measured by notional premium rate | **Assessment:** On track |
|  | Better practice scheme management assessed through qualitative review | **Assessment:** On track |
| 2018–19 | Return to work rates developed through the existing biennial Return to Work Survey indicating the rehabilitation outcomes achieved | The National return to work survey will be conducted in 2019–20 and 2021–22 |
|  | Improve the financial sustainability of the scheme measured by notional premium rate | Comcare scheme notional premium rate = 1.12% |
|  | Better practice scheme management assessed through qualitative review | Qualitative evaluation of scheme management identifies the adoption/ promotion of better practice |
| 2019–20 and beyond | Return to work rates developed through the existing biennial Return to Work Survey indicating the rehabilitation outcomes achieved | Comcare Scheme return to work rate = 95% |
|  | Improve the financial sustainability of the scheme measured by notional premium rate | Comcare scheme notional premium rate = 1.11% |
|  | Better practice scheme management assessed through qualitative review | Qualitative evaluation of scheme management identifies the adoption/ promotion of better practice |
| **Material changes to Program Component 1.2 resulting from the following measures:**  Nil | | |

| **Program Component 1.3—Safety, Rehabilitation and Compensation Commission (SRCC), and Seafarers Safety, Rehabilitation and Compensation Authority (Seacare Authority) support.** | | |
| --- | --- | --- |
| **Purpose** | Excellent in Scheme Design and Management—Excellence in scheme design and management to achieve sustainable and better national schemes. | |
| **Delivery** | Provide expert advice and services to the SRCC and the Seacare Authority. | |
| **Performance information** | | |
| **Year** | **Performance criteria** | **Targets** |
| 2017–18 | SRCC satisfaction of support provided by Comcare | **Assessment:** On track |
|  | Seacare Authority satisfaction of support provided by Comcare | **Assessment:** On track |
| 2018–19 | SRCC satisfaction of support provided by Comcare | Qualitative evaluation using structured services and feedback from the Chair |
|  | Seacare Authority satisfaction of support provided by Comcare | Qualitative evaluation using structured services and feedback from the Chair |
| 2019–20 and beyond | As per 2018–19 | As per 2018–19 |
| **Material changes to Program Component 1.3 resulting from the following measures:**  Nil | | |

| **Program Component 1.4—Premium Claims** | | |
| --- | --- | --- |
| **Purpose** | Leading Workers’ Compensation Insurer*—*To foster participation and productivity by minimising the impact of harm in workplaces, facilitate recovery at and return to work, and deliver sustainable management of the fund. | |
| **Delivery** | Responsible management of liabilities and premiums, supported by effective, value driven and outcome focused services. | |
| **Performance information** | | |
| **Year** | **Performance criteria** | **Targets** |
| 2017–18 | The insured scheme continues to be fully funded | **Assessment:** On track |
|  | The average Commonwealth premium rate reduced to 1.1 per cent of payroll (excluding GST) by 2018–19, to ensure the scheme remains financially sustainable | **Assessment:** Target achieved |
|  | Reduce the insured scheme liability to $1.9 billion, a reduction of $1 billion from the baseline at 30 June 2014, to ensure the scheme remains financially sustainable | **Assessment:** On track |
|  | Reduce the direct administration cost ratio to 20 per cent by 2018–19, measured by Safe Work Australia’s comparative performance monitoring methodology, to ensure cost effective management of the fund | **Assessment:** Not on track[[9]](#footnote-9) |
|  | Increase the proportion of employees who have returned to work, measured by duration on incapacity benefits, to facilitate recovery and reduce liability. Reported by periods of:  13 weeks—73%  26 weeks—82%  78 weeks—91% | **Assessment:**  13 weeks—Not on track[[10]](#footnote-10)  26 weeks—On track  78 weeks—On track |
|  | A sustained high level of satisfaction and engagement with the services provided, measured by survey to ensure services are appropriate, responsive and relevant | **Assessment:** On track |
| 2018–19 | The insured scheme continues to be fully funded | 100–110% |
|  | The average Commonwealth premium rate reduces to 1.1 per cent of payroll (excluding GST) for the 2018–19 premium year, to ensure the scheme remains financially sustainable | Average Commonwealth premium rate = 1.1% of payroll |
|  | Reduce the insured scheme liability to ensure the scheme remains financially sustainable | Scheme liability is $1.9 billion or less by 30 June 2019 |
|  | That claims administration cost as a ratio of all claims expenses is 20 per cent or lower for each injury year, measured by Safe Work Australia’s comparative performance monitoring methodology, to ensure cost effective management of the fund | Administrative cost ratio is 20% or lower |
|  | Increase the proportion of employees who have returned to work, measured by duration on incapacity benefits, to facilitate recovery and reduce liability | 13 weeks — 76%  26 weeks — 84%  78 weeks — 92% |
|  | A sustained high level of satisfaction and engagement with the services provided, measured by survey, to ensure services are appropriate, responsive and relevant | A stakeholder satisfaction rating of 82% or more for services provided to the Fund |
| 2019–20 and beyond | The insured scheme continues to be fully funded | 100–110% |
|  | The average Commonwealth premium rate reduces to 1.1 per cent of payroll (excluding GST) for the 2018–19 premium year, to ensure the scheme remains financially sustainable | Average Commonwealth premium rate = 1.0% of payroll |
|  | Reduce the insured scheme liability to ensure the scheme remains financially sustainable | Scheme liability is $1.71 billion or less by 30 June 2019 |
|  | That claims administration cost as a ratio of all claims expenses is 20 per cent or lower for each injury year, measured by Safe Work Australia’s comparative performance monitoring methodology, to ensure cost effective management of the fund | Administrative cost ratio is 20% or lower |
|  | Increase the proportion of employees who have returned to work, measured by duration on incapacity benefits, to facilitate recovery and reduce liability | 13 weeks — 80%  26 weeks — 88%  78 weeks — 95% |
|  | A sustained high level of satisfaction and engagement with the services provided, measured by survey, to ensure services are appropriate, responsive and relevant | A stakeholder satisfaction rating of 85% or more for services provided to the Fund |
| **Material changes to Program Component 1.4 resulting from the following measures:**  Nil | | |

| **Program Component 1.5—Pre-premium claims** | | |
| --- | --- | --- |
| **Purpose** | Leading Workers’ Compensation Insurer*—*To foster participation and productivity by minimising the impact of harm in workplaces, facilitate recovery at and return to work, and deliver sustainable management of the fund. | |
| **Delivery** | Build a high-performance business and service culture that is committed to quality and outcomes. | |
| **Performance information** | | |
| **Year** | **Performance criteria** | **Targets** |
| 2017–18 | Reduce the direct administration cost ratio to 20 per cent by 2018–19, measured by Safe Work Australia’s comparative performance monitoring methodology, to ensure cost effective management of the fund | **Assessment:** Not on track[[11]](#footnote-11) |
| 2018–19 | That claims administration cost as a ratio of all claims expenses is 20 per cent or lower for each injury year, measured by Safe Work Australia’s comparative performance monitoring methodology, to ensure cost effective management of the fund | Administrative cost ratio is 20% or lower |
| 2019–20 and beyond | As per 2018–19 | As per 2018–19 |
| **Material changes to Program Component 1.5 resulting from the following measures:** Nil | | |

| **Program Component 1.6—Asbestos Claims** | | |
| --- | --- | --- |
| **Purpose** | Leading Workers’ Compensation Insurer*—*To foster participation and productivity by minimising the impact of harm in workplaces, facilitate recovery at and return to work, and deliver sustainable management of the fund. | |
| **Delivery** | Proactive management of asbestos claims and recoveries from third parties. | |
| **Performance information** | | |
| **Year** | **Performance criteria** | **Targets** |
| 2017–18 | Timeliness of claims resolution (i.e. percentage of primary asbestos claims resolved within 180 calendar days) | **Assessment:** On track |
|  | Third party recovery rate (i.e. percentage of the value of asbestos claims settlements recovered from third parties) | **Assessment:** On track |
| 2018–19 | Timeliness of claims resolution (i.e. percentage of primary asbestos claims resolved within 180 calendar days) | 80% |
|  | Third party recovery rate (i.e. percentage of the value of asbestos claims settlements recovered from third parties) | 10% |
| 2019–20 and beyond | As per 2018–19 | As per 2018–19 |
| **Material changes to Program Component 1.6 resulting from the following measures:** Nil | | |

## Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2018–19 budget year, including the impact of budget measures and resourcing on financial statements.

### 3.1 Budgeted financial statements

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

The difference between the available resources shown in Table 1.1: Comcare resource statement and Table 3.1: Comprehensive Income Statement is due to prior year amounts available in 2018–19, and non-cash movements in the value of the workers compensation claims liability and notional interest receipts. The prior year amounts relate to retained premium funds, which are held to discharge future premium claims liabilities. Table 3.2: Budgeted Departmental Balance Sheet also includes significant financial assets (appropriations receivable) which will fund claim payments over the lifetime of the outstanding claims liabilities.

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

##### Income

Comcare’s total income in 2018–19 is budgeted at $341.7 million, compared to $256.5 million in 2017–18 (an increase of $85.2 million, Table 3.1). The increase in revenue is mainly due to a significant favourable movement in premium liabilities in 2017–18 leading to a lower liability offset in 2018–19.

##### Expenses

Comcare’s total expenses in 2018–19 are budgeted at $341.7 million, compared to $256.5 million in 2017–18 (an increase of $85.2 million) due to a significant favourable movement in premium liabilities in 2017–18.

Comcare’s administration expenses are budgeted to decrease in 2018–19 by $4.5 million (from $112.1 million to $107.6 million) due to efficiencies in Comcare operations.

##### Operating Result

Comcare’s operating result for 2018–19 is budgeted to break even.

##### Claims Liability

Comcare has three separate claims liabilities:

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

In the 2018–19 Portfolio Budget Statements, all claims liability provisions are based on independent actuarial valuations on the basis of the central estimate plus a risk margin that would achieve a 75 per cent probability of sufficiency.

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

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2017–18 Estimated actual $'000 | 2018–19 Budget  $'000 | 2019–20 Forward estimate $'000 | 2020–21 Forward estimate $'000 | 2021–22 Forward estimate $'000 |
| **Workers' compensation liabilities** |  |  |  |  |  |
| Premium | 2,354,468 | 2,359,704 | 2,399,020 | 2,442,422 | 2,495,315 |
| Pre-premium | 316,173 | 289,209 | 264,637 | 242,134 | 221,442 |
| Asbestos related— common law | 955,500 | 931,980 | 911,680 | 888,860 | 864,080 |

### 3.2. Budgeted financial statements tables

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2017–18 Estimated actual $'000 | 2018–19 Budget  $'000 | 2019–20 Forward estimate $'000 | 2020–21 Forward estimate $'000 | 2021–22 Forward estimate $'000 |
| **EXPENSES** |  |  |  |  |  |
| Employee benefits | 72,091 | 69,023 | 69,526 | 70,855 | 70,996 |
| Suppliers | 34,596 | 33,536 | 31,945 | 31,778 | 31,550 |
| Depreciation and amortisation | 5,416 | 5,041 | 5,181 | 5,181 | 5,181 |
| Claims Payments | 278,929 | 275,443 | 278,473 | 286,376 | 289,781 |
| Claims—Movement in liabilities | (134,521) | (41,366) | (2,151) | 1,714 | 11,272 |
| **Total expenses** | **256,511** | **341,677** | **382,974** | **395,904** | **408,780** |
| **LESS:** |  |  |  |  |  |
| **OWN-SOURCE INCOME** |  |  |  |  |  |
| **Own-source revenue** |  |  |  |  |  |
| Sale of goods and rendering of services | 2,770 | 3,992 | 3,242 | 4,067 | 1,095 |
| Licence Fees | 15,601 | 15,954 | 16,213 | 16,462 | 17,015 |
| Regulatory Contributions | 19,789 | 19,508 | 19,837 | 20,155 | 20,987 |
| Interest | 29,012 | 30,048 | 30,152 | 30,391 | 30,508 |
| Grants Received from Portfolio Department | 55,372 | 60,536 | 57,161 | 56,857 | 56,278 |
| Workers’ Compensation Premium | 284,895 | 277,430 | 287,907 | 299,135 | 310,202 |
| Other Non-Tax Revenue (a) | (156,948) | (71,780) | (37,533) | (37,197) | (33,374) |
| **Total own-source revenue** | **250,491** | **335,688** | **376,979** | **389,870** | **402,711** |
| **Total own-source income** | **250,491** | **335,688** | **376,979** | **389,870** | **402,711** |
| **Net (cost of)/contribution by services** | **(6,020)** | **(5,989)** | **(5,995)** | **(6,034)** | **(6,069)** |
| Revenue from Government | 6,020 | 5,989 | 5,995 | 6,034 | 6,069 |
| **Surplus/(deficit) attributable to the  Australian Government** | **-** | **-** | **-** | **-** | **-** |
| **OTHER COMPREHENSIVE INCOME** |  |  |  |  |  |
| Changes in asset revaluation surplus | - | - | - | - | - |
| **Total other comprehensive income** | **-** | **-** | **-** | **-** | **-** |
| **Total comprehensive income/(loss)** | **-** | **-** | **-** | **-** | **-** |
| **Total comprehensive income/(loss)  attributable to the Australian Government** | **-** | **-** | **-** | **-** | **-** |

1. Relates to non-cash movements in workers’ compensation claims liabilities and asbestos-related claims liabilities.

Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2017–18 Estimated actual $'000 | 2018–19 Budget  $'000 | 2019–20 Forward estimate $'000 | 2020–21 Forward estimate $'000 | 2021–22 Forward estimate $'000 |
| **ASSETS** |  |  |  |  |  |
| **Financial assets** |  |  |  |  |  |
| Cash and cash equivalents | 1,007,227 | 1,041,281 | 1,082,625 | 1,126,763 | 1,169,056 |
| Trade and other receivables | 2,647,030 | 2,567,065 | 2,521,814 | 2,475,346 | 2,437,924 |
| Other financial assets | 7,643 | 7,643 | 7,643 | 7,643 | 7,643 |
| ***Total financial assets*** | ***3,661,900*** | ***3,615,989*** | ***3,612,082*** | ***3,609,752*** | ***3,614,623*** |
| **Non-financial assets** |  |  |  |  |  |
| Property, plant and equipment | 13,618 | 11,292 | 7,491 | 4,620 | 4,039 |
| Intangibles | 7,943 | 12,315 | 15,835 | 19,115 | 22,245 |
| Other non-financial assets | 1,445 | 1,445 | 1,445 | 1,445 | 1,445 |
| ***Total non-financial assets*** | ***23,006*** | ***25,052*** | ***24,771*** | ***25,180*** | ***27,729*** |
| **Total assets** | **3,684,906** | **3,641,041** | **3,636,853** | **3,634,932** | **3,642,352** |
| **LIABILITIES** |  |  |  |  |  |
| **Payables** |  |  |  |  |  |
| Suppliers | 6,210 | 6,210 | 6,210 | 6,210 | 6,210 |
| Other payables | 16,765 | 16,765 | 16,765 | 16,765 | 16,765 |
| ***Total payables*** | ***22,975*** | ***22,975*** | ***22,975*** | ***22,975*** | ***22,975*** |
| **Provisions** |  |  |  |  |  |
| Employee provisions | 18,064 | 19,447 | 20,814 | 20,814 | 20,814 |
| Other provisions | 3,628,609 | 3,583,361 | 3,577,806 | 3,575,885 | 3,583,305 |
| ***Total provisions*** | ***3,646,673*** | ***3,602,808*** | ***3,598,620*** | ***3,596,699*** | ***3,604,119*** |
| **Total liabilities** | **3,669,648** | **3,625,783** | **3,621,595** | **3,619,674** | **3,627,094** |
| **Net assets** | **15,258** | **15,258** | **15,258** | **15,258** | **15,258** |
| **EQUITY\*** |  |  |  |  |  |
| **Parent entity interest** |  |  |  |  |  |
| Contributed equity | 7,717 | 7,717 | 7,717 | 7,717 | 7,717 |
| Reserves | 4,142 | 4,142 | 4,142 | 4,142 | 4,142 |
| Retained surplus (accumulated deficit) | 3,399 | 3,399 | 3,399 | 3,399 | 3,399 |
| ***Total parent entity interest*** | ***15,258*** | ***15,258*** | ***15,258*** | ***15,258*** | ***15,258*** |
| **Total equity** | **15,258** | **15,258** | **15,258** | **15,258** | **15,258** |

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

Prepared on Australian Accounting Standards basis.

Table 3.3: Departmental statement of changes in equity—summary of movement (Budget year 2018–19)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | Retained earnings  $'000 | Asset revaluation reserve $'000 | Contributed equity/ capital $'000 | Total equity   $'000 |
| **Opening balance as at 1 July 2018** |  |  |  |  |
| Balance carried forward from previous period | 3,399 | 4,142 | 7,717 | 15,258 |
| Adjustment for changes in accounting policies | - | - | - | - |
| ***Adjusted opening balance*** | ***3,399*** | ***4,142*** | ***7,717*** | ***15,258*** |
| **Comprehensive income** |  |  |  |  |
| Other comprehensive income | - | - | - | - |
| Surplus/(deficit) for the period | - | - | - | - |
| ***Total comprehensive income*** | ***-*** | ***-*** | ***-*** | ***-*** |
| **Estimated closing balance as at 30 June 2019** | **3,399** | **4,142** | **7,717** | **15,258** |
| Less: non-controlling interests | - | - | - | - |
| **Closing balance attributable to the Australian Government** | **3,399** | **4,142** | **7,717** | **15,258** |

Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2017–18 Estimated actual $'000 | 2018–19 Budget  $'000 | 2019–20 Forward estimate $'000 | 2020–21 Forward estimate $'000 | 2021–22 Forward estimate $'000 |
| **OPERATING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Appropriations | 6,020 | 5,989 | 5,995 | 6,034 | 6,069 |
| Sale of goods and rendering of services | 70,465 | 71,143 | 72,012 | 74,666 | 74,027 |
| Interest | 29,012 | 30,048 | 30,152 | 30,391 | 30,508 |
| Grants from Portfolio Agencies | 55,373 | 60,536 | 57,161 | 56,857 | 56,278 |
| Other | 293,109 | 285,615 | 295,625 | 308,406 | 314,250 |
| ***Total cash received*** | ***453,979*** | ***453,331*** | ***460,945*** | ***476,354*** | ***481,132*** |
| **Cash used** |  |  |  |  |  |
| Employees | 70,696 | 67,640 | 68,159 | 70,855 | 70,996 |
| Suppliers | 42,191 | 40,974 | 39,269 | 39,202 | 39,002 |
| Net GST paid | 22,657 | 24,251 | 25,396 | 26,558 | 27,478 |
| Cash Used—Other | 282,187 | 279,325 | 281,877 | 290,011 | 293,633 |
| ***Total cash used*** | ***417,731*** | ***412,190*** | ***414,701*** | ***426,626*** | ***431,109*** |
| **Net cash from/(used by) operating activities** | **36,248** | **41,141** | **46,244** | **49,728** | **50,023** |
| **INVESTING ACTIVITIES** |  |  |  |  |  |
| **Cash used** |  |  |  |  |  |
| Purchase of property, plant and equipment and intangibles | 8,800 | 7,087 | 4,900 | 5,590 | 7,730 |
| ***Total cash used*** | ***8,800*** | ***7,087*** | ***4,900*** | ***5,590*** | ***7,730*** |
| **Net cash from/(used by) investing activities** | **(8,800)** | **(7,087)** | **(4,900)** | **(5,590)** | **(7,730)** |
| **Net increase/(decrease) in cash held** | **27,448** | **34,054** | **41,344** | **44,138** | **42,293** |
| Cash and cash equivalents at the beginning of the reporting period | 979,779 | 1,007,227 | 1,041,281 | 1,082,625 | 1,126,763 |
| **Cash and cash equivalents at the end of the reporting period** | **1,007,227** | **1,041,281** | **1,082,625** | **1,126,763** | **1,169,056** |

Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2017–18 Estimated actual $'000 | 2018–19 Budget  $'000 | 2019–20 Forward estimate $'000 | 2020–21 Forward estimate $'000 | 2021–22 Forward estimate $'000 |
| **PURCHASE OF NON-FINANCIAL ASSETS** |  |  |  |  |  |
| Funded internally from departmental resources | 8,800 | 7,087 | 4,900 | 5,590 | 7,730 |
| **TOTAL** | **8,800** | **7,087** | **4,900** | **5,590** | **7,730** |
| **RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE** |  |  |  |  |  |
| Total purchases | 8,800 | 7,087 | 4,900 | 5,590 | 7,730 |
| **Total cash used to acquire assets** | **8,800** | **7,087** | **4,900** | **5,590** | **7,730** |

Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |
| --- | --- | --- | --- |
|  | Other property, plant and equipment $'000 | Computer software and intangibles $'000 | Total   $'000 |
| **As at 1 July 2018** |  |  |  |
| Gross book value | 35,600 | 25,548 | 61,148 |
| Accumulated depreciation/amortisation and impairment | (21,982) | (17,605) | (39,587) |
| **Opening net book balance** | **13,618** | **7,943** | **21,561** |
| **Capital asset additions** |  |  |  |
| **Estimated expenditure on new or replacement assets** |  |  |  |
| By purchase—other | 1,730 | 5,357 | 7,087 |
| **Total additions** | **1,730** | **5,357** | **7,087** |
| **Other movements** |  |  |  |
| Depreciation/amortisation expense | (4,056) | (985) | (5,041) |
| **Total other movements** | **(4,056)** | **(985)** | **(5,041)** |
| **As at 30 June 2019** |  |  |  |
| Gross book value | 37,330 | 30,905 | 68,235 |
| Accumulated depreciation/ amortisation and impairment | (26,038) | (18,590) | (44,628) |
| **Closing net book balance** | **11,292** | **12,315** | **23,607** |

Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2017–18 Estimated actual $'000 | 2018–19 Budget  $'000 | 2019–20 Forward estimate $'000 | 2020–21 Forward estimate $'000 | 2021–22 Forward estimate $'000 |
| **EXPENSES** |  |  |  |  |  |
| Suppliers | 155 | 155 | 155 | 155 | 155 |
| **Total expenses administered on behalf of Government** | **155** | **155** | **155** | **155** | **155** |
| **LESS:** |  |  |  |  |  |
| **OWN-SOURCE INCOME** |  |  |  |  |  |
| **Own-source revenue** |  |  |  |  |  |
| **Non-taxation revenue** |  |  |  |  |  |
| Other revenue | 155 | 155 | 155 | 155 | 155 |
| ***Total non-taxation revenue*** | ***155*** | ***155*** | ***155*** | ***155*** | ***155*** |
| **Total own-source revenue administered on behalf of Government** | **155** | **155** | **155** | **155** | **155** |
| **Total own-sourced income administered on behalf of Government** | **155** | **155** | **155** | **155** | **155** |
| **Net (cost of)/contribution by services** | **-** | **-** | **-** | **-** | **-** |

Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2017–18 Estimated actual $'000 | 2018–19 Budget  $'000 | 2019–20 Forward estimate $'000 | 2020–21 Forward estimate $'000 | 2021–22 Forward estimate $'000 |
| **ASSETS** |  |  |  |  |  |
| **Financial assets** |  |  |  |  |  |
| Trade and other receivables | 1,356 | 1,356 | 1,356 | 1,356 | 1,356 |
| ***Total financial assets*** | ***1,356*** | ***1,356*** | ***1,356*** | ***1,356*** | ***1,356*** |
| **Total assets administered on behalf of Government** | **1,356** | **1,356** | **1,356** | **1,356** | **1,356** |
| **LIABILITIES** |  |  |  |  |  |
| **Payables** |  |  |  |  |  |
| Suppliers | 115 | 115 | 115 | 115 | 115 |
| ***Total payables*** | ***115*** | ***115*** | ***115*** | ***115*** | ***115*** |
| **Provisions** |  |  |  |  |  |
| Other provisions | 622 | 622 | 622 | 622 | 622 |
| ***Total provisions*** | ***622*** | ***622*** | ***622*** | ***622*** | ***622*** |
| **Total liabilities administered on behalf of Government** | **737** | **737** | **737** | **737** | **737** |
| **Net assets/(liabilities)** | **619** | **619** | **619** | **619** | **619** |

Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2017–18 Estimated actual $'000 | 2018–19 Budget  $'000 | 2019–20 Forward estimate $'000 | 2020–21 Forward estimate $'000 | 2021–22 Forward estimate $'000 |
| **OPERATING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Other | 155 | 155 | 155 | 155 | 155 |
| ***Total cash received*** | ***155*** | ***155*** | ***155*** | ***155*** | ***155*** |
| **Cash used** |  |  |  |  |  |
| Other | 155 | 155 | 155 | 155 | 155 |
| ***Total cash used*** | ***155*** | ***155*** | ***155*** | ***155*** | ***155*** |
| **Net cash from/(used by) operating activities** | **-** | **-** | **-** | **-** | **-** |
| ***Net increase/(decrease) in cash held*** | ***-*** | ***-*** | ***-*** | ***-*** | ***-*** |
| Cash and cash equivalents at beginning of reporting period | - | - | - | - | - |
| **Cash and cash equivalents at end of reporting period** | **-** | **-** | **-** | **-** | **-** |

Prepared on Australian Accounting Standards basis.

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

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

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

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

### 3.3 Notes to the Financial Statements

#### Accounting policy

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

#### Entity items

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

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

#### Comprehensive Income Statement

##### Revenue from government

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

##### Own source revenue

Comcare receives the following own-source revenue:

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

##### Workers’ compensation premiums

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

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

##### Grants received from portfolio department

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

##### Other non-tax revenue

‘Other non-tax revenue’ is a non-cash appropriation representing:

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

##### Administration expenses

Comcare administration expenses include:

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

##### Claims expenses

Comcare recognises two types of claims expenses:

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

#### Departmental Balance Sheet

##### Cash and cash equivalents

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

##### Trade and other receivables

Other receivables are the combined value of:

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

##### Employee provisions

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

##### Other provisions

Provision is made for:

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

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

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

Fair Work Commission

Entity resources and planned performance

Fair Work Commission

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# Fair Work Commission

## Section 1: Entity overview and resources

### 1.1 Strategic direction statement

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

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

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

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

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

To achieve the program objectives, the major priorities in 2018–19 include:

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

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

### 1.2 Entity resource statement

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

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

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

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

Table 1.1: Fair Work Commission resource statement—Budget estimates for 2018–19 as at Budget, May 2018

|  |  |  |
| --- | --- | --- |
|  | *2017–18 Estimated actual  $'000* | 2018–19 Estimate  $'000 |
| **Departmental** |  |  |
| Annual appropriations—ordinary annual services (a) |  |  |
| Prior year appropriations available (b) | *31,028* | 29,265 |
| Departmental appropriation (c) | *74,133* | 74,047 |
| s74 Retained revenue receipts (d) | *2,150* | 2,000 |
| Departmental Capital Budget (e) | *2,382* | 2,372 |
| Total departmental annual appropriations | *109,693* | 106,836 |
| ***Total departmental resourcing*** | ***109,693*** | **106,836** |
| **Administered** |  |  |
| **Special appropriations** |  |  |
| **Special appropriations limited by criteria/entitlement** |  |  |
| *Public Governance, Performance and Accountability Act 2013—s77* | *500* | 500 |
| ***Total administered special appropriations*** | ***500*** | **500** |
| **Total administered resourcing** | ***500*** | **500** |
| **Total resourcing for Fair Work Commission** | ***110,193*** | **108,184** |
|  |  |  |
|  | *2017–18* | 2018–19 |
| **Average staffing level (number)** | *314* | 314 |

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

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

1. Appropriation Bill (No.1) 2018–19.
2. Estimated adjusted balance carried forward from previous year.
3. Excludes Departmental Capital Budget (DCB).
4. Estimated retained revenue receipts under section 74 of the PGPA Act.
5. DCBs are not separately identified in Appropriation Bill (No.1) and form part of ordinary annual services items. Please refer to Table 3.5 for further details. For accounting purposes, this amount has been designated as a 'contribution by owner’.

### 1.3 Budget measures

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

Table 1.2: Entity 2018–19 Budget measures

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

## Section 2: Outcomes and planned performance

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

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

**Note:**

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

The most recent corporate plan for Fair Work Commission can be found at: <https://www.fwc.gov.au/about-us/news-and-events/corporate-plan-2017-18-published>

The most recent annual performance statement can be found at: <https://www.fwc.gov.au/annual-report-2016-17/3-performance/annual-performance-statement>.

### 2.1 Budgeted expenses and performance for Outcome 1

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

#### Budgeted expenses for Outcome 1

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

Table 2.1.1: Budgeted expenses for Outcome 1

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Outcome 1: Simple, fair and flexible workplace relations for employees and employers through the exercise of powers to set and vary minimum wages and modern awards, facilitate collective bargaining, approve agreements and deal with disputes.** | | | | | |
|  | 2017–18 Estimated actual $'000 | 2018–19 Budget  $'000 | 2019–20 Forward estimate $'000 | 2020–21 Forward estimate $'000 | 2021–22 Forward estimate $'000 |
| **Program 1.1: Dispute resolution, minimum wage setting, orders and approvals of agreements** | | | | | |
| Administered expenses |  |  |  |  |  |
| Special appropriations |  |  |  |  |  |
| *Public Governance, Performance and Accountability Act 2013—s77* | 500 | 500 | 500 | 500 | 500 |
| **Administered total** | 500 | 500 | 500 | 500 | 500 |
| Departmental expenses |  |  |  |  |  |
| Departmental appropriation | 74,133 | 74,047 | 75,759 | 77,058 | 77,664 |
| s74 retained revenue receipts (a) | 2,150 | 2,000 | 2,000 | 2,000 | 2,000 |
| Expenses not requiring appropriation in the Budget year (b) | 5,832 | 6,277 | 6,127 | 6,098 | 6,130 |
| **Departmental total** | 82,115 | 82,324 | 83,886 | 85,156 | 85,794 |
| **Total expenses for Program 1.1** | **82,615** | **82,824** | **84,386** | **85,656** | **86,294** |
| **Outcome 1 Totals by appropriation type** | | | | | |
| Administered expenses |  |  |  |  |  |
| Special appropriations | 500 | 500 | 500 | 500 | 500 |
| **Administered total** | 500 | 500 | 500 | 500 | 500 |
| Departmental expenses |  |  |  |  |  |
| Departmental appropriation | 74,133 | 74,047 | 75,759 | 77,058 | 77,664 |
| s74 retained revenue receipts (a) | 2,150 | 2,000 | 2,000 | 2,000 | 2,000 |
| Expenses not requiring appropriation in the Budget year (a) | 5,832 | 6,277 | 6,127 | 6,098 | 6,130 |
| **Departmental total** | 82,115 | 82,324 | 83,886 | 85,156 | 85,794 |
| **Total expenses for Outcome 1** | **82,615** | **82,824** | **84,386** | **85,656** | **86,294** |
|  |  |  |  |  |  |
|  | 2017–18 | 2018–19 |  |  |  |
| **Average staffing level (number)** | 314 | 314 |  |  |  |

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

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

Table 2.1.2: Performance criteria for Outcome 1

Table 2.1.2 below details the performance criteria for each program associated with Outcome 1. It also summarises how each program is delivered and where 2018–19 Budget measures have created new programs or materially changed existing programs.

| Outcome 1—Simple, fair and flexible workplace relations for employees and employers through the exercise of powers to set and vary minimum wages and modern awards, facilitate collective bargaining, approve agreements and deal with disputes. | | |
| --- | --- | --- |
| **Program 1.1—Dispute resolution, minimum wage setting, orders and approval of agreements**  The Fair Work Commission exercises powers under the *Fair Work Act 2009* in accordance with the objects of the Act and in a manner that is fair and just, is quick, informal and avoids unnecessary technicalities. | | |
| **Purpose** | The Fair Work Commission is Australia's national workplace relations tribunal. It is an independent body responsible for exercising functions prescribed by the *Fair Work Act 2009* and the *Fair Work (Registered Organisations) Act 2009*, including:   * providing a safety net of minimum conditions, including minimum wages, in awards * facilitating good faith bargaining and the making of enterprise agreements * granting remedies for unfair dismissal * regulating the taking of industrial action * resolving a range of collective and individual workplace disputes through conciliation, mediation and, in some cases, arbitration, and * functions in connection with workplace determinations, equal remuneration, transfer of business, general workplace protections, right of entry permits and stand downs. | |
| **Delivery** | The deliverables for the Fair Work Commission are highlighted in the Fair Work Commission Corporate Plan, including:   * promoting cooperative and productive workplace relations * resolving unfair dismissal claims * dealing with workplace bullying applications * dealing with general protections claims * setting the national minimum wage * creating, reviewing and varying modern awards * approving enterprise agreements * assisting the bargaining process for enterprise agreements * dispute resolution * determining applications for right of entry permits, and * registration and eligibility rule coverage of federally registered organisations of employers and employees. | |
| **Performance information** | | |
| **Year** | **Performance criteria** | **Targets** |
| 2017–18 | Improve or maintain the time elapsed from lodging applications to finalising conciliations in unfair dismissal applications | 34 days **Assessment**: On track |
|  | Annual wage review to be completed to enable an operative date of 1 July | By June 30 **Assessment**: On track |
|  | Improve or maintain the agreement approval time | 32 days **Assessment**: Not on track (a) |
| 2018–19 | Improve or maintain the time elapsed from lodging applications to finalising conciliations in unfair dismissal applications | 34 days |
|  | Annual wage review to be completed to enable an operative date of 1 July | By June 30 |
|  | Improve or maintain the agreement approval time (b) | 32 days |
| 2019–20 and beyond | As per 2018–19 | As per 2018–19 |
| **Material changes to Program 1.1 resulting from the following measures:**  Nil | | |

1. Primarily due to a significant increase in applications where undertakings are required for approval of the agreement.
2. For agreements approved without undertakings.

## Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2018–19 budget year, including the impact of budget measures and resourcing on financial statements.

### 3.1 Budgeted financial statements

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

There are no material differences between the entity resourcing and financial statements.

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

The Fair Work Commission is budgeting for an operating loss equal to the unappropriated depreciation and amortisation expense of $6.2 million for the 2018–19 financial year.

Total revenues are estimated to be $76.1 million and total expenses $82.3 million in 2018–19.

Total assets at the end of the 2018–19 year are estimated to be $59.6 million. The majority of the assets represent receivables (appropriation receivables).

Total liabilities for 2018–19 are estimated at $19.1 million. The largest liability item is accrued employee entitlements.

### 3.2. Budgeted financial statements tables

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

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | | 2017–18 Estimated actual $'000 | | 2018–19 Budget  $'000 | | | 2019–20 Forward estimate $'000 | | | 2020–21 Forward estimate $'000 | | | 2021–22 Forward estimate $'000 | |
| **EXPENSES** | |  | |  | | |  | | |  | | |  | |
| Employee benefits | | 47,033 | | 48,032 | | | 48,894 | | | 49,983 | | | 50,108 | |
| Suppliers | | 29,305 | | 28,070 | | | 28,920 | | | 29,130 | | | 29,611 | |
| Depreciation and amortisation (a) | | 5,777 | | 6,222 | | | 6,072 | | | 6,043 | | | 6,075 | |
| **Total expenses** | | **82,115** | | **82,324** | | | **83,886** | | | **85,156** | | | **85,794** | |
| **LESS:** | |  | |  | | |  | | |  | | |  | |
| **OWN-SOURCE INCOME** | |  | |  | | |  | | |  | | |  | |
| **Own-source revenue** | |  | |  | | |  | | |  | | |  | |
| Rental income | | 1,950 | | 1,800 | | | 1,800 | | | 1,800 | | | 1,800 | |
| Other | | 255 | | 255 | | | 255 | | | 255 | | | 255 | |
| **Total own-source revenue** | | **2,205** | | **2,055** | | | **2,055** | | | **2,055** | | | **2,055** | |
| **Gains** | |  | |  | | |  | | |  | | |  | |
| Other | | - | | - | | | - | | | - | | | - | |
| **Total gains** | | **-** | | **-** | | | **-** | | | **-** | | | **-** | |
| **Total own-source income** | | **2,205** | | **2,055** | | | **2,055** | | | **2,055** | | | **2,055** | |
| **Net (cost of)/contribution by services** | | **(79,910)** | | **(80,269)** | | | **(81,831)** | | | **(83,101)** | | | **(83,739)** | |
| Revenue from Government | | 74,133 | | 74,047 | | | 75,759 | | | 77,058 | | | 77,664 | |
| **Surplus/(deficit) attributable to the Australian Government** | | **(5,777)** | | **(6,222)** | | | **(6,072)** | | | **(6,043)** | | | **(6,075)** | |
| **OTHER COMPREHENSIVE INCOME** | |  | |  | | |  | | |  | | |  | |
| **Total other comprehensive income** | | **-** | | **-** | | | **-** | | | **-** | | | **-** | |
| **Total comprehensive income/(loss)** | | **(5,777)** | | **(6,222)** | | | **(6,072)** | | | **(6,043)** | | | **(6,075)** | |
| **Total comprehensive income/(loss) attributable to the Australian Government** | | **(5,777)** | | **(6,222)** | | | **(6,072)** | | | **(6,043)** | | | **(6,075)** | |
|  |  | |  | |  | | |  | | |  | | |
| **Note: Impact of net cash appropriation arrangements** | | | | | |  | | |  | | |  | | |
|  | | 2017–18l $'000 | | 2018–19 $'000 | | | 2019–20 $'000 | | | 2020–21 $'000 | | | 2021–22 $'000 | |
| **Total comprehensive income/(loss) excluding depreciation/amortisation expenses previously funded through revenue appropriations** | | **-** | | **-** | | | **-** | | | **-** | | | **-** | |
| less depreciation/amortisation expenses previously funded through revenue appropriations (a) | | 5,777 | | 6,222 | | | 6,072 | | | 6,043 | | | 6,075 | |
| **Total comprehensive income/(loss)—as per the statement of comprehensive income** | | **(5,777)** | | **(6,222)** | | | **(6,072)** | | | **(6,043)** | | | **(6,075)** | |

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

Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2017–18 Estimated actual $'000 | 2018–19 Budget  $'000 | 2019–20 Forward estimate $'000 | 2020–21 Forward estimate $'000 | 2021–22 Forward estimate $'000 |
| **ASSETS** |  |  |  |  |  |
| **Financial assets** |  |  |  |  |  |
| Cash and cash equivalents | 1 | 1 | 1 | 1 | 1 |
| Trade and other receivables | 30,061 | 30,098 | 30,129 | 30,160 | 30,160 |
| ***Total financial assets*** | ***30,062*** | ***30,099*** | ***30,130*** | ***30,161*** | ***30,161*** |
| **Non-financial assets** |  |  |  |  |  |
| Land and buildings | 21,776 | 17,833 | 14,536 | 11,226 | 8,063 |
| Property, plant and equipment | 3,954 | 3,420 | 2,995 | 3,094 | 2,914 |
| Intangibles | 3,041 | 3,668 | 3,695 | 3,260 | 2,943 |
| Other non-financial assets | 4,612 | 4,612 | 4,612 | 4,612 | 4,612 |
| ***Total non-financial assets*** | ***33,383*** | ***29,533*** | ***25,838*** | ***22,192*** | ***18,532*** |
| **Total assets** | **63,445** | **59,632** | **55,968** | **52,353** | **48,693** |
| **LIABILITIES** |  |  |  |  |  |
| **Payables** |  |  |  |  |  |
| Suppliers | 4,017 | 4,017 | 4,017 | 4,017 | 4,017 |
| Other payables | 1,908 | 1,908 | 1,908 | 1,908 | 1,908 |
| ***Total payables*** | ***5,925*** | ***5,925*** | ***5,925*** | ***5,925*** | ***5,925*** |
| **Provisions** |  |  |  |  |  |
| Employee provisions | 13,063 | 13,100 | 13,131 | 13,162 | 13,162 |
| Other provisions | 89 | 89 | 89 | 89 | 89 |
| ***Total provisions*** | ***13,152*** | ***13,189*** | ***13,220*** | ***13,251*** | ***13,251*** |
| **Total liabilities** | **19,077** | **19,114** | **19,145** | **19,176** | **19,176** |
| **Net assets** | **44,368** | **40,518** | **36,823** | **33,177** | **29,517** |
| **EQUITY\*** |  |  |  |  |  |
| **Parent entity interest** |  |  |  |  |  |
| Contributed equity | 45,920 | 48,292 | 50,669 | 53,066 | 55,481 |
| Reserves | 12,410 | 12,410 | 12,410 | 12,410 | 12,410 |
| Retained surplus (accumulated deficit) | (13,962) | (20,184) | (26,256) | (32,299) | (38,374) |
| ***Total parent entity interest*** | ***44,368*** | ***40,518*** | ***36,823*** | ***33,177*** | ***29,517*** |
| **Total equity** | **44,368** | **40,518** | **36,823** | **33,177** | **29,517** |

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

Prepared on Australian Accounting Standards basis.

Table 3.3: Departmental statement of changes in equity—summary of movement (Budget year 2018–19)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | Retained earnings  $'000 | Asset revaluation reserve $'000 | Contributed equity/ capital $'000 | Total equity   $'000 |
| **Opening balance as at 1 July 2018** |  |  |  |  |
| Balance carried forward from previous period | (13,962) | 12,410 | 45,920 | 44,368 |
| ***Adjusted opening balance*** | ***(13,962)*** | ***12,410*** | ***45,920*** | ***44,368*** |
| **Comprehensive income** |  |  |  |  |
| Surplus/(deficit) for the period | (6,222) | - | - | (6,222) |
| ***Total comprehensive income*** | ***(6,222)*** | ***-*** | ***-*** | ***(6,222)*** |
| of which: |  |  |  |  |
| Attributable to the Australian Government | (6,222) | - | - | (6,222) |
| **Transactions with owners** |  |  |  |  |
| ***Contributions by owners*** |  |  |  |  |
| Departmental Capital Budget (DCB) | - | - | 2,372 | 2,372 |
| ***Sub-total transactions with owners*** | ***-*** | ***-*** | ***2,372*** | ***2,372*** |
| Transfers between equity | - | - | - | - |
| **Estimated closing balance as at  30 June 2019** | **(20,184)** | **12,410** | **48,292** | **40,518** |
| Less: non-controlling interests | - | - | - | - |
| **Closing balance attributable to the Australian Government** | **(20,184)** | **12,410** | **48,292** | **40,518** |

Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2017–18 Estimated actual $'000 | 2018–19 Budget  $'000 | 2019–20 Forward estimate $'000 | 2020–21 Forward estimate $'000 | 2021–22 Forward estimate $'000 |
| **OPERATING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Appropriations | 75,896 | 74,010 | 75,728 | 77,027 | 77,664 |
| Sale of goods and rendering of services | 1,950 | 1,800 | 1,800 | 1,800 | 1,800 |
| Other | 200 | 200 | 200 | 200 | 200 |
| ***Total cash received*** | ***78,046*** | ***76,010*** | ***77,728*** | ***79,027*** | ***79,664*** |
| **Cash used** |  |  |  |  |  |
| Employees | 46,996 | 47,995 | 48,863 | 49,952 | 50,108 |
| Suppliers | 29,250 | 28,015 | 28,865 | 29,075 | 29,556 |
| ***Total cash used*** | ***76,246*** | ***76,010*** | ***77,728*** | ***79,027*** | ***79,664*** |
| **Net cash from/(used by) operating activities** | **1,800** | **-** | **-** | **-** | **-** |
| **INVESTING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Other | - | - | - | - | - |
| ***Total cash received*** | ***-*** | ***-*** | ***-*** | ***-*** | ***-*** |
| **Cash used** |  |  |  |  |  |
| Purchase of property, plant and equipment and intangibles | 4,182 | 2,372 | 2,377 | 2,397 | 2,415 |
| ***Total cash used*** | ***4,182*** | ***2,372*** | ***2,377*** | ***2,397*** | ***2,415*** |
| **Net cash from/(used by) investing activities** | **(4,182)** | **(2,372)** | **(2,377)** | **(2,397)** | **(2,415)** |
| **FINANCING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Contributed equity | 2,382 | 2,372 | 2,377 | 2,397 | 2,415 |
| ***Total cash received*** | ***2,382*** | ***2,372*** | ***2,377*** | ***2,397*** | ***2,415*** |
| **Cash used** |  |  |  |  |  |
| Other | - | - | - | - | - |
| ***Total cash used*** | ***-*** | ***-*** | ***-*** | ***-*** | ***-*** |
| **Net cash from/(used by) financing activities** | **2,382** | **2,372** | **2,377** | **2,397** | **2,415** |
| **Net increase/(decrease) in cash held** | **-** | **-** | **-** | **-** | **-** |
| Cash and cash equivalents at the beginning of the reporting period | 1 | 1 | 1 | 1 | 1 |
| **Cash and cash equivalents at the end of the reporting period** | **1** | **1** | **1** | **1** | **1** |

Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2017–18 Estimated actual $'000 | 2018–19 Budget  $'000 | 2019–20 Forward estimate $'000 | 2020–21 Forward estimate $'000 | 2021–22 Forward estimate $'000 |
| **NEW CAPITAL APPROPRIATIONS** |  |  |  |  |  |
| Capital budget—Bill 1 (DCB) | 2,382 | 2,372 | 2,377 | 2,397 | 2,415 |
| **Total new capital appropriations** | **2,382** | **2,372** | **2,377** | **2,397** | **2,415** |
| ***Provided for:*** |  |  |  |  |  |
| *Purchase of non-financial assets* | *2,382* | 2,372 | *2,377* | *2,397* | *2,415* |
| ***Total items*** | ***2,382*** | ***2,372*** | ***2,377*** | ***2,397*** | ***2,415*** |
| **PURCHASE OF NON-FINANCIAL ASSETS** |  |  |  |  |  |
| Funded by capital appropriation—DCB (a) | 4,182 | 2,372 | 2,377 | 2,397 | 2,415 |
| **TOTAL** | **4,182** | **2,372** | **2,377** | **2,397** | **2,415** |
| **RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE** |  |  |  |  |  |
| Total purchases | 4,182 | 2,372 | 2,377 | 2,397 | 2,415 |
| **Total cash used to acquire assets** | **4,182** | **2,372** | **2,377** | **2,397** | **2,415** |

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

Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | Buildings   $'000 | Other property, plant and equipment $'000 | Computer software and intangibles $'000 | Total   $'000 |
| **As at 1 July 2018** |  |  |  |  |
| Gross book value | 25,810 | 5,111 | 6,730 | 37,651 |
| Accumulated depreciation/amortisation and impairment | (4,034) | (1,157) | (3,689) | (8,880) |
| **Opening net book balance** | **21,776** | **3,954** | **3,041** | **28,771** |
| **Capital asset additions** |  |  |  |  |
| **Estimated expenditure on new or replacement assets** |  |  |  |  |
| By purchase—appropriation ordinary annual services (a) | 250 | 622 | 1,500 | 2,372 |
| **Total additions** | **250** | **622** | **1,500** | **2,372** |
| **Other movements** |  |  |  |  |
| Depreciation/amortisation expense | (4,193) | (1,156) | (873) | (6,222) |
| **Total other movements** | **(4,193)** | **(1,156)** | **(873)** | **(6,222)** |
| **As at 30 June 2019** |  |  |  |  |
| Gross book value | 26,060 | 5,733 | 8,230 | 40,023 |
| Accumulated depreciation/amortisation and impairment | (8,227) | (2,313) | (4,562) | (15,102) |
| **Closing net book balance** | **17,833** | **3,420** | **3,668** | **24,921** |

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

Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2017–18 Estimated actual $'000 | 2018–19 Budget  $'000 | 2019–20 Forward estimate $'000 | 2020–21 Forward estimate $'000 | 2021–22 Forward estimate $'000 |
| **EXPENSES** |  |  |  |  |  |
| Other expenses | 500 | 500 | 500 | 500 | 500 |
| **Total expenses administered on behalf of Government** | **500** | **500** | **500** | **500** | **500** |
| **LESS:** |  |  |  |  |  |
| **OWN-SOURCE INCOME** |  |  |  |  |  |
| **Own-source revenue** |  |  |  |  |  |
| **Non-taxation revenue** |  |  |  |  |  |
| Other revenue | 1,078 | 1,078 | 1,078 | 1,078 | 1,078 |
| ***Total non-taxation revenue*** | ***1,078*** | ***1,078*** | ***1,078*** | ***1,078*** | ***1,078*** |
| **Total own-source revenue administered on behalf of Government** | **1,078** | **1,078** | **1,078** | **1,078** | **1,078** |
| **Total own-sourced income administered on behalf of Government** | **1,078** | **1,078** | **1,078** | **1,078** | **1,078** |
| **Net (cost of)/contribution by services** | **(578)** | **(578)** | **(578)** | **(578)** | **(578)** |
| **Surplus/(deficit) before income tax** | **578** | **578** | **578** | **578** | **578** |
| **Surplus/(deficit) after income tax** | 578 | 578 | 578 | 578 | 578 |
| **Total comprehensive income/(loss)** | **578** | **578** | **578** | **578** | **578** |

Prepared on Australian Accounting Standards basis.

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

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

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2017–18 Estimated actual $'000 | 2018–19 Budget  $'000 | 2019–20 Forward estimate $'000 | 2020–21 Forward estimate $'000 | 2021–22 Forward estimate $'000 |
| **OPERATING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Other—Application fees | 1,078 | 1,078 | 1,078 | 1,078 | 1,078 |
| ***Total cash received*** | ***1,078*** | ***1,078*** | ***1,078*** | ***1,078*** | ***1,078*** |
| **Cash used** |  |  |  |  |  |
| Other—Refund of application fees | 500 | 500 | 500 | 500 | 500 |
| ***Total cash used*** | ***500*** | ***500*** | ***500*** | ***500*** | ***500*** |
| **Net cash from/(used by) operating activities** | **578** | **578** | **578** | **578** | **578** |
| ***Net increase/(decrease) in cash held*** | ***578*** | ***578*** | ***578*** | ***578*** | ***578*** |
| Cash and cash equivalents at beginning of reporting period | - | - | - | - | - |
| Cash from Official Public Account for: |  |  |  |  |  |
| – Appropriations | 500 | 500 | 500 | 500 | 500 |
| *Total cash from Official Public Account* | *500* | *500* | *500* | *500* | *500* |
| Cash to Official Public Account for: |  |  |  |  |  |
| – Appropriations | (1,078) | (1,078) | (1,078) | (1,078) | (1,078) |
| *Total cash to Official Public Account* | *(1,078)* | *(1,078)* | *(1,078)* | *(1,078)* | *(1,078)* |
| **Cash and cash equivalents at end of reporting period** | **-** | **-** | **-** | **-** | **-** |

Prepared on Australian Accounting Standards basis.

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

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

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

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

Fair Work Ombudsman   
and the   
Registered Organisations Commission

Entity resources and planned performance

Fair Work Ombudsman   
and the   
Registered Organisations Commission

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# Fair Work Ombudsman and the Registered Organisations Commission

## Section 1: Entity overview and resources

### 1.1 Strategic direction statement

#### Fair Work Ombudsman

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

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

* offering people a single point of contact for them to receive accurate and timely advice and information about Australia’s workplace relations system
* educating people working in Australia about their workplace rights and obligations
* investigating complaints or suspected contraventions of workplace laws, awards and agreements, and
* litigating to enforce workplace laws and to deter people from not complying with their workplace responsibilities.

The strategic focus of the Fair Work Ombudsman in 2018–19 is to ensure that there is increased compliance with Commonwealth workplace laws through educating and advising employees, employers, outworkers, outworker entities and organisations about the federal workplace relations system.

#### Registered Organisations Commission

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

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

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

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

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

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

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

### 1.2 Entity resource statement

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

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

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

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

Table 1.1: Fair Work Ombudsman and the Registered Organisations Commission resource statement—Budget estimates for 2018–19 as at Budget, May 2018

|  |  |  |
| --- | --- | --- |
|  | *2017–18 Estimated actual  $'000* | 2018–19 Estimate  $'000 |
| **Departmental** |  |  |
| Annual appropriations—ordinary annual services (a) |  |  |
| Prior year appropriations available | *63,165* | 60,680 |
| Departmental appropriation (b) | *110,464* | 110,009 |
| s74 Retained revenue receipts (c) | *1,190* | 1,000 |
| Departmental Capital Budget (d) | *5,283* | 7,215 |
| Total departmental annual appropriations | *180,102* | 178,904 |
| Special accounts (e) |  |  |
| Opening balance | *1,379* | 1,300 |
| Appropriation receipts (f) | *6,509* | 7,752 |
| *Total special accounts* | *7,888* | 9,052 |
| ***Total departmental resourcing*** | ***187,990*** | **187,956** |
| **Administered** |  |  |
| Total administered special appropriations (g) | *275* | 250 |
| **Total administered resourcing** | ***275*** | **250** |
| **Total resourcing for Fair Work Ombudsman and Registered Organisations Commission** | ***188,265*** | **188,206** |
|  |  |  |
|  | *2017–18* | 2018–19 |
| **Average staffing level (number)** | *736* | 745 |

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

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

1. Appropriation Bill (No.1) 2018–19.
2. Excludes Departmental Capital Budget (DCB).
3. Estimated retained revenue receipts under section 74 of the PGPA Act.
4. DCBs are not separately identified in Appropriation Bill (No.1) and form part of ordinary annual services items. Please refer to Table 3.5 for further details. For accounting purposes, this amount has been designated as a 'contribution by owner’.
5. Appropriation Bill (No.2) 2018–19.
6. 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 appropriations and special accounts, please refer to Budget Paper No. 4—Agency Resourcing. Please also see Table 2.1 for further information on outcome.
7. Amounts credited to the special account(s) from another entity's annual and special appropriations.

### 1.3 Budget measures

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

Table 1.2: Entity 2018–19 Budget measures

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

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | Program | 2017–18 $'000 | 2018–19 $'000 | 2019–20 $'000 | 2020–21 $'000 | 2021–22 $'000 |
| **Expense measures** |  |  |  |  |  |  |
| Registered Organisations Commission — additional funding | 2.1 |  |  |  |  |  |
| Administered expenses |  | - | - | - | - | - |
| Departmental expenses |  | - | 1,937 | 1,702 | 1,767 | 1,723 |
| **Total** |  | **-** | **1,937** | **1,702** | **1,767** | **1,723** |
| **Total expense measures** |  |  |  |  |  |  |
| Administered |  | - | - | - | - | - |
| Departmental |  | - | 1,937 | 1,702 | 1,767 | 1,723 |
| **Total** |  | **-** | **1,937** | **1,702** | **1,767** | **1,723** |
| **Capital measures** |  |  |  |  |  |  |
| Registered Organisations Commission — additional funding | 2.1 |  |  |  |  |  |
| Administered capital |  | - | - | - | - | - |
| Departmental capital |  | - | 998 | - | - | - |
| **Total** |  | **-** | **998** | **-** | **-** | **-** |
| **Total capital measures** |  |  |  |  |  |  |
| Administered |  | - | - | - | - | - |
| Departmental |  | - | 998 | - | - | - |
| **Total** |  | **-** | **998** | **-** | **-** | **-** |

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

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

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

## Section 2: Outcomes and planned performance

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

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

**Note:**

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

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

The most recent annual performance statement can be found at: <https://www.fairwork.gov.au/annual-reports/annual-report-2016-17/default>.

### 2.1 Budgeted expenses and performance for Outcome 1

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

#### Budgeted expenses for Outcome 1

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

Table 2.1.1: Budgeted expenses for Outcome 1

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Outcome 1: Compliance with workplace relations legislation by employees and employers through advice, education and where necessary enforcement.** | | | | | |
|  | 2017–18 Estimated actual $'000 | 2018–19 Budget  $'000 | 2019–20 Forward estimate $'000 | 2020–21 Forward estimate $'000 | 2021–22 Forward estimate $'000 |
| **Program 1.1: Education Services and Compliance Activities—To educate employers, employees, organisations and contractors about the workplace relations system and to ensure compliance with workplace laws.** | | | | | |
| Departmental expenses |  |  |  |  |  |
| Departmental appropriation | 110,464 | 110,009 | 109,941 | 113,571 | 117,275 |
| s74 Retained revenue receipts (a) | 1,190 | 1,000 | 580 | 580 | 580 |
| Expenses not requiring appropriation in the Budget year (b) | 11,180 | 8,019 | 6,997 | 8,041 | 7,951 |
| **Departmental total** | 122,834 | 119,028 | 117,518 | 122,192 | 125,806 |
| **Total expenses for Program 1.1** | **122,834** | **119,028** | **117,518** | **122,192** | **125,806** |
| **Outcome 1 Totals by appropriation type** | | | | | |
| Departmental expenses |  |  |  |  |  |
| Departmental appropriation | 110,464 | 110,009 | 109,941 | 113,571 | 117,275 |
| s74 Retained revenue receipts (a) | 1,190 | 1,000 | 580 | 580 | 580 |
| Expenses not requiring appropriation in the Budget year (b) | 11,180 | 8,019 | 6,997 | 8,041 | 7,951 |
| **Departmental total** | 122,834 | 119,028 | 117,518 | 122,192 | 125,806 |
| **Total expenses for Outcome 1** | **122,834** | **119,028** | **117,518** | **122,192** | **125,806** |
|  |  |  |  |  |  |
|  | 2017–18 | 2018–19 |  |  |  |
| **Average staffing level (number)** | 717 | 717 |  |  |  |

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

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

Table 2.1.2: Performance criteria for Outcome 1

Table 2.1.2 below details the performance criteria for each program associated with Outcome 1. It also summarises how each program is delivered and where 2018–19 Budget measures have created new programs or materially changed existing programs.

| Outcome 1—Compliance with workplace relations legislation by employees and employers through advice, education and where necessary enforcement. | | |
| --- | --- | --- |
| **Program 1.1—Education Services and Compliance Activities**  To educate employers, employees, organisations and contractors about the workplace relations system and to ensure compliance with workplace laws. | | |
| **Purpose** | The FWO is the Australian Government agency responsible for ensuring compliance with workplace relations laws through advice, education and where necessary enforcement. | |
| **Delivery** | * Provide information, advice and education on the requirements and flexibilities of workplace laws to foster voluntary compliance. * Investigate claims regarding alleged breaches of workplace laws and undertake targeted activities. * Litigate, where necessary, to enforce compliance with workplace laws. | |
| **Performance information** | | |
| **Year** | **Performance criteria** | **Targets** |
| 2017–18 | At least 90% of requests for assistance involving a workplace dispute are finalised through education and dispute resolution services | **Assessment**: On Track |
|  | No more than 10% of requests for assistance involving a workplace dispute are finalised through compliance and enforcement tools | **Assessment**: On Track |
|  | 99% availability for website services and of advertised contact centre hours | **Assessment**: On Track |
|  | Requests for assistance involving a workplace dispute are finalised in an average of 30 days | **Assessment**: On Track |
| 2018–19 | Requests for assistance involving a workplace dispute are finalised through education and dispute resolution services | At least 90% |
|  | Requests for assistance involving a workplace dispute are finalised through compliance and enforcement tools | No more than 10% |
|  | Availability for website services and of advertised contact centre hours | 99% |
|  | Requests for assistance involving a workplace dispute are finalised in an average of 30 days | Finalised in an average of 30 days |
| 2019–20 and beyond | As per 2018–19 | As per 2018–19 |
| **Material changes to Program 1.1 resulting from the following measures:**  Nil | | |

### 2.2 Budgeted expenses and performance for Outcome 2

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

#### Budgeted expenses for Outcome 2

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

Table 2.2.1: Budgeted expenses for Outcome 2

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Outcome 2: Effective governance and financial transparency of registered employee and employer organisations, through regulation, investigation and appropriate enforcement action.** | | | | | |
|  | 2017–18 Estimated actual $'000 | 2018–19 Budget  $'000 | 2019–20 Forward estimate $'000 | 2020–21 Forward estimate $'000 | 2021–22 Forward estimate $'000 |
| **Program 2.1: Registered Organisations Commission** | | | | | |
| Departmental expenses |  |  |  |  |  |
| Special accounts | 6,509 | 7,752 | 5,310 | 5,403 | 5,380 |
| Expenses not requiring appropriation in the Budget year (a) | - | 166 | 333 | 333 | 166 |
| **Departmental total** | 6,509 | 7,918 | 5,643 | 5,736 | 5,546 |
| **Total expenses for Program 2.1** | **6,509** | **7,918** | **5,643** | **5,736** | **5,546** |
| **Outcome 2 Totals by appropriation type** | | | | | |
| Departmental expenses |  |  |  |  |  |
| Special accounts | 6,509 | 7,752 | 5,310 | 5,403 | 5,380 |
| Expenses not requiring appropriation in the Budget year (a) | - | 166 | 333 | 333 | 166 |
| **Departmental total** | 6,509 | 7,918 | 5,643 | 5,736 | 5,546 |
| **Total expenses for Outcome 2** | **6,509** | **7,918** | **5,643** | **5,736** | **5,546** |
|  |  |  |  |  |  |
|  | 2017–18 | 2018–19 |  |  |  |
| **Average staffing level (number)** | 19 | 28 |  |  |  |

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

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

Table 2.2.2: Performance criteria for Outcome 2

Table 2.2.2 below details the performance criteria for each program associated with Outcome 2. It also summarises how each program is delivered and where 2017–18 Budget measures have created new programs or materially changed existing programs.

| Outcome 2—Effective governance and financial transparency of registered employee and employer organisations, through regulation, investigation and appropriate enforcement action. | | |
| --- | --- | --- |
| **Program 2.1—Registered Organisations Commission** | | |
| **Purpose** | The ROC is responsible for improving the governance and financial accountability of registered organisations by ensuring compliance with the *Fair Work (Registered Organisations) Act 2016* through monitoring and regulation. | |
| **Delivery** | * Conducting inquiries and investigations into breached of the *Fair Work (Registered Organisations) Act 2009*. * Commencing legal proceedings in respect of contraventions of the *Fair Work (Registered Organisations) Act 2009.* * Referring possible criminal offences to the Director of Public Prosecutions or law enforcement agencies. * Overseeing registered organisations’ internal elections. * Receiving complaints from members of registered organisations. * Providing information to members of registered organisations about their rights. * Educating registered organisations about their obligations. | |
| **Performance information** | | |
| **Year** | **Performance criteria** | **Targets** |
| 2017–18 | 95 per cent of financial reports required to be lodged under the *Fair Work (Registered Organisations) Act 2009* are assessed for compliance within 40 working days | 95% within 40 working days  **Assessment:** On track |
| 2018–19 | 95 per cent of financial reports required to be lodged under the *Fair Work (Registered Organisations) Act 2016* are assessed for compliance within 40 working days | 95% within 40 working days |
| 2019–20 and beyond | As per 2018–19 | As per 2018–19 |
| **Material changes to Program 2.1 resulting from the following measures:**  Nil | | |

## Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2018–19 budget year, including the impact of budget measures and resourcing on financial statements.

### 3.1 Budgeted financial statements

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

The Agency Resource Statement (Table 1.1) details the total appropriation available to an agency from all sources. For departmental operating appropriations (outputs) this includes carry-forward amounts as well as amounts appropriated at Budget. The difference between the agency resource statement and the sum of all payments made at the departmental outputs level is the expected carry-forward amount of resources for the 2018–19 Budget year, including amounts related to meeting future employee entitlement obligations.

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

The Fair Work Ombudsman and the Registered Organisations Commission are budgeting for an operating loss equal to the unappropriated depreciation and amortisation expense of $8.1 million for the 2018–19 financial year.

Total revenues are estimated to be $118.8 million and total expenses $126.9 million.

Total assets at the end of the 2018–19 financial year are estimated to be $88.2 million. The majority of the assets represent receivables (appropriations receivable) and property fit outs. Asset acquisitions are planned in Information Technology equipment and systems and on office accommodation fit outs.

Total liabilities for 2018–19 are estimated at $43.0 million. The largest liability item is accrued employee entitlements.

### 3.2. Budgeted financial statements tables

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

|  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | | 2017–18 Estimated actual $'000 | | 2018–19 Budget  $'000 | | 2019–20 Forward estimate $'000 | | 2020–21 Forward estimate $'000 | | 2021–22 Forward estimate $'000 | |
| **EXPENSES** | |  | |  | |  | |  | |  | |
| Employee benefits | | 80,763 | | 81,770 | | 82,200 | | 82,314 | | 84,517 | |
| Suppliers | | 37,500 | | 37,091 | | 33,731 | | 37,340 | | 38,818 | |
| Depreciation and amortisation (a) | | 11,080 | | 8,085 | | 7,230 | | 8,274 | | 8,017 | |
| **Total expenses** | | **129,343** | | **126,946** | | **123,161** | | **127,928** | | **131,352** | |
| **LESS:** | |  | |  | |  | |  | |  | |
| **OWN-SOURCE INCOME** | |  | |  | |  | |  | |  | |
| **Own-source revenue** | |  | |  | |  | |  | |  | |
| Rental income | | 690 | | 500 | | 80 | | 80 | | 80 | |
| Other | | 600 | | 600 | | 600 | | 600 | | 600 | |
| **Total own-source revenue** | | **1,290** | | **1,100** | | **680** | | **680** | | **680** | |
| **Total own-source income** | | **1,290** | | **1,100** | | **680** | | **680** | | **680** | |
| **Net (cost of)/contribution by services** | | **(128,053)** | | **(125,846)** | | **(122,481)** | | **(127,248)** | | **(130,672)** | |
| Revenue from Government | | 116,973 | | 117,761 | | 115,251 | | 118,974 | | 122,655 | |
| **Surplus/(deficit) attributable to the Australian Government** | | **(11,080)** | | **(8,085)** | | **(7,230)** | | **(8,274)** | | **(8,017)** | |
| **OTHER COMPREHENSIVE INCOME** | |  | |  | |  | |  | |  | |
| Changes in asset revaluation surplus | | - | | - | | - | | - | | - | |
| **Total other comprehensive income** | | **-** | | **-** | | **-** | | **-** | | **-** | |
| **Total comprehensive income/(loss)** | | **(11,080)** | | **(8,085)** | | **(7,230)** | | **(8,274)** | | **(8,017)** | |
| **Total comprehensive income/(loss) attributable to the Australian Government** | | **(11,080)** | | **(8,085)** | | **(7,230)** | | **(8,274)** | | **(8,017)** | |
|  |  | |  | |  | |  | |  | |
| **Note: Impact of net cash appropriation arrangements** | | | | | |  | |  | |  | |
|  | | 2017–18 $'000 | | 2018–19 $'000 | | 2019–20 $'000 | | 2020–21 $'000 | | 2021–22 $'000 | |
| **Total comprehensive income/(loss) excluding depreciation/amortisation expenses previously funded through revenue appropriations** | | **-** | | **-** | | **-** | | **-** | | **-** | |
| less depreciation/amortisation expenses previously funded through revenue appropriations (a) | | 11,080 | | 8,085 | | 7,230 | | 8,274 | | 8,017 | |
| **Total comprehensive income/(loss)—as per the statement of comprehensive income** | | **(11,080)** | | **(8,085)** | | **(7,230)** | | **(8,274)** | | **(8,017)** | |

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

Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2017–18 Estimated actual $'000 | 2018–19 Budget  $'000 | 2019–20 Forward estimate $'000 | 2020–21 Forward estimate $'000 | 2021–22 Forward estimate $'000 |
| **ASSETS** |  |  |  |  |  |
| **Financial assets** |  |  |  |  |  |
| Cash and cash equivalents | 1,868 | 1,868 | 1,868 | 1,868 | 1,868 |
| Trade and other receivables | 62,282 | 59,852 | 59,422 | 58,992 | 58,562 |
| ***Total financial assets*** | ***64,150*** | ***61,720*** | ***61,290*** | ***60,860*** | ***60,430*** |
| **Non-financial assets** |  |  |  |  |  |
| Land and buildings | 14,507 | 16,586 | 16,330 | 15,733 | 14,436 |
| Property, plant and equipment | 1,618 | 495 | 2,029 | 2,561 | 2,246 |
| Intangibles | 8,120 | 8,294 | 6,008 | 4,063 | 3,958 |
| Other non-financial assets | 1,081 | 1,081 | 1,081 | 1,081 | 1,081 |
| ***Total non-financial assets*** | ***25,326*** | ***26,456*** | ***25,448*** | ***23,438*** | ***21,721*** |
| **Total assets** | **89,476** | **88,176** | **86,738** | **84,298** | **82,151** |
| **LIABILITIES** |  |  |  |  |  |
| **Payables** |  |  |  |  |  |
| Suppliers | 15,030 | 15,030 | 15,030 | 15,030 | 15,030 |
| Other payables | 593 | 593 | 593 | 593 | 593 |
| ***Total payables*** | ***15,623*** | ***15,623*** | ***15,623*** | ***15,623*** | ***15,623*** |
| **Provisions** |  |  |  |  |  |
| Employee provisions | 21,471 | 21,471 | 21,471 | 21,471 | 21,471 |
| Other provisions | 6,293 | 5,863 | 5,433 | 5,003 | 4,573 |
| ***Total provisions*** | ***27,764*** | ***27,334*** | ***26,904*** | ***26,474*** | ***26,044*** |
| **Total liabilities** | **43,387** | **42,957** | **42,527** | **42,097** | **41,667** |
| **Net assets** | **46,089** | **45,219** | **44,211** | **42,201** | **40,484** |
| **EQUITY\*** |  |  |  |  |  |
| **Parent entity interest** |  |  |  |  |  |
| Contributed equity | 103,667 | 110,882 | 117,104 | 123,368 | 129,668 |
| Reserves | 5,776 | 5,776 | 5,776 | 5,776 | 5,776 |
| Retained surplus (accumulated deficit) | (63,354) | (71,439) | (78,669) | (86,943) | (94,960) |
| ***Total parent entity interest*** | ***46,089*** | ***45,219*** | ***44,211*** | ***42,201*** | ***40,484*** |
| **Total equity** | **46,089** | **45,219** | **44,211** | **42,201** | **40,484** |

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

Prepared on Australian Accounting Standards basis.

Table 3.3: Departmental statement of changes in equity—summary of movement (Budget year 2018–19)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | Retained earnings  $'000 | Asset revaluation reserve $'000 | Contributed equity/ capital $'000 | Total equity   $'000 |
| **Opening balance as at 1 July 2018** |  |  |  |  |
| Balance carried forward from previous period | (63,354) | 5,776 | 103,667 | 46,089 |
| ***Adjusted opening balance*** | ***(63,354)*** | ***5,776*** | ***103,667*** | ***46,089*** |
| **Comprehensive income** |  |  |  |  |
| Surplus/(deficit) for the period | (8,085) | - | - | (8,085) |
| ***Total comprehensive income*** | ***(8,085)*** | ***-*** | ***-*** | ***(8,085)*** |
| of which: |  |  |  |  |
| Attributable to the Australian Government | (8,085) | - | - | (8,085) |
| **Transactions with owners** |  |  |  |  |
| ***Contributions by owners*** |  |  |  |  |
| Departmental Capital Budget (DCB) | - | - | 7,215 | 7,215 |
| ***Sub-total transactions with owners*** | ***-*** | ***-*** | ***7,215*** | ***7,215*** |
| **Estimated closing balance as at 30 June 2019** | **(71,439)** | **5,776** | **110,882** | **45,219** |
| Less: non-controlling interests | - | - | - | - |
| **Closing balance attributable to the Australian Government** | **(71,439)** | **5,776** | **110,882** | **45,219** |

Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2017–18 Estimated actual $'000 | 2018–19 Budget  $'000 | 2019–20 Forward estimate $'000 | 2020–21 Forward estimate $'000 | 2021–22 Forward estimate $'000 |
| **OPERATING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Appropriations | 119,458 | 118,798 | 114,288 | 119,404 | 123,085 |
| Sale of goods and rendering of services | (2,095) | 1,893 | 1,473 | 80 | 80 |
| Other | 500 | 500 | 500 | 500 | 500 |
| ***Total cash received*** | ***117,863*** | ***121,191*** | ***116,261*** | ***119,984*** | ***123,665*** |
| **Cash used** |  |  |  |  |  |
| Employees | 80,638 | 81,770 | 82,200 | 82,314 | 84,517 |
| Suppliers | 33,725 | 37,421 | 34,061 | 37,670 | 39,148 |
| ***Total cash used*** | ***114,363*** | ***119,191*** | ***116,261*** | ***119,984*** | ***123,665*** |
| **Net cash from/(used by) operating activities** | **3,500** | **2,000** | **-** | **-** | **-** |
| **INVESTING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Other | - | - | - | - | - |
| ***Total cash received*** | ***-*** | ***-*** | ***-*** | ***-*** | ***-*** |
| **Cash used** |  |  |  |  |  |
| Purchase of property, plant and equipment and intangibles | 8,783 | 9,215 | 6,222 | 6,264 | 6,300 |
| ***Total cash used*** | ***8,783*** | ***9,215*** | ***6,222*** | ***6,264*** | ***6,300*** |
| **Net cash from/(used by) investing activities** | **(8,783)** | **(9,215)** | **(6,222)** | **(6,264)** | **(6,300)** |
| **FINANCING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Contributed equity | 5,283 | 7,215 | 6,222 | 6,264 | 6,300 |
| ***Total cash received*** | ***5,283*** | ***7,215*** | ***6,222*** | ***6,264*** | ***6,300*** |
| **Cash used** |  |  |  |  |  |
| Other | - | - | - | - | - |
| ***Total cash used*** | ***-*** | ***-*** | ***-*** | ***-*** | ***-*** |
| **Net cash from/(used by) financing activities** | **5,283** | **7,215** | **6,222** | **6,264** | **6,300** |
| **Net increase/(decrease) in cash held** | **-** | **-** | **-** | **-** | **-** |
| Cash and cash equivalents at the beginning of the reporting period | 1,868 | 1,868 | 1,868 | 1,868 | 1,868 |
| **Cash and cash equivalents at the end of the reporting period** | **1,868** | **1,868** | **1,868** | **1,868** | **1,868** |

Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2017–18 Estimated actual $'000 | 2018–19 Budget  $'000 | 2019–20 Forward estimate $'000 | 2020–21 Forward estimate $'000 | 2021–22 Forward estimate $'000 |
| **NEW CAPITAL APPROPRIATIONS** |  |  |  |  |  |
| Capital budget—Bill 1 (DCB) | 5,283 | 7,215 | 6,222 | 6,264 | 6,300 |
| **Total new capital appropriations** | **5,283** | **7,215** | **6,222** | **6,264** | **6,300** |
| ***Provided for:*** |  |  |  |  |  |
| *Purchase of non-financial assets* | *5,283* | *7,215* | *6,222* | *6,264* | *6,300* |
| ***Total items*** | ***5,283*** | ***7,215*** | ***6,222*** | ***6,264*** | ***6,300*** |
| **PURCHASE OF NON-FINANCIAL ASSETS** |  |  |  |  |  |
| Funded by capital appropriation—DCB (a) | 5,283 | 7,215 | 6,222 | 6,264 | 6,300 |
| Funded internally from departmental resources (b) | 3,500 | 2,000 | - | - | - |
| **TOTAL** | **8,783** | **9,215** | **6,222** | **6,264** | **6,300** |
| **RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE** |  |  |  |  |  |
| Total purchases | 8,783 | 9,215 | 6,222 | 6,264 | 6,300 |
| **Total cash used to acquire assets** | **8,783** | **9,215** | **6,222** | **6,264** | **6,300** |

1. Does not include annual finance lease costs. Includes purchases from current and previous years’ Departmental Capital Budgets (DCBs).
2. Includes the following sources of funding:

* current Bill 1 and prior year Act 1/3/5 appropriations (excluding amounts from the DCB)
* s74 Retained revenue receipts, and
* proceeds from the sale of assets.

Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | Buildings   $'000 | Other property, plant and equipment $'000 | Computer software and intangibles $'000 | Total   $'000 |
| **As at 1 July 2018** |  |  |  |  |
| Gross book value | 29,933 | 5,286 | 36,100 | 71,319 |
| Accumulated depreciation/amortisation and impairment | (15,426) | (3,668) | (27,980) | (47,074) |
| **Opening net book balance** | **14,507** | **1,618** | **8,120** | **24,245** |
| **Capital asset additions** |  |  |  |  |
| **Estimated expenditure on new or replacement assets** |  |  |  |  |
| By purchase—appropriation equity (a) | 5,491 | 400 | 3,324 | 9,215 |
| **Total additions** | **5,491** | **400** | **3,324** | **9,215** |
| **Other movements** |  |  |  |  |
| Depreciation/amortisation expense | (3,412) | (1,523) | (3,150) | (8,085) |
| **Total other movements** | **(3,412)** | **(1,523)** | **(3,150)** | **(8,085)** |
| **As at 30 June 2019** |  |  |  |  |
| Gross book value | 35,424 | 5,686 | 39,424 | 80,534 |
| Accumulated depreciation/ amortisation and impairment | (18,838) | (5,191) | (31,130) | (55,159) |
| **Closing net book balance** | **16,586** | **495** | **8,294** | **25,375** |

1. ‘Appropriation equity’ refers to equity injections appropriations provided through Appropriation Bill (No. 2) 2018–19.

Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | 2017–18 Estimated actual $'000 | 2018–19 Budget  $'000 | | 2019–20 Forward estimate $'000 | | 2020–21 Forward estimate $'000 | | 2021–22 Forward estimate $'000 | |
| **EXPENSES** |  |  | |  | |  | |  | |
| Other expenses | - | - | | - | | - | | - | |
| **Total gains administered on behalf of Government** | **-** | **-** | | **-** | | **-** | | **-** | |
| **LESS:** |  |  | |  | |  | |  | |
| **OWN-SOURCE INCOME** |  |  | |  | |  | |  | |
| **Own-source revenue** |  |  | |  | |  | |  | |
| Other revenue | 300 | 300 | | 300 | | 300 | | 300 | |
| ***Total non-taxation revenue*** | ***300*** | ***300*** | | ***300*** | | ***300*** | | ***300*** | |
| **Total own-source revenue administered on behalf of Government** | **300** | **300** | | **300** | | **300** | | **300** | |
| **Total own-sourced income administered on behalf of Government** | **300** | **300** | | **300** | | **300** | | **300** | |
| **Net (cost of)/contribution by services** | **300** | | **300** | | **300** | | **300** | | **300** | |
| **Surplus/(deficit) before income tax** | **300** | | **300** | | **300** | | **300** | | **300** | |
| **Surplus/(deficit) after income tax** | **300** | | **300** | | **300** | | **300** | | **300** | |
| **Total comprehensive income/(loss) attributable to the Australian Government** | **300** | **300** | | **300** | | **300** | | **300** | |

Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2017–18 Estimated actual $'000 | 2018–19 Budget  $'000 | 2019–20 Forward estimate $'000 | 2020–21 Forward estimate $'000 | 2021–22 Forward estimate $'000 |
| **ASSETS** |  |  |  |  |  |
| **Financial assets** |  |  |  |  |  |
| Trade and other receivables | 2,530 | 2,530 | 2,530 | 2,530 | 2,530 |
| Other financial assets | 913 | 913 | 913 | 913 | 913 |
| ***Total financial assets*** | ***3,443*** | ***3,443*** | ***3,443*** | ***3,443*** | ***3,443*** |
| **Total assets administered on behalf of Government** | **3,443** | **3,443** | **3,443** | **3,443** | **3,443** |
| **LIABILITIES** |  |  |  |  |  |
| **Payables** |  |  |  |  |  |
| Other payables | - | - | - | - | - |
| ***Total payables*** | ***-*** | ***-*** | ***-*** | ***-*** | ***-*** |
| **Total liabilities administered on behalf of Government** | **-** | **-** | **-** | **-** | **-** |
| **Net assets/(liabilities)** | **3,443** | **3,443** | **3,443** | **3,443** | **3,443** |

Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2017–18 Estimated actual $'000 | 2018–19 Budget  $'000 | 2019–20 Forward estimate $'000 | 2020–21 Forward estimate $'000 | 2021–22 Forward estimate $'000 |
| **OPERATING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Other | 575 | 550 | 550 | 550 | 300 |
| ***Total cash received*** | ***575*** | ***550*** | ***550*** | ***550*** | ***300*** |
| **Cash used** |  |  |  |  |  |
| Other | *-* | *-* | *-* | *-* | *-* |
| ***Total cash used*** | ***-*** | ***-*** | ***-*** | ***-*** | ***-*** |
| **Net cash from/(used by) operating activities** | **575** | **550** | **550** | **550** | **300** |
| ***Net increase/(decrease) in cash held*** | ***575*** | ***550*** | ***550*** | ***550*** | ***300*** |
| Cash to Official Public Account for: |  |  |  |  |  |
| – Transfers to other entities (Finance—Whole of Government) | (575) | (550) | (550) | (550) | (300) |
| *Total cash to Official Public Account* | *(575)* | *(550)* | *(550)* | *(550)* | *(300)* |
| **Cash and cash equivalents at end of reporting period** | **-** | **-** | **-** | **-** | **-** |

Prepared on Australian Accounting Standards basis.

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

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

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

The Fair Work Ombudsman and the Registered Organisations Commission have no administered non-financial assets. For this reason, Table 3.10 is not presented.

Safe Work Australia

Entity resources and planned performance

Safe Work Australia

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# Safe Work Australia

## Section 1: Entity overview and resources

### 1.1 Strategic direction statement

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

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

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

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

The CEO manages the agency under section 45 of the Act and is the Accountable Authority in accordance with the *Public Governance, Performance and Accountability Act 2013*.

During 2018–19, Safe Work Australia will continue to be an inclusive tripartite forum for the innovative development of evidence based national policy and supporting strategies. We will do this by:

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

### 1.2 Entity resource statement

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

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

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

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

Table 1.1: Safe Work Australia resource statement—Budget estimates for   
2018–19 as at Budget, May 2018

|  |  |  |
| --- | --- | --- |
|  | *2017–18 Estimated actual  $'000* | 2018–19 Estimate  $'000 |
| **Departmental** |  |  |
| Annual appropriations—ordinary annual services (a) |  |  |
| Departmental appropriation (b) | *10,007* | 10,231 |
| Departmental Capital Budget (c) | *88* | 92 |
| Total departmental annual appropriations | *10,095* | 10,323 |
| Special accounts (d) |  |  |
| Opening balance | *13,217* | 13,217 |
| Appropriation receipts (e) | *10,095* | 10,323 |
| Non-appropriation receipts | *10,044* | 10,267 |
| *Total special accounts* | *33,356* | 33,807 |
| *less departmental appropriations drawn from annual/special appropriations and credited to special accounts* | *10,095* | 10,323 |
| ***Total departmental resourcing*** | ***33,356*** | **33,807** |
| **Total resourcing for Safe Work Australia** | ***33,356*** | **33,807** |
|  |  |  |
|  | *2017–18* | 2018–19 |
| **Average staffing level (number)** | *96* | 101 |

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

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

1. Appropriation Bill (No.1) 2018–19.
2. Excludes Departmental Capital Budget (DCB).
3. DCBs are not separately identified in Appropriation Bill (No.1) and form part of ordinary annual services items. Please refer to Table 3.5 for further details. For accounting purposes, this amount has been designated as a 'contribution by owner’.
4. Excludes trust money and ‘other CRF money’ held in accounts like Other Trust Monies accounts (OTM), Services for Other Government and Non-agency Bodies accounts (SOG) or Services for Other Entities and Trust Moneys accounts (SOETM)). For further information on special appropriations and special accounts, please refer to Budget Paper No. 4—Agency Resourcing. Please also see Table 2.1 for further information on outcome and program expenses broken down by various funding sources, for example, annual appropriations, special appropriations and special accounts.
5. Amounts credited to the special account from Safe Work Australia’s annual appropriation.

### 1.3 Budget measures

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

Table 1.2: Entity 2018–19 Budget measures

Safe Work Australia does not have any new measures since the 2017–18 MYEFO, or any other measures not previously reported in a portfolio statement. For this reason, Table 1.2 is not presented.

## Section 2: Outcomes and planned performance

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

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

**Note:**

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

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

The most recent annual performance statement can be found at: <https://www.safeworkaustralia.gov.au/book/safe-work-australia-annual-report-2016-17>.

### 2.1 Budgeted expenses and performance for Outcome 1

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

#### Budgeted expenses for Outcome 1

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

Table 2.1.1: Budgeted expenses for Outcome 1

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Outcome 1: Healthier, safer and more productive workplaces through improvements to Australian work health and safety and workers' compensation arrangements.** | | | | | |
|  | 2017–18 Estimated actual $'000 | 2018–19 Budget  $'000 | 2019–20 Forward estimate $'000 | 2020–21 Forward estimate $'000 | 2021–22 Forward estimate $'000 |
| **Program 1.1: Reform of and improvements to Australian work health and safety and workers' compensation arrangements.** | | | | | |
| Departmental expenses |  |  |  |  |  |
| Departmental appropriation | 10,007 | 10,231 | 10,509 | 10,743 | 11,012 |
| Special accounts | 10,044 | 10,267 | 10,515 | 10,743 | 11,011 |
| Expenses not requiring appropriation in the Budget year (a) | 644 | 650 | 664 | 680 | 702 |
| **Departmental total** | 20,695 | 21,148 | 21,688 | 22,166 | 22,725 |
| **Total expenses for Program 1.1** | **20,695** | **21,148** | **21,688** | **22,166** | **22,725** |
| **Outcome 1 Totals by appropriation type** | | | | | |
| Departmental expenses |  |  |  |  |  |
| Departmental appropriation | 10,007 | 10,231 | 10,509 | 10,743 | 11,012 |
| Special accounts | 10,044 | 10,267 | 10,515 | 10,743 | 11,011 |
| Expenses not requiring appropriation in the Budget year (a) | 644 | 650 | 664 | 680 | 702 |
| **Departmental total** | 20,695 | 21,148 | 21,688 | 22,166 | 22,725 |
| **Total expenses for Outcome 1** | **20,695** | **21,148** | **21,688** | **22,166** | **22,725** |
|  |  |  |  |  |  |
|  | 2017–18 | 2018–19 |  |  |  |
| **Average staffing level (number)** | 96 | 101 |  |  |  |

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

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

Table 2.1.2: Performance criteria for Outcome 1

Table 2.1.2 below details the performance criteria for each program associated with Outcome 1. It also summarises how each program is delivered and where 2018–19 Budget measures have created new programs or materially changed existing programs.

| Outcome 1—Healthier, safer and more productive workplaces through improvements to Australian work health and safety and workers’ compensation arrangements. | | |
| --- | --- | --- |
| **Program 1.1—Reform of and improvements to Australian work health and safety and workers’ compensation arrangements**  This program contributes to Outcome 1 by ensuring the innovative development of evidence based policy which is central to Australia becoming a world leader in the delivery of improved safety and compensation outcomes. | | |
| **Purpose** | Safe Work Australia has an important national role to achieve significant and continual reductions in the incidence of work-related death, injury and illness and to improve outcomes for injured workers and their employers.  To be able to meet its objectives Safe Work Australia works collaboratively with regulators, industry and employee associations and the community to achieve healthy, safe and productive working lives for all Australians. | |
| **Delivery** | The deliverables for Safe Work Australia have been developed with reference to the Act and are highlighted in its annual operational plan and corporate plan and include:   * review, evaluate and if necessary, revise the model WHS laws to address issues impeding the effective and efficient operation of the laws and improve safety outcomes * implement the Members’ response to the findings of the mid-term review of the Australian Work Health and Safety Strategy 2012–2022 and coordinate and report on activities undertaken to assist in the achievement of the Strategy’s outcomes and targets * develop and implement national education and communication strategies and initiatives to build awareness and knowledge of work health and safety and workers’ compensation and promote consistency in arrangements * collect, analyse and report on relevant data and undertake and disseminate research to identify new priorities and provide evidence for the development or evaluation of policies and supporting strategies * develop policy proposals and supporting strategies to improve workers’ compensation arrangements, with a particular focus on return to work, and * work with other national and international bodies to share data, information and/or knowledge, and represent Australia as appropriate, to improve Australian outcomes. | |
| **Performance information** | | |
| **Year** | **Performance criteria** | **Targets** |
| 2017–18 | Activities in the Operational Plan are delivered to the expected quality, on time and within budget  Reductions in the incidence of work-related death, injury and illness through:   * an improved and reformed work health and safety framework * increased work health and safety awareness and skills * developing and maintaining an evidence base which informs policy and practice * reduced exposure to work-related hazards causing injury and illness, and * improved quality of workplace controls | 80% of Members and the Chair are satisfied with the agency’s achievements  By 2022:   * reduce workplace fatalities due to injury by 20 per cent or more * reduce the incidence rate of serious workers’ compensation claims by 30 per cent or more, and * reduce the incidence rate of serious workers’ compensation claims for musculoskeletal claims by 30 per cent or more   **Assessment:** On target |
| 2018–19 | Activities in the Operational Plan are delivered to the expected quality, on time and within budget  Reductions in the incidence of work-related death, injury and illness through:   * an improved and reformed work health and safety framework * increased work health and safety awareness and skills * developing and maintaining an evidence base which informs policy and practice * reduced exposure to work-related hazards causing injury and illness, and * improved quality of workplace controls | 80% of Members and the Chair are satisfied with the agency achievements  By 2022:   * reduce workplace fatalities due to injury by 20 per cent or more * reduce the incidence rate of serious workers’ compensation claims by 30 per cent or more, and * reduce the incidence rate of serious workers’ compensation claims for musculoskeletal claims by 30 per cent or more |
| 2019–20 and beyond | As per 2018–19 | As per 2018–19 |
| **Material changes to Program 1.1 resulting from the following measures:**  Nil | | |

## Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2018–19 budget year, including the impact of budget measures and resourcing on financial statements.

### 3.1 Budgeted financial statements

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

Safe Work Australia receives funds from states and territories and matched appropriation funding from the Commonwealth as provided for in the *Intergovernmental Agreement for Regulatory Operational Reform in Occupational Health and Safety* (IGA).

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

The agency is not expecting any major changes in its operations from a financial perspective. Funding arrangements are provided for in the IGA.

Safe Work Australia is budgeting for an operating loss equal to the unappropriated depreciation and amortisation expense of $0.6 million for the 2018–19 financial year.

Total revenues are estimated to be $20.5 million and total expenses $21.1 million.

Total assets at the end of the 2018–19 financial year are estimated to be $15.3 million. The majority of the assets represent cash held by the OPA, in the special account. This was previously reported as appropriation receivable.

Total liabilities for 2018–19 are estimated at $4.7 million. The largest liability item is accrued employee entitlements.

### 3.2. Budgeted financial statements tables

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

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | 2017–18 Estimated actual $'000 | 2018–19 Budget  $'000 | | 2019–20 Forward estimate $'000 | | 2020–21 Forward estimate $'000 | | 2021–22 Forward estimate $'000 | |
| **EXPENSES** |  |  | |  | |  | |  | |
| Employee benefits | 12,196 | 12,440 | | 12,689 | | 12,942 | | 13,201 | |
| Suppliers | 7,805 | 8,008 | | 8,285 | | 8,494 | | 8,772 | |
| Grants | 110 | 110 | | 110 | | 110 | | 110 | |
| Depreciation and amortisation (a) | 584 | 590 | | 604 | | 620 | | 642 | |
| **Total expenses** | **20,695** | **21,148** | | **21,688** | | **22,166** | | **22,725** | |
| **LESS:** |  |  | |  | |  | |  | |
| **OWN-SOURCE INCOME** |  |  | |  | |  | |  | |
| **Own-source revenue** |  |  | |  | |  | |  | |
| Sale of goods and rendering of services | 10,044 | 10,267 | | 10,515 | | 10,743 | | 11,011 | |
| **Total own-source revenue** | **10,044** | **10,267** | | **10,515** | | **10,743** | | **11,011** | |
| **Gains** |  |  | |  | |  | |  | |
| Other | 60 | 60 | | 60 | | 60 | | 60 | |
| **Total gains** | **60** | **60** | | **60** | | **60** | | **60** | |
| **Total own-source income** | **10,104** | **10,327** | | **10,575** | | **10,803** | | **11,071** | |
| **Net (cost of)/contribution by services** | **(10,591)** | **(10,821)** | | **(11,113)** | | **(11,363)** | | **(11,654)** | |
| Revenue from Government | 10,007 | 10,231 | | 10,509 | | 10,743 | | 11,012 | |
| **Surplus/(deficit) attributable to the Australian Government** | **(584)** | **(590)** | | **(604)** | | **(620)** | | **(642)** | |
| **Total comprehensive income/(loss)** | **(584)** | **(590)** | | **(604)** | | **(620)** | | **(642)** | |
| **Total comprehensive income/(loss) attributable to the Australian Government** | **(584)** | **(590)** | | **(604)** | | **(620)** | | **(642)** | |
|  |  |  | |  | |  | |  | |
| **Note: Impact of net cash appropriation arrangements** | | |  | |  | |  | |
|  | 2017–18 $'000 | 2018–19 $'000 | | 2019–20 $'000 | | 2020–21 $'000 | | 2021–22 $'000 | |
| **Total comprehensive income/(loss) excluding depreciation/amortisation expenses previously funded through revenue appropriations** | **-** | **-** | | **-** | | **-** | | **-** | |
| less depreciation/amortisation expenses previously funded through revenue appropriations (a) | 584 | 590 | | 604 | | 620 | | 642 | |
| **Total comprehensive income/(loss)—as per the statement of comprehensive income** | **(584)** | **(590)** | | **(604)** | | **(620)** | | **(642)** | |

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

Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2017–18 Estimated actual $'000 | 2018–19 Budget  $'000 | 2019–20 Forward estimate $'000 | 2020–21 Forward estimate $'000 | 2021–22 Forward estimate $'000 |
| **ASSETS** |  |  |  |  |  |
| **Financial assets** |  |  |  |  |  |
| Cash and cash equivalents | 13,217 | 13,217 | 13,217 | 13,217 | 13,217 |
| Trade and other receivables | 320 | 320 | 320 | 320 | 320 |
| ***Total financial assets*** | ***13,537*** | ***13,537*** | ***13,537*** | ***13,537*** | ***13,537*** |
| **Non-financial assets** |  |  |  |  |  |
| Land and buildings | 2,078 | 1,573 | 1,048 | 665 | 241 |
| Property, plant and equipment | 124 | 132 | 143 | 156 | 192 |
| Intangibles | 23 | 22 | 31 | 36 | 43 |
| Other non-financial assets | 71 | 71 | 71 | 71 | 71 |
| ***Total non-financial assets*** | ***2,296*** | ***1,798*** | ***1,293*** | ***928*** | ***547*** |
| **Total assets** | **15,833** | **15,335** | **14,830** | **14,465** | **14,084** |
| **LIABILITIES** |  |  |  |  |  |
| **Payables** |  |  |  |  |  |
| Suppliers | 769 | 769 | 769 | 769 | 769 |
| Other payables | 203 | 203 | 203 | 203 | 203 |
| ***Total payables*** | ***972*** | ***972*** | ***972*** | ***972*** | ***972*** |
| **Provisions** |  |  |  |  |  |
| Employee provisions | 3,691 | 3,691 | 3,691 | 3,691 | 3,691 |
| ***Total provisions*** | ***3,691*** | ***3,691*** | ***3,691*** | ***3,691*** | ***3,691*** |
| **Total liabilities** | **4,663** | **4,663** | **4,663** | **4,663** | **4,663** |
| **Net assets** | **11,170** | **10,672** | **10,167** | **9,802** | **9,421** |
| **EQUITY\*** |  |  |  |  |  |
| **Parent entity interest** |  |  |  |  |  |
| Contributed equity | 5,117 | 5,209 | 5,308 | 5,563 | 5,824 |
| Reserves | 776 | 776 | 776 | 776 | 776 |
| Retained surplus (accumulated deficit) | 5,277 | 4,687 | 4,083 | 3,463 | 2,821 |
| ***Total parent entity interest*** | ***11,170*** | ***10,672*** | ***10,167*** | ***9,802*** | ***9,421*** |
| **Total equity** | **11,170** | **10,672** | **10,167** | **9,802** | **9,421** |

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

Prepared on Australian Accounting Standards basis.

Table 3.3: Departmental statement of changes in equity—summary of movement (Budget year 2018–19)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | Retained earnings  $'000 | Asset revaluation reserve $'000 | Contributed equity/ capital $'000 | Total equity   $'000 |
| **Opening balance as at 1 July 2018** |  |  |  |  |
| Balance carried forward from previous period | 5,277 | 776 | 5,117 | 11,170 |
| ***Adjusted opening balance*** | ***5,277*** | ***776*** | ***5,117*** | ***11,170*** |
| **Comprehensive income** |  |  |  |  |
| Other comprehensive income | - | - | - | - |
| Surplus/(deficit) for the period | (590) | - | - | (590) |
| ***Total comprehensive income*** | ***(590)*** | ***-*** | ***-*** | ***(590)*** |
| of which: |  |  |  |  |
| Attributable to the Australian Government | (590) | - | - | (590) |
| **Transactions with owners** |  |  |  |  |
| ***Contributions by owners*** |  |  |  |  |
| Departmental Capital Budget (DCB) | - | - | 92 | 92 |
| ***Sub-total transactions with owners*** | ***-*** | ***-*** | ***92*** | ***92*** |
| Transfers between equity |  |  |  |  |
| Transfers between equity components | - | - | - | - |
| **Estimated closing balance as at 30 June 2019** | **4,687** | **776** | **5,209** | **10,672** |
| **Closing balance attributable to the Australian Government** | **4,687** | **776** | **5,209** | **10,672** |

Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2017–18 Estimated actual $'000 | 2018–19 Budget  $'000 | 2019–20 Forward estimate $'000 | 2020–21 Forward estimate $'000 | 2021–22 Forward estimate $'000 |
| **OPERATING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Appropriations | 10,007 | 10,231 | 10,509 | 10,743 | 11,012 |
| Sale of goods and rendering of services | 10,044 | 10,267 | 10,515 | 10,743 | 11,011 |
| Net GST received | 1,004 | 1,027 | 1,051 | 1,074 | 1,101 |
| ***Total cash received*** | ***21,055*** | ***21,525*** | ***22,075*** | ***22,560*** | ***23,124*** |
| **Cash used** |  |  |  |  |  |
| Employees | 12,196 | 12,440 | 12,689 | 12,942 | 13,201 |
| Suppliers | 7,745 | 7,948 | 8,225 | 8,434 | 8,712 |
| Grants | 110 | 110 | 110 | 110 | 110 |
| Net GST paid | 1,004 | 1,027 | 1,051 | 1,074 | 1,101 |
| ***Total cash used*** | ***21,055*** | ***21,525*** | ***22,075*** | ***22,560*** | ***23,124*** |
| **Net cash from/(used by) operating activities** | **-** | **-** | **-** | **-** | **-** |
| **INVESTING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Other | - | - | - | - | - |
| ***Total cash received*** | ***-*** | ***-*** | ***-*** | ***-*** | ***-*** |
| **Cash used** |  |  |  |  |  |
| Purchase of property, plant and equipment and intangibles | 88 | 92 | 99 | 255 | 261 |
| ***Total cash used*** | ***88*** | ***92*** | ***99*** | ***255*** | ***261*** |
| **Net cash from/(used by) investing activities** | **(88)** | **(92)** | **(99)** | **(255)** | **(261)** |
| **FINANCING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Contributed equity | 88 | 92 | 99 | 255 | 261 |
| ***Total cash received*** | ***88*** | ***92*** | ***99*** | ***255*** | ***261*** |
| **Cash used** |  |  |  |  |  |
| Other | - | - | - | - | - |
| ***Total cash used*** | ***-*** | ***-*** | ***-*** | ***-*** | ***-*** |
| **Net cash from/(used by) financing activities** | **88** | **92** | **99** | **255** | **261** |
| **Net increase/(decrease) in cash held** | **-** | **-** | **-** | **-** | **-** |
| Cash and cash equivalents at the beginning of the reporting period | 13,217 | 13,217 | 13,217 | 13,217 | 13,217 |
| **Cash and cash equivalents at the end of the reporting period** | **13,217** | **13,217** | **13,217** | **13,217** | **13,217** |

Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2017–18 Estimated actual $'000 | 2018–19 Budget  $'000 | 2019–20 Forward estimate $'000 | 2020–21 Forward estimate $'000 | 2021–22 Forward estimate $'000 |
| **NEW CAPITAL APPROPRIATIONS** |  |  |  |  |  |
| Capital budget—Bill 1 (DCB) | 88 | 92 | 99 | 255 | 261 |
| **Total new capital appropriations** | **88** | **92** | **99** | **255** | **261** |
| ***Provided for:*** |  |  |  |  |  |
| *Purchase of non-financial assets* | *88* | *92* | *99* | *255* | *261* |
| ***Total items*** | ***88*** | ***92*** | ***99*** | ***255*** | ***261*** |
| **PURCHASE OF NON-FINANCIAL ASSETS** |  |  |  |  |  |
| Funded by capital appropriation—DCB (a) | 88 | 92 | 99 | 255 | 261 |
| **TOTAL** | **88** | **92** | **99** | **255** | **261** |
| **RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE** |  |  |  |  |  |
| Total purchases | 88 | 92 | 99 | 255 | 261 |
| **Total cash used to acquire assets** | **88** | **92** | **99** | **255** | **261** |

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

Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | Buildings   $'000 | Other property, plant and equipment $'000 | Computer software and intangibles $'000 | Total   $'000 |
| **As at 1 July 2018** |  |  |  |  |
| Gross book value | 4,334 | 374 | 426 | 5,134 |
| Accumulated depreciation/amortisation and impairment | (2,256) | (250) | (403) | (2,909) |
| **Opening net book balance** | **2,078** | **124** | **23** | **2,225** |
| **Capital asset additions** |  |  |  |  |
| **Estimated expenditure on new or replacement assets** |  |  |  |  |
| By purchase—appropriation ordinary annual services (a) | 20 | 52 | 20 | 92 |
| **Total additions** | **20** | **52** | **20** | **92** |
| **Other movements** |  |  |  |  |
| Depreciation/amortisation expense | (525) | (44) | (21) | (590) |
| **Total other movements** | **(525)** | **(44)** | **(21)** | **(590)** |
| **As at 30 June 2019** |  |  |  |  |
| Gross book value | 4,354 | 426 | 446 | 5,226 |
| Accumulated depreciation/amortisation and impairment | (2,781) | (294) | (424) | (3,499) |
| **Closing net book balance** | **1,573** | **132** | **22** | **1,727** |

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

Prepared on Australian Accounting Standards basis.

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

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

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

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

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

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

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

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

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

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

# Portfolio glossary

|  |  |
| --- | --- |
| Additional Estimates | Where amounts appropriated at Budget time are insufficient, Parliament may appropriate more funds to portfolios through the Additional Estimates Acts. |
| Additional Estimates Bills or Acts | These are Appropriation Bills 3 and 4, and a separate Bill for the Parliamentary Departments [Appropriations (Parliamentary Departments) Bill (No. 2)]. These Bills are introduced into Parliament sometime after the Budget Bills. |
| Administered Items | Expenses, revenues, assets or liabilities managed by agencies on behalf of the Commonwealth. Agencies do not control administered items. Administered expenses include grants, subsidies and benefits. In many cases, administered expenses fund the delivery of third party outputs. |
| Appropriation | An authorisation by Parliament to spend monies from the Consolidated Revenue Fund for a particular purpose. |
| Annual Appropriation | Two Appropriation Bills are introduced into Parliament in May and comprise the Budget for the financial year beginning 1 July. Further Bills are introduced later in the financial year as part of the additional estimates. Parliamentary departments have their own appropriations. |
| Assets | Assets are physical objects and legal rights expected to provide benefits in the future, or alternatively items of value owned by an Agency. |
| Capital expenditure | Expenditure by an agency on capital projects, for example purchasing a building. |
| Consolidated Revenue Fund | Section 81 of the Constitution stipulates that all revenue raised or money received by the Commonwealth forms the one consolidated revenue fund (CRF). The CRF is not a bank account. The Official Public Account reflects most of the operations of the CRF. |
| Departmental items | Assets, liabilities, revenues and expenses that are controlled by the agency in providing its outputs. Departmental items would generally include computers, plant and equipment assets used by agencies in providing goods and services and most employee expenses, supplier costs and other administrative expenses incurred. |
| Depreciation | Apportionment of an asset’s capital value as an expense over its estimated useful life to take account of normal usage, obsolescence, or the passage of time. |
| Equity or net assets | Residual interest in the assets of an entity after deduction of its liabilities. |
| Expenses | Total value of all of the resources consumed in producing goods and services or the loss of future economic benefits in the form of reductions in assets or increases in liabilities of an entity. |
| Forward estimates | A system of rolling three year financial estimates. After the budget is passed, the first year of the forward estimates becomes the base for the next year’s budget bid, and another out-year is added to the forward estimates. |
| Liabilities | Liabilities represent amounts owing on goods or services that have been received but not yet paid for. A liability shows the future commitment of the Agency’s assets. |
| Measure | A new Government policy or savings decision with financial impacts. |
| Net annotated appropriation (Section 74 Receipts) | Section 74 receipts, also known as net annotated appropriations, are a form of appropriation which allows a department access to certain money it receives in payment of services. These monies are known as Section 74 Receipts, reflecting their authority under Section 74 of the PGPA Act. |
| Operating result | Equals revenue less expenses. |
| Outcomes | The government's objectives in each portfolio area. Outcomes are desired results, impacts or consequences for the Australian community as influenced by the actions of the Australian Government. Actual outcomes are assessments of the end-results or impacts actually achieved. |
| Performance measure | Measures the joint or independent contribution of outputs and administered items to the achievement of their specified outcome. |
| Portfolio | A Minister’s area of responsibility as a member of Cabinet. A portfolio consists of one or more Departments of State (ie the portfolio departments) and a number of entities with similar general objectives and outcomes. |
| Program | Entities deliver programs, which are government actions taken to deliver the stated outcomes. Entities are required to identify the programs which contribute to government outcomes over the Budget and forward years. |
| Receipts | The total or gross amount received by the Australian Government. Each receipt item is either revenue, an offset within outlays, or a financing transaction. Receipts include taxes, interest, charges for goods and services, borrowings and Government Business Enterprise (GBE) dividends received. |
| Revenue | Total value of resources earned or received to cover the production of goods and services. |
| Special Appropriations (including Standing Appropriations) | An amount of money appropriated by a particular Act of Parliament for a specific purpose and number of years. For special appropriations the authority to withdraw funds from the Consolidated Revenue Fund does not generally cease at the end of the financial year. Standing appropriations are a sub-category consisting of ongoing special appropriations—the amount appropriated will depend on circumstances specified in the legislation. |

1. Refers to the updated purpose statement that will be reflected in the 2018–19 Corporate Plan. [↑](#footnote-ref-1)
2. To drive improvement in Indigenous employment outcomes, the jobactive deed includes specific Indigenous performance measures in the jobactive Star Ratings. A specific measure for sustained (26 week) employment for Indigenous job seekers, and the Indigenous Outcomes Incentive, based on a comparison of outcome rates for Indigenous job seekers with the rates for non-Indigenous job seekers on a like-for-like basis. [↑](#footnote-ref-2)
3. The targets for this performance measure were updated from the 2017–18 Portfolio Budget Statements in the Department of Jobs and Small Business 2017–18 Corporate Plan. [↑](#footnote-ref-3)
4. Refers to the updated purpose statement that will be reflected in the 2018–19 Corporate Plan. [↑](#footnote-ref-4)
5. The Department holds funding for the Coal Mining Long Service Leave, however management is through the Government appointed Coal Mining Long Service Leave Corporation. As such, performance information is not included for Coal Mining Long Service Leave. [↑](#footnote-ref-5)
6. The Department holds funding for the Protected Action Ballots Scheme, however management is through the Australian Electoral Commission. As such, performance information is not included for the Protected Action Ballots Scheme. [↑](#footnote-ref-6)
7. The ILO measure is for Australia’s contribution to the operation of the international agency. As such, performance information is not included on the ILO. [↑](#footnote-ref-7)
8. Refers to the updated purpose statement that will be reflected in the 2018–19 Corporate Plan. [↑](#footnote-ref-8)
9. Claims cost decrease is greater than expense reduction [↑](#footnote-ref-9)
10. Comcare is working with rehabilitation authorities on strategies to improve return to work rates. [↑](#footnote-ref-10)
11. Comcare remains committed to achieving its target to ensure the cost-effective management of the fund. [↑](#footnote-ref-11)