

**DEPARTMENT OF EDUCATION AND  
TRAINING**

**ENTITY RESOURCES AND PLANNED  
PERFORMANCE**



# DEPARTMENT OF EDUCATION AND TRAINING

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# DEPARTMENT OF EDUCATION AND TRAINING

## Section 1: Entity overview and resources

### 1.1 STRATEGIC DIRECTION STATEMENT

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

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

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

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

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

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

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

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

Additional priorities in quality schooling in 2018–19 include:

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

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

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

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

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

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

*Department of Education and Training Budget Statements*

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

## 1.2 ENTITY RESOURCE STATEMENT

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

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

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

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

**Table 1.1: Department of Education and Training resource statement — Budget estimates for 2018–19 as at Budget May 2018**

|   | 2017–18<br><i>Estimated<br/>actual</i><br>\$'000 | 2018–19<br>Estimate<br>\$ 000 |
|---|--|-------------------------------|
| <b>Departmental</b>   |  |                               |
| Annual appropriations - ordinary annual services (a)  |  |                               |
| Prior year appropriations available (b)   | 56,612   | -                             |
| Departmental appropriation (c)  | 356,479  | 344,269                       |
| s74 Retained revenue receipts (d)   | 14,070   | 12,027                        |
| Departmental capital budget (e)   | 10,187   | 22,671                        |
| Annual appropriations - other services - non-operating (f)  |  |                               |
| Prior year appropriations available (b)   | 6,716  | -                             |
| Equity injection  | 15,779   | 8,519                         |
| <b>Total departmental annual appropriations</b>   | <b>459,843</b>                                   | <b>387,486</b>                |
| Special accounts (g)  |  |                               |
| Opening balance   | 4,089  | 4,089                         |
| Appropriation receipts (h)  | -  | -                             |
| Non-appropriation receipts  | 1,721  | 6,281                         |
| <b>Total special accounts</b>   | <b>5,810</b>                                     | <b>10,370</b>                 |
| <i>less departmental appropriations drawn from annual/special appropriations and credited to special accounts</i> | -  | -                             |
| <b>Total departmental resourcing</b>  | <b>465,653</b>                                   | <b>397,856</b>                |
| <b>Administered</b>   |  |                               |
| Annual appropriations - ordinary annual services (a)  |  |                               |
| Prior year appropriations available   | -  | -                             |
| Outcome 1   | 479,002  | 469,678                       |
| Outcome 2   | 1,431,822  | 1,344,495                     |
| Payments to corporate entities (i)  | 16,318   | -                             |

**Table 1.1: Department of Education and Training resource statement — Budget estimates for 2018–19 as at Budget May 2018 (continued)**

|   | 2017–18<br><i>Estimated<br/>actual</i><br>\$'000 | 2018–19<br>Estimate<br>\$ 000 |
|---|--|-------------------------------|
| Annual appropriations - other services - specific payments to States, ACT, NT and local government (f)            |  |                               |
| Prior year appropriations available   | -  | -                             |
| Outcome 1 (j)   | 40,221   | 62,514                        |
| Total administered annual appropriations  | 1,967,363  | 1,876,687                     |
| Total administered special appropriations   | 42,284,335                                       | 44,560,746                    |
| Special accounts (g)  |  |                               |
| Opening balance   | 83,215   | 68,579                        |
| Appropriation receipts (h)  | 5,249  | 9,151                         |
| Non-appropriation receipts  | 13,144   | 9,623                         |
| <i>Total special account receipts</i>   | 101,608  | 87,353                        |
| <i>less administered appropriations drawn from annual/special appropriations and credited to special accounts</i> | 5,249  | 9,151                         |
| <i>less payments to corporate entities from annual/special appropriations</i>                                     | 16,318   | -                             |
| <b>Total administered resourcing</b>  | <b>44,331,739</b>                                | <b>46,515,635</b>             |
| <b>Total resourcing for the Department of Education and Training</b>  | <b>44,797,392</b>                                | <b>46,913,491</b>             |
|   | 2017–18  | 2018–19                       |
| <b>Average staffing level (number)</b>  | 1,817  | 1,759                         |

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

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

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

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

- (a) Appropriation Bill (No. 1) 2018–19.
- (b) Excludes amounts in Appropriation Bills No. 5, which is yet to receive Royal Assent - for further information, please see Education and Training 2017–18 Portfolio Supplementary Additional Estimates Statements.
- (c) Excludes departmental capital budget (DCB).
- (d) Estimated retained revenue receipts under s74 of the PGPA Act.



*Department of Education and Training Budget Statements*

- (e) Departmental capital budgets are not separately identified in Appropriation Bill (No.1) and form part of ordinary annual services items. Please refer to Table 3.5 for further details. For accounting purposes, this amount has been designated as a contribution by owner .
- (f) Appropriation Bill (No. 2) 2018–19.
- (g) Excludes trust money and 'other CRF money' held in accounts like Other Trust Monies accounts (OTM), Services for Other Government and Non-agency Bodies accounts (SOG) or Services for Other Entities and Trust Moneys accounts (SOETM)). For further information on special appropriations and special accounts, please refer to Budget Paper No. 4 - Agency Resourcing. Please also see Table 2.1 for further information on outcome and program expenses broken down by various funding sources, e.g. annual appropriations, special appropriations and special accounts.
- (h) Amounts credited to the special accounts from Education and Training's annual and special appropriations.
- (i) Corporate entities are corporate Commonwealth entities and Commonwealth companies as defined under the PGPA Act. For the Australian Institute of Aboriginal and Torres Strait Islander Studies only a part year effect is shown, as it was transferred to Prime Minister and Cabinet Portfolio as part of an Administrative Arrangement Order on 19 April 2018.
- (j) For the 2018–19 Portfolio Budget Statements, the Government has committed funding for Quality Schools. This includes \$62.514 million for payments to states and territories in Appropriation Bill (No. 2), 2018–19 Outcome 1, for Program 1.5 - Additional Support for Northern Territory Schools (\$4.987 million), for Program 1.6 - Adjustment Assistance (\$12.172 million), Non-Government Representative Bodies (\$41.794 million), Special Circumstances funding (\$1.561 million) and for Program 1.7 - Literacy Support for Tasmanian Students (\$2.000 million). The distribution of the funding under 1.6 - Non-Government Representative Bodies is based on advice from the Independent Schools Council of Australia and the National Catholic Education Commission. The distribution of Program 1.6 - Adjustment Assistance will be determined following consideration of applications from eligible schools for national adjustment assistance funding and based on advice from the ACT Catholic system and ACT Association of Independent Schools for assistance to the ACT non-government sector. Funding under Program 1.6 - Special Circumstances funding is funding for short term emergency assistance and is determined following consideration of applications from schools as events occur. Funding under Program 1.6 - Additional Support for Northern Territory Schools is for Northern Territory only. Funding under Program 1.7 - Literacy Support for Tasmanian Students is for Tasmania only.
- (k) 2018–19 reflects the payment arrangements that will apply under the new Child Care Package commencing on 2 July 2018. The new Child Care Subsidy will be paid directly to child care services by the Department of Human Services. Services will pass on the benefit to families in the form of a fee reduction. Families will be required to make a co-contribution, which will be the difference between the fee charged and the subsidy amount.
- (l) Paid by a grant from Outcome 1 annual appropriations.

### 1.3 BUDGET MEASURES

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

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

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

|  | Program | 2017–18<br>\$ 000 | 2018–19<br>\$ 000 | 2019–20<br>\$ 000 | 2020–21<br>\$ 000 | 2021–22<br>\$ 000 |
|--|---------|-------------------|-------------------|-------------------|-------------------|-------------------|
| <b>Revenue measures</b>  |         |                   |                   |                   |                   |                   |
| Combined Lifetime Limit for Tuition Fee Assistance — amendment   |         |                   |                   |                   |                   |                   |
|  | 2.4     |                   |                   |                   |                   |                   |
|  |         | -                 | 230               | 681               | 1,142             | 2,038             |
|  |         | -                 | -                 | -                 | -                 | -                 |
|  |         | -                 | <b>230</b>        | <b>681</b>        | <b>1,142</b>      | <b>2,038</b>      |
| Higher Education Loan Program — partial cost recovery  |         |                   |                   |                   |                   |                   |
|  | 2.4     |                   |                   |                   |                   |                   |
|  |         | -                 | 31                | 9,806             | 10,230            | 10,665            |
|  |         | -                 | -                 | -                 | -                 | -                 |
|  |         | -                 | <b>31</b>         | <b>9,806</b>      | <b>10,230</b>     | <b>10,665</b>     |
| Investment in Regional University Campuses — additional study places   |         |                   |                   |                   |                   |                   |
|  | 2.4     |                   |                   |                   |                   |                   |
|  |         | -                 | 31                | 159               | 328               | 622               |
|  |         | -                 | -                 | -                 | -                 | -                 |
|  |         | -                 | <b>31</b>         | <b>159</b>        | <b>328</b>        | <b>622</b>        |
| Response to the Independent Review into Regional, Rural and Remote Education — additional support for students (a) |         |                   |                   |                   |                   |                   |
|  | 2.4     |                   |                   |                   |                   |                   |
|  |         | -                 | -                 | 74                | 254               | 573               |
|  |         | -                 | -                 | -                 | -                 | -                 |
|  |         | -                 | -                 | <b>74</b>         | <b>254</b>        | <b>573</b>        |
| <b>Total revenue measures</b>  |         |                   |                   |                   |                   |                   |
|  |         | -                 | 292               | 10,720            | 11,954            | 13,898            |
|  |         | -                 | -                 | -                 | -                 | -                 |
|  |         | -                 | <b>292</b>        | <b>10,720</b>     | <b>11,954</b>     | <b>13,898</b>     |
| <b>Expense measures</b>  |         |                   |                   |                   |                   |                   |
| Delivering Australia's Digital Future — data sharing and release arrangements                                      |         |                   |                   |                   |                   |                   |
|  | All     |                   |                   |                   |                   |                   |
|  |         | -                 | -                 | -                 | -                 | -                 |
|  |         | -                 | (415)             | (355)             | (342)             | (345)             |
|  |         | -                 | <b>(415)</b>      | <b>(355)</b>      | <b>(342)</b>      | <b>(345)</b>      |
| Child Care Early Learning Projects — efficiencies  |         |                   |                   |                   |                   |                   |
|  | 1.1     |                   |                   |                   |                   |                   |
|  |         | -                 | -                 | (2,000)           | (2,000)           | (2,000)           |
|  |         | -                 | -                 | -                 | -                 | -                 |
|  |         | -                 | -                 | <b>(2,000)</b>    | <b>(2,000)</b>    | <b>(2,000)</b>    |

**Table 1.2: Department of Education and Training 2018–19 Budget measures (continued)**

|   | Program  | 2017–18<br>\$ 000 | 2018–19<br>\$ 000 | 2019–20<br>\$ 000 | 2020–21<br>\$ 000 | 2021–22<br>\$ 000 |
|---|----------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Australian Children's Education and Care Quality Authority — additional funding(b)  | 1.1      |                   |                   |                   |                   |                   |
| Administered expenses   |          | -                 | -                 | -                 | -                 | -                 |
| Departmental expenses   |          | -                 | -                 | -                 | -                 | -                 |
| <b>Total</b>  |          | -                 | -                 | -                 | -                 | -                 |
| Non-Government Reform Support Fund — additional funding (c)   | 1.6, 1.7 |                   |                   |                   |                   |                   |
| Administered expenses   |          | -                 | 1,000             | -                 | -                 | (958)             |
| Departmental expenses   |          | -                 | -                 | -                 | -                 | -                 |
| <b>Total</b>  |          | -                 | <b>1,000</b>      | -                 | -                 | <b>(958)</b>      |
| National School Chaplaincy Programme — continuation (d)   | 1.7      |                   |                   |                   |                   |                   |
| Administered expenses   |          | -                 | -                 | -                 | -                 | -                 |
| Departmental expenses   |          | -                 | 303               | 303               | 305               | 307               |
| <b>Total</b>  |          | -                 | <b>303</b>        | <b>303</b>        | <b>305</b>        | <b>307</b>        |
| National Partnership Agreement on Universal Access to Early Childhood Education — extension (b) (d)                             | 1.7      |                   |                   |                   |                   |                   |
| Administered expenses   |          | -                 | -                 | -                 | -                 | -                 |
| Departmental expenses   |          | -                 | -                 | -                 | -                 | -                 |
| <b>Total</b>  |          | -                 | -                 | -                 | -                 | -                 |
| Quality Schools — communication campaign (c)  | 1.7      |                   |                   |                   |                   |                   |
| Administered expenses   |          | -                 | 2,350             | -                 | -                 | -                 |
| Departmental expenses   |          | -                 | -                 | -                 | -                 | -                 |
| <b>Total</b>  |          | -                 | <b>2,350</b>      | -                 | -                 | -                 |
| Early Learning Languages Australia — expansion  | 1.7      |                   |                   |                   |                   |                   |
| Administered expenses   |          | -                 | 4,177             | 5,021             | 1,470             | -                 |
| Departmental expenses   |          | -                 | 559               | 419               | 141               | -                 |
| <b>Total</b>  |          | -                 | <b>4,736</b>      | <b>5,440</b>      | <b>1,611</b>      | -                 |
| High Achieving Teachers Program (e)   | 1.7      |                   |                   |                   |                   |                   |
| Administered expenses   |          | nfp               | nfp               | nfp               | nfp               | nfp               |
| Departmental expenses   |          | nfp               | nfp               | nfp               | nfp               | nfp               |
| <b>Total</b>  |          | <b>nfp</b>        | <b>nfp</b>        | <b>nfp</b>        | <b>nfp</b>        | <b>nfp</b>        |
| Australian Technology and Science Growth Plan — building Australia's Artificial Intelligence capability to support business (f) | 1.7      |                   |                   |                   |                   |                   |
| Administered expenses   |          | -                 | 220               | 310               | 350               | 300               |
| Departmental expenses   |          | -                 | 78                | 78                | 79                | 79                |
| <b>Total</b>  |          | -                 | <b>298</b>        | <b>388</b>        | <b>429</b>        | <b>379</b>        |
| IT System to Support VET Student Loans — implementation (g)   | 2        |                   |                   |                   |                   |                   |
| Administered expenses   |          | -                 | -                 | -                 | -                 | -                 |
| Departmental expenses   |          | -                 | 3,550             | 5,157             | 1,696             | (1,178)           |
| <b>Total</b>  |          | -                 | <b>3,550</b>      | <b>5,157</b>      | <b>1,696</b>      | <b>(1,178)</b>    |

**Table 1.2: Department of Education and Training 2018–19 Budget measures (continued)**

|  | Program  | 2017–18<br>\$ 000 | 2018–19<br>\$ 000 | 2019–20<br>\$ 000 | 2020–21<br>\$ 000 | 2021–22<br>\$ 000 |
|--|----------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Delivering Australia's Digital Future — Welfare Payment Infrastructure Transformation — Tranche Three              | 2        |                   |                   |                   |                   |                   |
| Administered expenses  |          | -                 | -                 | -                 | -                 | -                 |
| Departmental expenses  |          | -                 | 1,768             | -                 | -                 | -                 |
| <b>Total</b>   |          | -                 | <b>1,768</b>      | -                 | -                 | -                 |
| Education Services for Overseas Students - review of the annual registration charge                                | 2        |                   |                   |                   |                   |                   |
| Administered expenses  |          | -                 | -                 | -                 | -                 | -                 |
| Departmental expenses  |          | -                 | -                 | -                 | -                 | -                 |
| <b>Total</b>   |          | -                 | -                 | -                 | -                 | -                 |
| Combined Lifetime Limit for Tuition Fee Assistance — amendment   | 2.4      |                   |                   |                   |                   |                   |
| Administered expenses  |          | -                 | 409               | 812               | 832               | 900               |
| Departmental expenses  |          | -                 | 619               | 1,080             | 1,163             | 1,107             |
| <b>Total</b>   |          | -                 | <b>1,028</b>      | <b>1,892</b>      | <b>1,995</b>      | <b>2,007</b>      |
| Investment in Regional University Campuses — additional study places   | 2.1, 2.4 |                   |                   |                   |                   |                   |
| Administered expenses  |          | 2,546             | 8,575             | 20,544            | 37,888            | 55,170            |
| Departmental expenses  |          | -                 | -                 | -                 | -                 | -                 |
| <b>Total</b>   |          | <b>2,546</b>      | <b>8,575</b>      | <b>20,544</b>     | <b>37,888</b>     | <b>55,170</b>     |
| Response to the Independent Review into Regional, Rural and Remote Education — additional support for students (a) | 2.1, 2.4 |                   |                   |                   |                   |                   |
| Administered expenses  |          | -                 | 4,327             | 10,621            | 13,364            | 14,780            |
| Departmental expenses  |          | -                 | -                 | -                 | -                 | -                 |
| <b>Total</b>   |          | -                 | <b>4,327</b>      | <b>10,621</b>     | <b>13,364</b>     | <b>14,780</b>     |
| National Research Infrastructure Investment Plan - implementation of Government response (c)                       | 2.6      |                   |                   |                   |                   |                   |
| Administered expenses  |          | -                 | 5,454             | 25,628            | 76,392            | 86,648            |
| Departmental expenses  |          | -                 | -                 | -                 | -                 | -                 |
| <b>Total</b>   |          | -                 | <b>5,454</b>      | <b>25,628</b>     | <b>76,392</b>     | <b>86,648</b>     |
| Endeavour Leadership Program — efficiencies  | 2.7      |                   |                   |                   |                   |                   |
| Administered expenses  |          | -                 | (8,391)           | (16,418)          | (18,494)          | (24,578)          |
| Departmental expenses  |          | -                 | 445               | 551               | 555               | 566               |
| <b>Total</b>   |          | -                 | <b>(7,946)</b>    | <b>(15,867)</b>   | <b>(17,939)</b>   | <b>(24,012)</b>   |
| Industry Workforce Training program — efficiencies   | 2.8      |                   |                   |                   |                   |                   |
| Administered expenses  |          | -                 | (4,009)           | (5,497)           | (5,843)           | (5,929)           |
| Departmental expenses  |          | -                 | -                 | -                 | -                 | -                 |
| <b>Total</b>   |          | -                 | <b>(4,009)</b>    | <b>(5,497)</b>    | <b>(5,843)</b>    | <b>(5,929)</b>    |
| National Training System — Commonwealth Own Purpose Expenses program — efficiencies                                | 2.8      |                   |                   |                   |                   |                   |
| Administered expenses  |          | -                 | (1,067)           | (2,075)           | (1,884)           | (3,219)           |
| Departmental expenses  |          | -                 | -                 | -                 | -                 | -                 |
| <b>Total</b>   |          | -                 | <b>(1,067)</b>    | <b>(2,075)</b>    | <b>(1,884)</b>    | <b>(3,219)</b>    |

**Table 1.2: Department of Education and Training 2018–19 Budget measures (continued)**

|  | Program | 2017–18<br>\$ 000 | 2018–19<br>\$ 000 | 2019–20<br>\$ 000 | 2020–21<br>\$ 000 | 2021–22<br>\$ 000 |
|--|---------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Unique Student Identifier Initiative — additional funding                                    | 2.8     |                   |                   |                   |                   |                   |
| Administered expenses  |         | -                 | -                 | -                 | -                 | -                 |
| Departmental expenses  |         | -                 | -                 | -                 | -                 | -                 |
| <b>Total</b>   |         | -                 | -                 | -                 | -                 | -                 |
| More Choices for a Longer Life — skills checkpoint for older workers program — establishment | 2.8     |                   |                   |                   |                   |                   |
| Administered expenses  |         | -                 | 3,875             | 3,929             | 3,988             | 4,044             |
| Departmental expenses  |         | -                 | 475               | 344               | 346               | 348               |
| <b>Total</b>   |         | -                 | <b>4,350</b>      | <b>4,273</b>      | <b>4,334</b>      | <b>4,392</b>      |
| Trades Recognition Australia — additional funding  | 2.8     |                   |                   |                   |                   |                   |
| Administered expenses  |         | -                 | -                 | -                 | -                 | -                 |
| Departmental expenses  |         | -                 | -                 | -                 | -                 | -                 |
| <b>Total</b>   |         | -                 | -                 | -                 | -                 | -                 |
| VET Student Loans Ombudsman — additional resources (h)                                       | 2.8     |                   |                   |                   |                   |                   |
| Administered expenses  |         | -                 | -                 | -                 | -                 | -                 |
| Departmental expenses  |         | -                 | -                 | -                 | -                 | -                 |
| <b>Total</b>   |         | -                 | -                 | -                 | -                 | -                 |
| Adult Migrant English Program- aligning access for migrants aged under 18 years              | 2.8     |                   |                   |                   |                   |                   |
| Administered expenses  |         | -                 | -                 | -                 | -                 | -                 |
| Departmental expenses  |         | -                 | -                 | -                 | -                 | -                 |
| <b>Total</b>   |         | -                 | -                 | -                 | -                 | -                 |
| Managing the Skilling Australians Fund — revised implementation arrangements (i)             | 2.8     |                   |                   |                   |                   |                   |
| Administered expenses  |         | -                 | -                 | -                 | -                 | -                 |
| Departmental expenses  |         | -                 | -                 | -                 | -                 | -                 |
| <b>Total</b>   |         | -                 | -                 | -                 | -                 | -                 |
| <b>Total expense measures</b>  |         |                   |                   |                   |                   |                   |
| Administered   |         | 2,546             | 16,920            | 40,875            | 106,063           | 125,158           |
| Departmental   |         | -                 | 7,382             | 7,577             | 3,943             | 884               |
| <b>Total</b>   |         | <b>2,546</b>      | <b>24,302</b>     | <b>48,452</b>     | <b>110,006</b>    | <b>126,042</b>    |

**Table 1.2: Department of Education and Training 2018–19 Budget measures (continued)**

|  | Program | 2017–18<br>\$ 000 | 2018–19<br>\$ 000 | 2019–20<br>\$ 000 | 2020–21<br>\$ 000 | 2021–22<br>\$ 000 |
|--|---------|-------------------|-------------------|-------------------|-------------------|-------------------|
| <b>Capital measures</b>  |         |                   |                   |                   |                   |                   |
| Trades Recognition Australia — additional funding              | 2       |                   |                   |                   |                   |                   |
| Administered capital   |         | -                 | -                 | -                 | -                 | -                 |
| Departmental capital   |         | -                 | 1,180             | -                 | -                 | -                 |
| <b>Total</b>   |         | -                 | <b>1,180</b>      | -                 | -                 | -                 |
| Combined Lifetime Limit for Tuition Fee Assistance — amendment | 2.4     |                   |                   |                   |                   |                   |
| Administered capital   |         | -                 | -                 | -                 | -                 | -                 |
| Departmental capital   |         | -                 | 280               | -                 | 608               | -                 |
| <b>Total</b>   |         | -                 | <b>280</b>        | -                 | <b>608</b>        | -                 |
| Endeavour Leadership Program — efficiencies                    | 2.7     |                   |                   |                   |                   |                   |
| Administered capital   |         | -                 | -                 | -                 | -                 | -                 |
| Departmental capital   |         | -                 | 700               | 701               | 705               | 709               |
| <b>Total</b>   |         | -                 | <b>700</b>        | <b>701</b>        | <b>705</b>        | <b>709</b>        |
| <b>Total capital measures</b>                                  |         |                   |                   |                   |                   |                   |
| Administered   |         | -                 | -                 | -                 | -                 | -                 |
| Departmental   |         | -                 | 2,160             | 701               | 1,313             | 709               |
| <b>Total</b>   |         | -                 | <b>2,160</b>      | <b>701</b>        | <b>1,313</b>      | <b>709</b>        |

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

- (a) This measure has financial impacts for the Department of Social Services and Department of Human Services. Refer to the Social Services and Human Services 2018–19 Portfolio Budget Statements respectively.
- (b) This measure is reported as having a nil financial impact in the 2018–19 Budget Paper No. 2 as the funding has already been provided for by the Government.
- (c) Refer to the Education and Training 2017–18 Portfolio Supplementary Additional Estimates Statements for the 2017–18 financial year impact and to the 2018–19 Budget Paper No. 2 for the full measure impact.
- (d) The Department of the Treasury will administered payments to states and territories for this measure. Refer to the Treasury 2018–19 Portfolio Budget Statements.
- (e) The financial impact is not for publication (nfp).
- (f) The lead entity for Australian Technology and Science Growth Plan — building Australia's Artificial Intelligence capability to support business is the Department of Industry, Innovation and Science. The full measure description and package details appear in the 2018–19 Budget Paper No. 2 under the Industry, Innovation and Science portfolio.
- (g) This measure has financial impacts for the Department of Human Services. Refer to the Human Services 2018–19 Portfolio Budget Statements.
- (h) This measure has financial impacts for the Office of the Commonwealth Ombudsman. Refer to the Prime Minister and Cabinet 2018–19 Portfolio Budget Statements.
- (i) This measure has financial impacts for the Department of the Treasury. Refer to the Treasury 2018–19 Portfolio Budget Statements.

## Section 2: Outcomes and planned performance

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

Each outcome is described below together with its related programs. Detailed information on expenses for each outcome and program is also provided, further broken down by funding source.

**Note:**

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

The most recent corporate plan for the Department of Education and Training can be found at: [education.gov.au/corporate-plan](http://education.gov.au/corporate-plan)

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

## 2.1 BUDGETED EXPENSES AND PERFORMANCE FOR OUTCOME 1

**Outcome 1: Improved early learning, schooling, student educational outcomes and transitions to and from school through access to quality child care, support, parent engagement, quality teaching and learning environments.**

### Programs contributing to Outcome 1

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

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

### Linked programs

|   |
|---|
| <b>Department of Human Services</b>   |
| <b>Programs</b> <ul style="list-style-type: none"> <li>• Program 1.1 - Services to the Community - Social Security and Welfare</li> </ul>   |
| <b>Contribution to Outcome 1 made by linked programs</b><br>The linked program contributes to Outcome 1 by administering child care payments to eligible families.  |
| <b>Department of the Prime Minister and Cabinet</b>   |
| <b>Programs</b> <ul style="list-style-type: none"> <li>• Program 2.1 - Jobs, Land and Economy</li> <li>• Program 2.2 - Children and Schooling</li> </ul>  |
| <b>Contribution to Outcome 1 made by linked programs</b><br>The linked programs contributes to Outcome 1 by supporting school attendance, improved educational outcomes and access to further education, training and employment for Indigenous students. |
| <b>Department of the Treasury</b>   |
| <b>Programs</b> <ul style="list-style-type: none"> <li>• Program 1.9 - National Partnership Payments to the States</li> </ul>   |
| <b>Contribution to Outcome 1 made by linked programs</b><br>The linked program contributes to Outcome 1 by making National Partnership Payments to the States.  |



**Budgeted expenses for Outcome 1**

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

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

|   | 2017–18<br>Estimated<br>actual<br>\$ 000 | 2018–19<br>Budget<br>\$ 000 | 2019–20<br>Forward<br>estimate<br>\$ 000 | 2020–21<br>Forward<br>estimate<br>\$ 000 | 2021–22<br>Forward<br>estimate<br>\$ 000 |
|---|--|-----------------------------|--|--|--|
| <b>Outcome 1: Improved early learning, schooling, student educational outcomes and transitions to and from school through access to quality child care, support, parent engagement, quality teaching and learning environments.</b> |  |                             |  |  |  |
| <b>Program 1.1: Support for the Child Care System</b>   |  |                             |  |  |  |
| Administered expenses   |  |                             |  |  |  |
| Ordinary annual services<br>(Appropriation Bill No. 1)  | 354,082                                  | 339,737                     | 342,216                                  | 340,770                                  | 348,101                                  |
| <b>Total expenses for program 1.1</b>   | <b>354,082</b>                           | <b>339,737</b>              | <b>342,216</b>                           | <b>340,770</b>                           | <b>348,101</b>                           |
| <b>Program 1.2: Child Care Benefit</b>  |  |                             |  |  |  |
| Administered expenses   |  |                             |  |  |  |
| Special appropriations  |  |                             |  |  |  |
| <i>A New Tax System (Family Assistance) (Administration) Act 1999</i>   | 3,418,101                                | -                           | -  | -  | -  |
| <b>Total expenses for program 1.2</b>   | <b>3,418,101</b>                         | <b>-</b>                    | <b>-</b>                                 | <b>-</b>                                 | <b>-</b>                                 |
| <b>Program 1.3: Child Care Rebate</b>   |  |                             |  |  |  |
| Special appropriations  |  |                             |  |  |  |
| <i>A New Tax System (Family Assistance) (Administration) Act 1999</i>   | 3,764,078                                | -                           | -  | -  | -  |
| <b>Total expenses for program 1.3</b>   | <b>3,764,078</b>                         | <b>-</b>                    | <b>-</b>                                 | <b>-</b>                                 | <b>-</b>                                 |
| <b>Program 1.4: Child Care Subsidy</b>  |  |                             |  |  |  |
| Special appropriations  |  |                             |  |  |  |
| <i>A New Tax System (Family Assistance) (Administration) Act 1999</i>   | -  | 7,999,545                   | 8,679,449                                | 9,025,259                                | 9,533,537                                |
| <b>Total expenses for program 1.4</b>   | <b>-</b>                                 | <b>7,999,545</b>            | <b>8,679,449</b>                         | <b>9,025,259</b>                         | <b>9,533,537</b>                         |
| <b>Program 1.5: Government Schools National Support</b>   |  |                             |  |  |  |
| Administered expenses   |  |                             |  |  |  |
| Other services (Appropriation Bill No. 2)   | 1,629                                    | 4,987                       | 8,575                                    | 12,804                                   | 14,242                                   |
| Special appropriations  |  |                             |  |  |  |
| <i>Australian Education Act 2013</i>  | 7,115,876                                | 7,681,910                   | 8,334,570                                | 9,023,681                                | 9,714,774                                |
| <b>Total expenses for program 1.5</b>   | <b>7,117,505</b>                         | <b>7,686,897</b>            | <b>8,343,145</b>                         | <b>9,036,485</b>                         | <b>9,729,016</b>                         |

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**Table 2.1.1: Budgeted expenses for Outcome 1 (continued)**

|   | 2017-18<br>Estimated<br>actual<br>\$ 000 | 2018-19<br>Budget<br>\$ 000 | 2019-20<br>Forward<br>estimate<br>\$ 000 | 2020-21<br>Forward<br>estimate<br>\$ 000 | 2021-22<br>Forward<br>estimate<br>\$ 000 |
|---|--|-----------------------------|--|--|--|
| <b>Program 1.6: Non-Government Schools National Support</b> |  |                             |  |  |  |
| Administered expenses                                       |  |                             |  |  |  |
| Other services (Appropriation Bill No. 2)                   | 37,592                                   | 55,527                      | 54,214                                   | 55,057                                   | 53,829                                   |
| Special appropriations                                      |  |                             |  |  |  |
| <i>Australian Education Act 2013</i>                        | 11,191,698                               | 11,773,654                  | 12,398,605                               | 13,090,270                               | 13,766,736                               |
| <b>Total expenses for program 1.6</b>                       | <b>11,229,290</b>                        | <b>11,829,181</b>           | <b>12,452,819</b>                        | <b>13,145,327</b>                        | <b>13,820,565</b>                        |
| <b>Program 1.7: Early Learning and Schools Support</b>      |  |                             |  |  |  |
| Administered expenses                                       |  |                             |  |  |  |
| Ordinary annual services (Appropriation Bill No. 1)         | 125,736                                  | 129,941                     | 113,953                                  | 83,630                                   | 72,944                                   |
| Other services (Appropriation Bill No. 2)                   | 1,000                                    | 2,000                       | 2,000                                    | 2,000                                    | 2,000                                    |
| Special accounts  |  |                             |  |  |  |
| SOETM - Students with Disabilities                          | 578                                      | -                           | -  | -  | -  |
| <b>Total expenses for program 1.7</b>                       | <b>127,314</b>                           | <b>131,941</b>              | <b>115,953</b>                           | <b>85,630</b>                            | <b>74,944</b>                            |
| <b>Outcome 1 Totals by appropriation type</b>               |  |                             |  |  |  |
| Administered expenses                                       |  |                             |  |  |  |
| Ordinary annual services (Appropriation Bill No. 1)         | 479,818                                  | 469,678                     | 456,169                                  | 424,400                                  | 421,045                                  |
| Other services (Appropriation Bill No. 2)                   | 40,221                                   | 62,514                      | 64,789                                   | 69,861                                   | 70,071                                   |
| Special appropriations                                      | 25,489,753                               | 27,455,109                  | 29,412,624                               | 31,139,210                               | 33,015,047                               |
| Special accounts  | 578                                      | -                           | -  | -  | -  |
| <b>Administered total</b>                                   | <b>26,010,370</b>                        | <b>27,987,301</b>           | <b>29,933,582</b>                        | <b>31,633,471</b>                        | <b>33,506,163</b>                        |
| Departmental expenses                                       |  |                             |  |  |  |
| Departmental appropriation                                  | 173,440                                  | 168,914                     | 154,582                                  | 145,932                                  | 146,274                                  |
| s74 Retained revenue receipts (a)                           | 6,415                                    | 5,532                       | 5,532                                    | 5,532                                    | 5,532                                    |
| Expenses not requiring appropriation in the Budget year (b) | 13,259                                   | 13,466                      | 13,778                                   | 14,988                                   | 14,988                                   |
| <b>Departmental total</b>                                   | <b>193,114</b>                           | <b>187,912</b>              | <b>173,892</b>                           | <b>166,452</b>                           | <b>166,794</b>                           |
| <b>Total expenses for Outcome 1</b>                         | <b>26,203,484</b>                        | <b>28,175,213</b>           | <b>30,107,474</b>                        | <b>31,799,923</b>                        | <b>33,672,957</b>                        |

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**Table 2.1.1: Budgeted expenses for Outcome 1 (continued)**

|   | 2017-18<br>Estimated<br>actual<br>\$ 000 | 2018-19<br>Budget<br>\$ 000 | 2019-20<br>Forward<br>estimate<br>\$ 000 | 2020-21<br>Forward<br>estimate<br>\$ 000 | 2021-22<br>Forward<br>estimate<br>\$ 000 |
|---|--|-----------------------------|--|--|--|
| <b>Movement of administered (c)<br/>funds between years</b> |  |                             |  |  |  |
| Outcome 1:  |  |                             |  |  |  |
| Program 1.7 Early Learning and<br>Schools Support           | -  | 2,000                       | (2,000)                                  | -  | -  |
| <b>Total movement of<br/>administered funds</b>             | <b>(1,200)</b>                           | <b>3,200</b>                | <b>(2,000)</b>                           | -  | -  |

|  | 2017-18 | 2018-19 |
|--|---------|---------|
| <b>Average staffing level (number)</b> | 890     | 862     |

- (a) Estimated expenses incurred in relation to receipts retained under s74 of the PGPA Act.
- (b) Expenses not requiring appropriation in the Budget year are made up of depreciation expenses, amortisation expenses, make good expenses, audit fees.
- (c) Figures displayed in brackets are negative and represent a decrease in funds. Non-bracketed figures are positive and represent an increase in funds.

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

### Performance criteria for Outcome 1

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

**Outcome 1: Improved early learning, schooling, student educational outcomes and transitions to and from school through access to quality child care, support, parent engagement, quality teaching and learning environments.**

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

|  |   |
|--|---|
| <b>Objective</b>   | The program helps families to participate in the social and economic life of the community by promoting and supporting quality and affordable child care, and assisting services to improve access and inclusion for vulnerable or disadvantaged children and families, including children with disabilities and their families.  |
| <b>Delivery</b>  | <p>Support for the Child Care System incorporates a number of activities and payment types that are tailored to different types of child care in different circumstances to meet the above objective. From 2 July 2018, funding will be provided directly to child care services on behalf of eligible recipients.</p> <p>In 2018–19, the department will be focussed on the delivery of new child care arrangements, including the Child Care Safety Net, which involves:</p> <ul style="list-style-type: none"> <li>• grant funding under the Community Child Care Fund, Connected Beginnings and Inclusion Support Programme, and</li> <li>• payment of the Additional Child Care Subsidy, a top up payment to eligible recipients of Child Care Subsidy.</li> </ul> |
| <b>Purpose</b>   | <b>Department of Education and Training Corporate Plan 2017–18:</b><br>Maximising opportunity and prosperity through national leadership on education and training.   |
| <b>Measures impacting program 1.1:</b>   |   |
| <ul style="list-style-type: none"> <li>• Child Care Early Learning Projects — efficiencies</li> <li>• Australian Children's Education and Care Quality Authority — additional funding</li> </ul> |   |

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

| Year    | Performance criteria  | Expected achievement  |
|---------|---|---|
| 2017–18 | Prepare child care services and families to transition to new arrangements that apply from 2 July 2018, including launching the first round of the Community Child Care Fund and assisting services to reduce access barriers particularly in disadvantaged, regional and remote communities. | <p>Services and families will have successfully transitioned to the new child care arrangements.</p> <p>Closure plans have been implemented for the Community Support Program and the Budget Based Funded program, which ceases on 30 June 2018.</p> <p>Budget Based Funded services that do not primarily deliver child care have been supported to transition to alternative administrative arrangements which will commence on 2 July 2018. The remaining services will transition to the new child care arrangements, including access to the Child Care Subsidy, Additional Child Care Subsidy and the Community Child Care Fund.</p> <p>Community Child Care Fund grant agreements for successful funding recipients will be executed by 30 June 2018 to enable payments to be made from 2 July 2018.</p> |

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| <b>Year</b> | <b>Performance criteria</b>   | <b>Expected achievement</b>  |
|-------------|---|--|
|             |   | Eligible families will be transitioned to the Additional Child Care Subsidy for 2 July 2018.   |
|             | Provide support for child care services and families so that more children access quality child care and early learning services. | <p>Inclusion Support Programme continued to build the capacity and capability of child care services to include children with additional needs.</p> <p>The review of the existing In Home Care and evaluation of the Interim Home Based Carer Subsidy Programme were completed and published on the department's website. The policy and program design for the reset In Home Care service type takes into account the outcomes of the reviews. The program guidelines have been published and the revised program will be implemented by 2 July 2018.</p> <p>The proportion of children attending child care has been maintained in priority groups:<sup>2</sup></p> <ul style="list-style-type: none"> <li>• 3% of Indigenous children</li> <li>• 22% of children from culturally and linguistically diverse backgrounds</li> <li>• 3% of children with disabilities.</li> </ul> |

| <b>Year</b>        | <b>Performance criteria</b>  | <b>Target</b>   |
|--------------------|--|---|
| 2018–19            | Child care support is targeted to vulnerable and disadvantaged families and communities. | <ul style="list-style-type: none"> <li>• 100% of the Child Care Safety Net supports vulnerable and disadvantaged families and communities.</li> </ul> |
| 2019–20 and beyond | As per 2018–19.  | As per 2018–19.   |

---

<sup>2</sup> Expected achievement based on most recently published data in the 2016 *National Early Childhood Education and Care Workforce Census* report.

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

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

**Program 1.2: Child Care Benefit**

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

**Performance information 1.2: Child Care Benefit**

| Year    | Performance criteria  | Expected achievement   |
|---------|---|--|
| 2017–18 | Ensure accurate, efficient and effective management of child care fee assistance. | Expected that at least 90% of child care payments to all services are accurate. <sup>3</sup> |

**Program expenses 1.2 Child Care Benefit**

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

<sup>3</sup> Payment accuracy is a defined measure based on independent actuarial assessment.

**Program 1.3: Child Care Rebate**

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

**Performance information 1.3 Child Care Rebate**

| Year    | Performance criteria  | Expected achievement   |
|---------|---|--|
| 2017–18 | Ensure accurate, efficient and effective management of child care fee assistance. | Expected that at least 90% of child care payments to all services are accurate. <sup>4</sup> |

**Program expenses 1.3 Child Care Rebate**

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

<sup>4</sup> Payment accuracy is a defined measure based on independent actuarial assessment.

**Program 1.4: Child Care Subsidy**

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

**Performance information 1.4 Child Care Subsidy**

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

| Year               | Performance criteria   | Target   |
|--------------------|--|--|
| 2018–19            | Existing families transition to the new child care arrangements. | <ul style="list-style-type: none"> <li>At least 90% of families transition to the new Child Care Subsidy.<sup>5</sup></li> </ul> |
|                    | Ensuring accurate child care payments.                           | <ul style="list-style-type: none"> <li>At least 90% of child care payments to all services are accurate.<sup>6</sup></li> </ul>  |
| 2019–20 and beyond | Ensuring accurate child care payments.                           | <ul style="list-style-type: none"> <li>At least 90% of child care payments to all services are accurate.<sup>6</sup></li> </ul>  |

**Program expenses 1.4 Child Care Subsidy**

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

<sup>5</sup> This target takes into account families that no longer choose to or require access to child care payments, as well as changes to policy settings.

<sup>6</sup> Payment accuracy is a defined measure based on independent actuarial assessment.



**Program 1.5: Government Schools National Support**

|                  |   |
|------------------|---|
| <b>Objective</b> | The program provides supplementary financial assistance to state and territory governments to facilitate the delivery of a quality education within government schools.   |
| <b>Delivery</b>  | <p>The Government's Quality Schools reform package provides consistent, transparent and needs-based school funding arrangements. Under the new arrangements, states and territories will be required to be party to a national schooling reform agreement to will help lift performance outcomes for Australian students.</p> <p><u>Recurrent grants – government schools</u></p> <p>Recurrent funding for all schools, both government and non-government, is delivered under the needs-based funding arrangements in the <i>Australian Education Act 2013</i> informed by the Schooling Resource Standard (SRS). The SRS includes a base amount for every primary and secondary school student plus additional loadings to target disadvantage, including loadings for:</p> <ul style="list-style-type: none"> <li>• students with low socioeconomic status</li> <li>• students with disability</li> <li>• Aboriginal and Torres Strait Islander students</li> <li>• students with low English proficiency</li> <li>• school size</li> <li>• location.</li> </ul> |
| <b>Purpose</b>   | <p><b>Department of Education and Training Corporate Plan 2017–18:</b></p> <p>Maximising opportunity and prosperity through national leadership on education and training.</p>  |

**Performance information 1.5 Government Schools National Support**

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

| Year    | Performance criteria   | Target   |
|---------|--|--|
| 2018–19 | Lifting outcomes in Australian schools – student attainment.                   | <ul style="list-style-type: none"> <li>• Lift the Year 12 (or equivalent) or Certificate III attainment rate to 90% by 2020 (<i>measured as trend towards target</i>).<sup>7</sup></li> </ul>  |
|         | Closing the Gap for Aboriginal and Torres Strait Islander students in schools. | <ul style="list-style-type: none"> <li>• Halve the gap for Indigenous children in reading, writing and numeracy within a decade (2018).<sup>7</sup></li> <li>• Reduce the gap in school attendance for Indigenous students (2018).<sup>8</sup></li> <li>• Halve the gap in attainment rates in Year 12 or equivalent, for Indigenous people aged 20–24 by 2020 (<i>measured as trend towards target</i>).<sup>8</sup></li> </ul> |

<sup>7</sup> Target source: COAG Education Council, *Measurement Framework for Schooling in Australia*, May 2015. Targets from 2019 and beyond are subject to change or agreement through COAG.

<sup>8</sup> Target source: *Prime Minister's Report on Closing the Gap*, 2017

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| Year               | Performance criteria   | Target   |
|--------------------|--|--|
| 2019–20            | Lifting outcomes in Australian schools – student attainment.                   | As per 2018–19.  |
|                    | Closing the Gap for Aboriginal and Torres Strait Islander students in schools. | <ul style="list-style-type: none"> <li>Reduce the gap for Indigenous students in Year 12 or equivalent attainment rate by 2020.<sup>9</sup></li> </ul> |
| 2020–21 and beyond | As per 2019–20.  | As per 2019–20.  |

**Program expenses 1.5 Government Schools National Support**

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

<sup>9</sup> Target source: *Prime Minister's Report on Closing the Gap, 2017*

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

|   |  |
|---|--|
| <b>Objective</b>  | The program provides financial assistance to approved authorities for non-government schools to facilitate the delivery of a quality education within non-government schools.  |
| <b>Delivery</b>   | <p>The Government's Quality Schools reform package provides consistent, transparent and needs-based school funding arrangements. Under the new arrangements, states and territories will be required to be party to a national schooling reform agreement to help lift performance outcomes for Australian students.</p> <p><u>Recurrent grants – non-government schools</u></p> <p>Recurrent funding for all schools, both government and non-government, is delivered under the needs-based funding arrangements in the <i>Australian Education Act 2013</i> informed by the Schooling Resource Standard (SRS). The SRS includes a base amount for every primary and secondary school student plus additional loadings to target disadvantage, including loadings for:</p> <ul style="list-style-type: none"> <li>• students with low socioeconomic status</li> <li>• students with disability</li> <li>• Aboriginal and Torres Strait Islander students</li> <li>• students with low English proficiency</li> <li>• school size</li> <li>• location.</li> </ul> <p>Recurrent funding for non-government schools supplements funding raised by schools from other sources. The base per-student amount is discounted by the capacity of non-government school communities to contribute towards the operating costs of the school.</p> <p><u>Transition support</u></p> <p>Additional funding will be provided over 2018–2027 to ensure a smooth transition to the new arrangements. This includes additional financial assistance in 2018 for individual independent schools with low growth or reductions, support for schools with negative growth through the National Adjustment Assistance Fund and targeted support for non-government schools in the Australian Capital Territory. Additional funding will also be provided for non-government schools that had the socioeconomic status (SES) scores calculated through a system-weighted average approach in 2017 while the National School Resourcing Board reviews the methodology to calculate school SES scores.</p> <p><u>Non-government representative bodies</u></p> <p>Funding is provided to state and territory Catholic Education Commissions and Associations of Independent Schools as approved non-government representative bodies. The funding is provided to assist with implementation of national reforms in non-government schools.</p> <p><u>Capital Grants Program</u></p> <p>Capital funding is provided to assist non-government school communities to improve school capital infrastructure, particularly for the most educationally-disadvantaged students. Capital grants are supplementary to funding provided by school communities and non-government school authorities. These bodies have primary responsibility for providing, maintaining and upgrading their school facilities.</p> <p><u>Special Circumstances Funding</u></p> <p>Special circumstances funding is provided under the <i>Australian Education Act 2013</i> to provide financial assistance to schools that are experiencing unexpected circumstances causing severe, temporary financial difficulty.</p> |
| <b>Purpose</b>  | <p><b>Department of Education and Training Corporate Plan 2017–18:</b></p> <p>Maximising opportunity and prosperity through national leadership on education and training.</p>   |
| <p><b>Measures impacting program 1.6:</b></p> <ul style="list-style-type: none"> <li>• Non-Government Reform Support Fund — additional funding</li> </ul> |  |

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

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

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

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

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

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

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

|  |  |
|--|--|
| <b>Objective</b>   | This program supports initiatives that contribute to improved access to high quality teaching and learning in early learning and school education for all Australian students.   |
| <b>Delivery</b>  | <p>This program supports national leadership and work in partnerships with state and territory governments and non-government education authorities, the Australian Curriculum, Assessment and Reporting Authority (ACARA), the Australian Institute for Teaching and School Leadership (AITSL) and Education Services Australia (ESA) through various platforms, such as Education Council, to implement priority initiatives.</p> <p>Priority initiatives include:</p> <ul style="list-style-type: none"> <li>• supporting early learning preschool programs to facilitate children’s transition to full-time school</li> <li>• measuring educational outcomes through national assessments and international benchmarking and building the national evidence base to inform decision making</li> <li>• supporting students to successfully transition to further education, training or work by ensuring they gain the skills required for the jobs of the future through the development of a National Career Education Strategy</li> <li>• implementing science, technology, engineering and mathematics (STEM) initiatives, including the Pathways in Technology (P-TECH) pilot</li> <li>• supporting disadvantaged students through the Learning for Life program.</li> </ul> |
| <b>Purpose</b>   | <b>Department of Education and Training Corporate Plan 2017–18:</b><br>Maximising opportunity and prosperity through national leadership on education and training.  |
| <p><b>Measures impacting program 1.7:</b></p> <ul style="list-style-type: none"> <li>• National School Chaplaincy Programme — continuation</li> <li>• National Partnership Agreement on Universal Access to Early Childhood Education — extension</li> <li>• Quality Schools — communication campaign</li> <li>• Early Learning Languages Australia — expansion</li> <li>• High Achieving Teachers Program</li> <li>• Australian Technology and Science Growth Plan — building Australia’s Artificial Intelligence capability to support business</li> </ul> |  |

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

| <b>Year</b> | <b>Performance criteria</b>   | <b>Expected achievement</b>  |
|-------------|---|--|
| 2017–18     | <p><u>Preschool</u></p> <p>Facilitate children’s early learning and development and transition to school, by maintaining universal access to, and improving participation in, affordable, quality early childhood education programs for all children.<sup>10</sup></p> | <p><u>Preschool</u></p> <p>100% of children were enrolled in the year before full-time school in quality early childhood education program(s).<sup>10</sup></p> <p>100% of Indigenous children were enrolled in the year before full-time school in quality early childhood education program(s).<sup>10</sup></p> <p>96% of enrolled children were enrolled in the year before full-time school, in quality early childhood education program(s) for 600 hours per year.<sup>10</sup></p> |

<sup>10</sup> Targets as set, and performance calculated in accordance with, the National Partnership Agreement on Universal Access to Early Childhood Education.

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| Year | Performance criteria  | Expected achievement   |
|------|---|--|
|      |   | 97% of enrolled Indigenous children were enrolled in the year before full-time school, in quality early childhood education program(s) for 600 hours per year. <sup>11</sup> |
|      | <u>School</u><br>The department works collaboratively with government and non-government sectors and stakeholders to improve the quality of school education for all Australian students. | <u>School</u><br>Expected to demonstrate progress against the key performance indicators in the <i>Measurement Framework for Schooling in Australia 2015</i> . <sup>12</sup> |

| Year               | Performance criteria   | Target   |
|--------------------|--|--|
| 2018–19            | <u>Preschool</u><br>Universal access to quality early childhood education. | <u>Preschool</u> <ul style="list-style-type: none"> <li>• 95% of Indigenous children enrolled in early childhood education in the year before full-time school are enrolled for 600 hours per year.<sup>13</sup></li> <li>• 95% of vulnerable and disadvantaged children enrolled in the year before full-time school are enrolled for 600 hours per year.<sup>13</sup></li> </ul> |
|                    | <u>School</u><br>As per Program 1.5.                                       | <u>School</u><br>As per Program 1.5.   |
| 2019–20 and beyond | As per 2018–19.  | As per 2018–19.  |

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<sup>11</sup> Targets as set, and performance calculated in accordance with, the National Partnership Agreement on Universal Access to Early Childhood Education.

<sup>12</sup> Details will be published in the *Department of Education and Training 2017–18 Annual Report*.

<sup>13</sup> Target as set under the National Partnership Agreement on Universal Access to Early Childhood Education.

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

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

## 2.2 BUDGETED EXPENSES AND PERFORMANCE FOR OUTCOME 2

**Outcome 2: Promote growth in economic productivity and social wellbeing through access to quality higher education, international education, and international quality research, skills and training.**

### Programs contributing to Outcome 2

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

### Linked programs

|   |
|---|
| <p><b>Australian Trade and Investment Commission (Austrade)</b></p> <hr/> <p><b>Programs</b></p> <ul style="list-style-type: none"> <li>• Program 1.1 - Promotion of Australia's export and other international economic interests</li> </ul>   |
| <p><b>Contribution to Outcome 2 made by linked programs</b></p> <p>The linked program contributes to Outcome 2 by promoting the Australian education and training sector in international markets.</p>  |
| <p><b>Department of Foreign Affairs and Trade</b></p> <hr/> <p><b>Programs</b></p> <ul style="list-style-type: none"> <li>• Program 1.6 - New Colombo Plan - Transforming Regional Relationships</li> <li>• Program 1.7 - Public Information Services and Public Diplomacy</li> </ul> |
| <p><b>Contribution to Outcome 2 made by linked programs</b></p> <p>The linked programs contribute to Outcome 2 by promoting international education through advocacy and coordination roles at overseas missions.</p>   |
| <p><b>Department of Home Affairs</b></p> <hr/> <p><b>Programs</b></p> <ul style="list-style-type: none"> <li>• Program 2.3 - Visas</li> </ul>   |
| <p><b>Contribution to Outcome 2 made by linked programs</b></p> <p>The linked program contributes to Outcome 2 by supporting a sustainable international education sector through administering student visas.</p>  |



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|---|
| <b>Department of Human Services</b>   |
| <b>Programs</b> <ul style="list-style-type: none"><li>• Program 1.1 - Services to the Community - Social Security and Welfare</li></ul>   |
| <b>Contribution to Outcome 2 made by linked programs</b> <p>The linked program contributes to Outcome 2 by making payments to eligible job seekers and recent migrants participating in foundation skills programs.</p>   |
| <b>Department of Social Services</b>  |
| <b>Programs</b> <ul style="list-style-type: none"><li>• Program 1.11 - Student Payments</li></ul>   |
| <b>Contribution to Outcome 2 made by linked programs</b> <p>The linked program contributes to Outcome 2 by providing financial support to individuals and families to undertake further education and training. This also includes enhancing educational outcomes for Australian Indigenous students by increasing their access and participation in further education.</p> |
| <b>Department of the Prime Minister and Cabinet</b>   |
| <b>Programs</b> <ul style="list-style-type: none"><li>• Program 2.1 - Jobs, Land and Economy</li><li>• Program 2.2 - Children and Schooling</li></ul>   |
| <b>Contribution to Outcome 2 made by linked programs</b> <p>The linked programs contributes to Outcome 2 by supporting school attendance, improved educational outcomes and access to further education, training and employment for Indigenous students.</p>   |
| <b>Department of the Treasury</b>   |
| <b>Programs</b> <ul style="list-style-type: none"><li>• Program 1.9 - National Partnership Payments to the States</li></ul>   |
| <b>Contribution to Outcome 2 made by linked programs</b> <p>The linked program contributes to Outcome 2 by making National Partnership Payments to the States.</p>  |

**Budgeted expenses for Outcome 2**

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

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

|  | 2017–18<br>Estimated<br>actual<br>\$ 000 | 2018–19<br>Budget<br>\$ 000 | 2019–20<br>Forward<br>estimate<br>\$ 000 | 2020–21<br>Forward<br>estimate<br>\$ 000 | 2021–22<br>Forward<br>estimate<br>\$ 000 |
|--|--|-----------------------------|--|--|--|
| <b>Outcome 2: Promote growth in economic productivity and social wellbeing through access to quality higher education, international education, and international quality research, skills and training.</b> |  |                             |  |  |  |
| <b>Program 2.1: Commonwealth Grant Scheme</b>  |  |                             |  |  |  |
| Administered expenses  |  |                             |  |  |  |
| Special appropriations   |  |                             |  |  |  |
| <i>Higher Education Support Act 2003</i>   | 6,992,977                                | 7,061,901                   | 7,170,630                                | 7,289,541                                | 7,406,952                                |
| <b>Total expenses for program 2.1</b>  | <b>6,992,977</b>                         | <b>7,061,901</b>            | <b>7,170,630</b>                         | <b>7,289,541</b>                         | <b>7,406,952</b>                         |
| <b>Program 2.2: Higher Education Superannuation Program</b>  |  |                             |  |  |  |
| Administered expenses  |  |                             |  |  |  |
| Special appropriations   |  |                             |  |  |  |
| <i>Higher Education Support Act 2003</i>   | 245,592                                  | 238,660                     | 230,066                                  | 220,355                                  | 209,398                                  |
| <b>Total expenses for program 2.2</b>  | <b>245,592</b>                           | <b>238,660</b>              | <b>230,066</b>                           | <b>220,355</b>                           | <b>209,398</b>                           |
| <b>Program 2.3: Higher Education Support</b>   |  |                             |  |  |  |
| Administered expenses  |  |                             |  |  |  |
| Ordinary annual services (Appropriation Bill No. 1)  | 24,751                                   | 21,152                      | 21,305                                   | 17,470                                   | 13,673                                   |
| Special appropriations   |  |                             |  |  |  |
| <i>Higher Education Support Act 2003</i>   | 393,637                                  | 429,572                     | 389,504                                  | 512,989                                  | 459,541                                  |
| Special accounts   |  |                             |  |  |  |
| Education Investment Fund - Higher Education   | 2,000                                    | -                           | -  | -  | -  |
| <b>Total expenses for program 2.3</b>  | <b>420,388</b>                           | <b>450,724</b>              | <b>410,809</b>                           | <b>530,459</b>                           | <b>473,214</b>                           |
| <b>Program 2.4: Higher Education Loan Program</b>  |  |                             |  |  |  |
| Administered expenses  |  |                             |  |  |  |
| Special appropriations   |  |                             |  |  |  |
| <i>Higher Education Support Act 2003</i>   | 1,204,800                                | 1,165,259                   | 1,195,359                                | 1,224,875                                | 1,246,756                                |
| <i>VET Student Loans Act 2016</i>  | 191,144                                  | 251,333                     | 268,012                                  | 275,243                                  | 276,892                                  |
| <b>Total expenses for program 2.4</b>  | <b>1,395,944</b>                         | <b>1,416,592</b>            | <b>1,463,371</b>                         | <b>1,500,118</b>                         | <b>1,523,648</b>                         |

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

|   | 2017–18<br>Estimated<br>actual<br>\$ 000 | 2018–19<br>Budget<br>\$ 000 | 2019–20<br>Forward<br>estimate<br>\$ 000 | 2020–21<br>Forward<br>estimate<br>\$ 000 | 2021–22<br>Forward<br>estimate<br>\$ 000 |
|---|--|-----------------------------|--|--|--|
| <b>Program 2.5: Investment in Higher Education Research</b> |  |                             |  |  |  |
| Administered expenses                                       |  |                             |  |  |  |
| Special appropriations                                      |  |                             |  |  |  |
| <i>Higher Education Support Act 2003</i>                    | 1,943,204                                | 1,940,267                   | 2,017,404                                | 2,100,279                                | 2,148,562                                |
| <b>Total expenses for program 2.5</b>                       | <b>1,943,204</b>                         | <b>1,940,267</b>            | <b>2,017,404</b>                         | <b>2,100,279</b>                         | <b>2,148,562</b>                         |
| <b>Program 2.6: Research Capacity</b>                       |  |                             |  |  |  |
| Administered expenses                                       |  |                             |  |  |  |
| Ordinary annual services<br>(Appropriation Bill No. 1)      | 421,767                                  | 162,472                     | 185,605                                  | 240,080                                  | 254,435                                  |
| Special appropriations                                      |  |                             |  |  |  |
| <i>Higher Education Support Act 2003</i>                    | 5,346                                    | 5,447                       | 5,562                                    | 5,194                                    | 5,309                                    |
| Payments to corporate entities (a)(b)                       | 16,318                                   | -                           | -  | -  | -  |
| <b>Total expenses for program 2.6</b>                       | <b>443,431</b>                           | <b>167,919</b>              | <b>191,167</b>                           | <b>245,274</b>                           | <b>259,744</b>                           |
| <b>Program 2.7: International Education Support</b>         |  |                             |  |  |  |
| Administered expenses                                       |  |                             |  |  |  |
| Ordinary annual services<br>(Appropriation Bill No. 1)      | 49,832                                   | 38,316                      | 35,307                                   | 33,230                                   | 27,146                                   |
| Special accounts  |  |                             |  |  |  |
| Overseas Student Tuition Fund                               | 9,592                                    | 8,499                       | 8,528                                    | 8,560                                    | 8,988                                    |
| <b>Total expenses for program 2.7</b>                       | <b>59,424</b>                            | <b>46,815</b>               | <b>43,835</b>                            | <b>41,790</b>                            | <b>36,134</b>                            |
| <b>Program 2.8: Building Skills and Capability</b>          |  |                             |  |  |  |
| Administered expenses                                       |  |                             |  |  |  |
| Ordinary annual services<br>(Appropriation Bill No. 1)      | 1,096,689                                | 1,113,404                   | 1,061,427                                | 1,064,775                                | 1,068,876                                |
| Special appropriations                                      |  |                             |  |  |  |
| <i>Trade Support Loans Act 2014</i>                         | 73,352                                   | 71,211                      | 73,460                                   | 75,775                                   | 78,213                                   |
| Special accounts  |  |                             |  |  |  |
| Growth Fund Skills and Training (c)                         | 21,436                                   | 16,486                      | 15,521                                   | -  | -  |
| <b>Total expenses for program 2.8</b>                       | <b>1,191,477</b>                         | <b>1,201,101</b>            | <b>1,150,408</b>                         | <b>1,140,550</b>                         | <b>1,147,089</b>                         |
| <b>Outcome 2 Totals by appropriation type</b>               |  |                             |  |  |  |
| Administered expenses                                       |  |                             |  |  |  |
| Ordinary annual services<br>(Appropriation Bill No. 1)      | 1,593,039                                | 1,335,344                   | 1,303,644                                | 1,355,555                                | 1,364,130                                |
| Special appropriations                                      | 11,050,052                               | 11,163,650                  | 11,349,997                               | 11,704,251                               | 11,831,623                               |
| Special accounts  | 33,028                                   | 24,985                      | 24,049                                   | 8,560                                    | 8,988                                    |
| Payments to corporate entities (a)                          | 16,318                                   | -                           | -  | -  | -  |
| <b>Administered total</b>                                   | <b>12,692,437</b>                        | <b>12,523,979</b>           | <b>12,677,690</b>                        | <b>13,068,366</b>                        | <b>13,204,741</b>                        |

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

|   | 2017–18<br>Estimated<br>actual<br>\$ 000 | 2018–19<br>Budget<br>\$ 000 | 2019–20<br>Forward<br>estimate<br>\$ 000 | 2020–21<br>Forward<br>estimate<br>\$ 000 | 2021–22<br>Forward<br>estimate<br>\$ 000 |
|---|--|-----------------------------|--|--|--|
| Departmental expenses   |  |                             |  |  |  |
| Departmental appropriation  | 183,039                                  | 175,355                     | 170,366                                  | 167,824                                  | 165,238                                  |
| s74 Retained revenue receipts (a)                                 | 7,531                                    | 6,495                       | 6,495                                    | 6,495                                    | 6,495                                    |
| Special appropriations  |  |                             |  |  |  |
| Special accounts  | 521                                      | 5,981                       | 5,837                                    | 5,279                                    | 5,195                                    |
| Expenses not requiring<br>appropriation in the Budget<br>year (b) | 30,223                                   | 21,141                      | 20,835                                   | 22,647                                   | 22,647                                   |
| <b>Departmental total</b>   | <b>221,314</b>                           | <b>208,972</b>              | <b>203,533</b>                           | <b>202,245</b>                           | <b>199,575</b>                           |
| <b>Total expenses for Outcome 2</b>                               | <b>12,913,751</b>                        | <b>12,732,951</b>           | <b>12,881,223</b>                        | <b>13,270,611</b>                        | <b>13,404,316</b>                        |

|  | 2017–18 | 2018–19 |
|--|---------|---------|
| <b>Average staffing level (number)</b> | 927     | 897     |

- (a) Further information on payments to corporate entities can be found in the 'Third Party Payments' section of Table 1.1: Department of Education and Training Resource Statement.
- (b) This reflects the 19 April 2018 Administrative Arrangements Order transfer of the Australian Institute for Aboriginal and Torres Strait Islander Studies from this portfolio to the Prime Minister and Cabinet Portfolio.
- (c) This special account is funded by Annual Appropriation Bill (No. 1) and receipts from independent sources.
- (d) Estimated expenses incurred in relation to receipts retained under s74 of the PGPA Act.
- (e) Expenses not requiring appropriation in the Budget year are made up of depreciation expenses, amortisation expenses, make good expenses, audit fees.
- (f) Figures displayed in brackets are negative and represent a decrease in funds. Non-bracketed figures are positive and represent an increase in funds.

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

## Performance criteria for Outcome 2

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

**Outcome 2: Promote growth in economic productivity and social wellbeing through access to quality higher education, international education, and international quality research, skills and training.**

### Program 2.1: Commonwealth Grant Scheme

|  |  |
|--|--|
| <b>Objective</b>   | <p>A highly skilled workforce and educated community is important for economic productivity and social wellbeing. The Commonwealth Grant Scheme (CGS) contributes to achieving this objective through:</p> <ul style="list-style-type: none"> <li>• making a direct contribution to the cost of educating Commonwealth supported students enrolled in undergraduate and postgraduate degrees</li> <li>• increasing the number of regional students participating in higher education by providing additional funding to regional universities to meet the higher costs associated with delivery of higher education in regional locations</li> <li>• supporting educationally disadvantaged students to prepare for and successfully complete higher education through funding for enabling courses</li> <li>• meeting medical workforce training needs through the provision of targeted support for initial-entry medical programs.</li> </ul> |
| <b>Delivery</b>  | <p>The CGS subsidises the tuition costs for higher education students enrolled in undergraduate and selected postgraduate degrees at public universities. CGS funding also supports a limited number of student places in designated national priority areas at other higher education providers.</p> <p>The Government provides funding to universities, in instalments, for domestic students enrolled in a bachelor degree at a public university. This funding reduces the direct cost to students in Commonwealth supported places.</p> <p>Limited funding is also provided for students enrolled in a sub-degree and postgraduate degree programs based on an agreed amount in Funding Agreements with public universities.</p>  |
| <b>Purpose</b>   | <p><b>Department of Education and Training Corporate Plan 2017–18:</b><br/>Maximising opportunity and prosperity through national leadership on education and training.</p>  |
| <p><b>Measures impacting program 2.1:</b></p> <ul style="list-style-type: none"> <li>• Investment in Regional University Campuses — additional study places</li> <li>• Response to the Independent Review into Regional, Rural and Remote Education — additional support for students</li> </ul> |  |

### Performance information 2.1 Commonwealth Grant Scheme

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

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| Year               | Performance criteria  | Target   |
|--------------------|---|--|
| 2018–19            | Creating a highly skilled workforce and educated community. | <ul style="list-style-type: none"> <li>The proportion of the 20–34 year old population with a tertiary qualification is stable or increases from previous year.</li> <li>The rate of attrition for domestic bachelor students is less than 15%.</li> <li>At least 85% of undergraduates are employed within four months of completing degree.</li> </ul> |
| 2019–20 and beyond | As per 2018–19.   | As per 2018–19.  |

**Program expenses 2.1 Commonwealth Grant Scheme**

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

**Program 2.2: Higher Education Superannuation Program**

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

**Performance information 2.2 Higher Education Superannuation Program**

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

| Year               | Performance criteria  | Target  |
|--------------------|---|---|
| 2018–19            | Eligible current and former university employees receive support for certain superannuation expenses. | <ul style="list-style-type: none"> <li>All 27 eligible universities are able to meet specified superannuation expenses.<sup>14</sup></li> </ul> |
| 2019–20 and beyond | As per 2018–19.   | As per 2018–19.   |

**Program expenses 2.2 Higher Education Superannuation Program**

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

<sup>14</sup> To be eligible to receive a grant for superannuation liabilities under the program, the university must be a Table A provider under the *Higher Education Support Act 2003* and have staff who are members of one of the emerging cost schemes identified in the guidelines.

**Program 2.3: Higher Education Support**

|                  |   |
|------------------|---|
| <b>Objective</b> | The program aims to ensure the quality of our higher education system is maintained and improved, including improving the quality of training for teachers of mathematics and science. The program also aims to improve access to, and the education outcomes for, students from disadvantaged backgrounds.   |
| <b>Delivery</b>  | <p><u>Quality in learning and teaching</u></p> <p>The program includes a range of activities that focus on quality, promote the enhancement of learning and teaching, and provide better information for student choice, including:</p> <ul style="list-style-type: none"> <li>• administering the Quality Indicators for Learning and Teaching (QILT), which is delivered through the QILT website and captures and publishes data on the student life-cycle from commencement to employment</li> <li>• supporting for the ongoing operations of quality National Institutes</li> <li>• supporting the quality and teaching of mathematics and science through grants</li> <li>• improving the quality of PhD student research training, and supporting more women into STEM careers, through research based industry internships.</li> </ul> <p><u>Access and participation in higher education</u></p> <p>The program includes a range of activities to improve access to and participation in higher education, including:</p> <ul style="list-style-type: none"> <li>• improving access to, and participation and success in higher education for, students from low socioeconomic status backgrounds through the Higher Education Participation and Partnerships Program</li> <li>• removing barriers to access and participation by students with disability by providing specialised equipment (Higher Education Disability Support Program) and providing a national network of regionally based officers to assisting in the transition from school to tertiary education and employment (National Disability Coordination Officer Program)</li> <li>• supporting regional and remote access to higher education, by establishing Regional Study Hubs and offering Rural and Regional Enterprise Scholarships in STEM studies.</li> </ul> |
| <b>Purpose</b>   | <b>Department of Education and Training Corporate Plan 2017–18:</b><br>Maximising opportunity and prosperity through national leadership on education and training.   |

**Performance information 2.3 Higher Education Support**

| Year    | Performance criteria  | Expected achievement  |
|---------|---|---|
| 2017–18 | A focus on quality and informed student choice is maintained in the higher education system.          | In 2017, 80% of undergraduate students rated the teaching quality at their institution positively.<br>Future earnings data will be made available on the Quality Indicators for Learning and Teaching website in 2018.  |
|         | Increase student participation in higher education, including by previously under-represented groups. | In 2017, there will be at least 127,000 undergraduate students from low socioeconomic backgrounds, up from 125,000 in 2016 and representing 16.1% of all students (16.0% in 2016). <sup>15</sup><br>Indigenous students will increase to 19,400 in 2017, up from 17,800 in 2016 and representing 1.8% of all students (1.7% in 2016). |

<sup>15</sup> Measured at the Statistical Area Level 1, as defined by the ABS.  
<http://www.abs.gov.au/ausstats/abs@.nsf/mf/1270.0.55.001>



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| <b>Year</b> | <b>Performance criteria</b>   | <b>Expected achievement</b>  |
|-------------|---|--|
|             | Rural and Regional Enterprise Scholarships support participation in higher education by regional and remote students. | In 2017–18, 574 scholarships accepted.<br>On track to reach cumulative total of 1200 awarded by 2020–21. |

| <b>Year</b>        | <b>Performance criteria</b>  | <b>Target</b>   |
|--------------------|--|---|
| 2018–19            | Improving participation in higher education for students from previously disadvantaged groups. | <ul style="list-style-type: none"> <li>• At least 18% of domestic undergraduates are from a low socioeconomic background (based on postcode).<sup>16</sup></li> <li>• At least 16% of domestic undergraduates are from a low socioeconomic background (based on Statistical Area level 1).<sup>15</sup></li> <li>• At least 2% of higher education students are Indigenous.<sup>17</sup></li> </ul> |
|                    | Maintaining the quality of higher education  | <ul style="list-style-type: none"> <li>• At least 80% of undergraduate students rate the teaching quality at their institution positively</li> <li>• At least 85% of employers are satisfied with the skills of graduates (overall across all skills).</li> </ul>   |
| 2019–20 and beyond | As per 2018–19.  | As per 2018–19.   |

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<sup>16</sup> Measured at the postcode level, as defined by the ABS.  
<http://www.abs.gov.au/ausstats/abs@.nsf/mf/2033.0.55.001>

<sup>17</sup> The target represents growth from the 2017–18 level of 1.8 per cent.

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**Program expenses 2.3 Higher Education Support**

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

**Program 2.4: Higher Education Loan Program**

|  |   |
|--|---|
| <b>Objective</b>   | The program aims to remove the up-front cost barriers to tertiary education and training in order to increase access and participation. This is achieved through the provision of income contingent loans for students undertaking higher education courses and in certain higher level vocational education and training (VET) courses.  |
| <b>Delivery</b>  | <p>The program is delivered through the following activities:</p> <ul style="list-style-type: none"> <li>• HECS-HELP—provides loans to eligible Commonwealth supported higher education students to pay their student contributions</li> <li>• FEE-HELP—provides loans to eligible fee-paying higher education students to pay all or part of their tuition fees</li> <li>• OS-HELP—provides loans to eligible Commonwealth supported higher education students who wish to undertake some of their Australian course of study overseas</li> <li>• SA-HELP—provides loans to eligible higher education students to pay Student Services and Amenities Fees charged by their higher education providers</li> <li>• VET-FEE-HELP—provides loans to eligible students to pay all or part of their tuition fees for VET accredited diploma, advanced diploma, graduate certificate and graduate diploma courses. The VET-FEE-HELP scheme closed to new students on 31 December 2016 and is only accessible to students who are grandfathered within the scheme to complete their studies</li> <li>• VET Student Loans—provides loans to eligible students to pay for all or part of tuition fees for eligible higher level VET courses, subject to loan caps for each eligible course and fee limits for approved providers. VET Student Loans commenced on 1 January 2017, replacing VET-FEE-HELP.</li> </ul> <p>Student HELP loan amounts are paid by the Government directly, in instalments, to approved providers on a demand-driven basis for all domestic students who have accessed a HELP loan.</p> <p>Repayment of debt commences once an individual's HELP repayment income reaches a prescribed level. Repayments are made to the Australian Taxation Office through the taxation system.</p> |
| <b>Purpose</b>   | <b>Department of Education and Training Corporate Plan 2017–18:</b><br>Maximising opportunity and prosperity through national leadership on education and training.   |
| <p><b>Measures impacting program 2.4:</b></p> <ul style="list-style-type: none"> <li>• Combined Lifetime Limit for Tuition Fee Assistance — amendment</li> <li>• Investment in Regional University Campuses — additional study places</li> <li>• Response to the Independent Review into Regional, Rural and Remote Education — additional support for students</li> </ul> |   |

**Performance information 2.4 Higher Education Loan Program**

| <b>Year</b> | <b>Performance criteria</b>  | <b>Expected achievement</b>  |
|-------------|--|--|
| 2017–18     | Growth in access to higher education and eligible VET courses for students who may have been otherwise deterred by upfront costs – as evidenced by growth in HELP loans. | <p>The expected number of Australians accessing HELP loans:</p> <ul style="list-style-type: none"> <li>• 555,200 Commonwealth supported places for which HECS-HELP loans paid</li> <li>• 83,500 fee paying places for which FEE-HELP loans paid</li> <li>• 15,900 OS-HELP loans to assist students to undertake some of their course overseas</li> <li>• 492,000 SA-HELP loans to assist students to pay their services and amenities fees.</li> </ul> |

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| Year | Performance criteria  | Expected achievement   |
|------|---|--|
|      | HELP debts are affordable for both students and the community.  | Average amount of outstanding HELP debt expected: \$21,500.<br>Average number of years to repay HELP debt expected: 8.2 years.<br>Debt not expected to be repaid: 17%. |
|      | VET students have improved employment prospects as training choices are better aligned with industry needs. | Proportion of VET Student Loans students studying for job or business-related reasons expected to be 60% (against target of 80%). <sup>18</sup>                        |

| Year               | Performance criteria   | Target   |
|--------------------|--|--|
| 2018–19            | Tertiary education is affordable for students and the community. | <u>HELP</u><br><ul style="list-style-type: none"> <li>The proportion of debt not expected to be repaid is stable or reduces from the previous year.</li> </ul>   |
|                    | VET training choices are better aligned with industry needs.     | <u>VET Student Loans</u><br><ul style="list-style-type: none"> <li>The proportion of students surveyed that report studying for business or job related reasons remains stable or increases from the previous year.</li> </ul> |
| 2019–20 and beyond | As per 2018–19   | As per 2018–19.  |

**Program expenses 2.4 Higher Education Loan Program**

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

<sup>18</sup> This is the result of a shift from students studying for job-related reasons to students studying to get into another course of study (approximately 20 per cent), consistent with the high volume of VET Student Loan students in courses with a direct pathway to a degree level course. This shift is accompanied by a reduction in students studying for personal reasons.

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

|                  |  |
|------------------|--|
| <b>Objective</b> | The Australian Government is committed to a world-class research system, that encourages innovation and economic growth. Quality collaboration, engagement, diversity, impact and sustainability are the key priorities for the Government and drive its investment in Australian research and research capacity.  |
| <b>Delivery</b>  | The program is delivered through annual research block grants to eligible Australian higher education providers to support: <ul style="list-style-type: none"> <li>• their research activities and ensure the delivery of a world-class research system</li> <li>• the research training of higher degree by domestic and international research students and meet the skills needs of the Australian and international research community.</li> </ul> Together with competitive research grants and world-class infrastructure, research block grants will support Australia's high performing research system. |
| <b>Purpose</b>   | <b>Department of Education and Training Corporate Plan 2017–18:</b><br>Maximising opportunity and prosperity through national leadership on education and training.  |

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

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

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

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

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

**Program 2.6: Research Capacity**

|  |  |
|--|--|
| <b>Objective</b>   | Research advances our knowledge and drives our potential for innovation, economic competitiveness and social change. The program aims to increase the production, use and awareness of research knowledge and to improve collaboration between government, industry and the research sector in the production of research knowledge.   |
| <b>Delivery</b>  | The program invests in Australia's research capacity by providing financial support to organisations, including universities, learned academies and other research organisations. Activities under this program include: <ul style="list-style-type: none"> <li>• supporting the costs of operating capabilities, and updating associated research infrastructure, funded through grants under the National Collaborative Research Infrastructure Strategy (NCRIS)</li> <li>• supporting training of specialised cyber security professionals in Academic Centres of Cyber Security Excellence (ACCSE) in Australian universities</li> <li>• promoting the central role of research, science and technology, including through funding provided to Australia's learned academies and other organisations under the Higher Education Research Promotion (HERP) scheme</li> <li>• improved measurement of educational outcomes through creation of the National Education Evidence Base (NEEB) to inform decision making.</li> </ul> |
| <b>Purpose</b>   | <b>Department of Education and Training Corporate Plan 2017–18:</b><br>Maximising opportunity and prosperity through national leadership on education and training.  |
| <b>Measures impacting program 2.6:</b>   |  |
| <ul style="list-style-type: none"> <li>• National Research Infrastructure Investment Plan — implementation of Government response</li> </ul> |  |

**Performance information 2.6 Research Capacity**

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

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

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**Program expenses 2.6 Research Capacity**

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

- (a) Further information on payments to corporate entities can be found in the 'Third Party Payments' section of Table 1.1: Department of Education and Training Resource Statement.
- (b) This reflects the 19 April 2018 Administrative Arrangements Order transfer of the Australian Institute for Aboriginal and Torres Strait Islander Studies from this portfolio to the Prime Minister and Cabinet Portfolio.

**Program 2.7: International Education Support**

|   |  |
|---|--|
| <b>Objective</b>  | International education is increasingly important to Australia's prosperity and our engagement with the world. The program aims to support the sustainable growth of Australia's high quality international education, training and research through strong government-to-government engagement, international mobility, strategic policy and legislation.   |
| <b>Delivery</b>   | <p>The <i>National Strategy for International Education 2025</i> sets a ten-year vision for Australian international education and provides a framework of priorities to sustainably grow the sector, while maintaining Australia's reputation for high quality. The program delivers this vision through the following activities:</p> <ul style="list-style-type: none"> <li>• big picture projects that develop Australia's role as a global leader in education, training and research through the Enabling Growth and Innovation program</li> <li>• individual and institutional grants to support in-bound and out-bound students, researchers and professionals to undertake projects and study exchanges through the Endeavour program</li> <li>• government-to-government engagement including bilateral working groups and multilateral agreements to facilitate institutional relationships, student and researcher mobility, and strengthen Australia's position in the highly competitive global international education marketplace</li> <li>• policy and legislation for international students to receive an effective, risk-based, quality assured education, including consumer protection underpinned by the <i>Education Services for Overseas Students Act 2000</i>.</li> </ul> |
| <b>Purpose</b>  | <b>Department of Education and Training Corporate Plan 2017–18:</b><br>Maximising opportunity and prosperity through national leadership on education and training.  |
| <b>Measures impacting program 2.7:</b>  |  |
| <ul style="list-style-type: none"> <li>• Endeavour Leadership Program — efficiencies</li> </ul> |  |

**Performance information 2.7 International Education Support**

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



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| Year               | Performance criteria   | Target   |
|--------------------|--|--|
| 2018–19            | Sustainably grow Australia's international education sector by maintaining quality and increasing diversity. | <ul style="list-style-type: none"> <li>• Average annual growth rate of 3% to 5% in international education export earnings.</li> <li>• At least 85% of international students are satisfied or very satisfied with studying and living in Australia.<sup>19</sup></li> <li>• At least 60% of international students employed or enrolled in further study after graduation</li> <li>• Maintain positive growth in the number of students enrolled in offshore and transnational education and training delivered by Australian providers.</li> </ul> |
| 2019–20 and beyond | As per 2018–19.  | As per 2018–19.  |

**Program expenses 2.7 International Education Support**

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

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<sup>19</sup> Target applies in 2018–19 and 2020–21 (biennial survey).

**Program 2.8: Building Skills and Capability**

|                  |   |
|------------------|---|
| <b>Objective</b> | The Australian Government is working to create an effective and efficient skills and training system that is industry led and delivers the skills Australian employers need. Building skills and capabilities is central to Australia's economic growth, competitiveness, and business productivity. The national training system provides employees or potential employees with the skills and capabilities required for a job or pathway into a job.  |
| <b>Delivery</b>  | <p><b>Industry competitiveness</b></p> <p>This program component facilitates training to ensure Australian businesses' competitiveness in domestic and global markets. The Industry Skills Fund (ISF) provided employers with training grants in priority areas and in other industries that are focused on growth opportunities. The ISF is a co-contribution reimbursement funding model.</p> <p>The ISF closed to new applications on 31 December 2016. The ISF will continue to deliver assistance to businesses already participating until 30 June 2019.</p> <p><b>Skills development</b></p> <p>This program component is designed to develop the skills of the Australian workforce through support for skills-based training, including:</p> <p><u>Australian Apprenticeships</u></p> <p>Assistance is provided in the form of financial incentives to employers and through allowances and loans to individuals participating in apprenticeships. The program includes contractual arrangements with a national network of Australian Apprenticeship Support providers who administer incentives, loans and support apprentices and their employers through to completion of the apprenticeship.</p> <p><u>Industry Specialist Mentoring for Australian Apprentices</u></p> <p>The Industry Specialist Mentoring for Australian Apprentices program aims to increase apprentice retention rates in the first two years of training in order to improve completion rates and support the supply of skilled workers in industries undergoing structural change. The program was launched on 31 January 2018 and will finish on 31 December 2019.</p> <p><u>South Australian Enterprise Scholarships</u></p> <p>Scholarships will be provided to support undergraduate, postgraduate and vocational education and training students to undertake study or training and an industry based work placement in priority industries in South Australia.</p> <p><b>Access to training</b></p> <p>This program component is designed to provide clearer pathways and improved access to training which allows Australians to obtain jobs and progress to better career opportunities. Funding is provided through the Adult Migrant English Program and the Skills for Education and Employment Program to organisations to deliver foundation skills training to eligible individuals, including job seekers and recent migrants. Improved foundation skills enable people to access further training, or gain employment, and better participate in Australian society.</p> <p><b>Support for the national training system</b></p> <p>This program component is designed to develop an effective and efficient national training system that meets the needs of Australia's current and emerging industries. It is delivered in collaboration with industry, business and state and territory governments. Activities include:</p> <ul style="list-style-type: none"> <li>• developing and reviewing nationally recognised training packages</li> <li>• enhancing the transparency and performance of the system through data collection and research</li> <li>• promoting the system to potential participants locally and internationally</li> <li>• ensuring the ongoing operation of key functions to support the effective operation of national training arrangements.</li> </ul> |
| <b>Purpose</b>   | <p><b>Department of Education and Training Corporate Plan 2017–18:</b></p> <p>Maximising opportunity and prosperity through national leadership on education and training.</p>  |

**Measures impacting program 2.8:**

- Industry Workforce Training program — efficiencies
- National Training System — Commonwealth Own Purpose Expenses program — efficiencies
- Unique Student Identifier Initiative — additional funding
- More Choices for a Longer Life — skills checkpoint for older workers program — establishment
- Trades Recognition Australia — additional funding
- VET Student Loans Ombudsman — additional resources
- Adult Migrant English Program — aligning access for migrants aged under 18 years
- Managing the Skilling Australians Fund — revised implementation arrangements

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

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

<sup>20</sup> Data is sourced from the National Centre for Vocational Education Research, National Apprentice and Trainee Collection. This is due to be released in the second half of 2018.

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| <b>Year</b>        | <b>Performance criteria</b>  | <b>Target</b>   |
|--------------------|--|---|
| 2018–19            | Maintaining the quality of vocational education and training (VET).                            | <ul style="list-style-type: none"> <li>• At least 85% of graduates are satisfied with the overall quality of the training.</li> </ul>   |
|                    | Responding to industry and employers through access to VET graduates with the required skills. | <ul style="list-style-type: none"> <li>• Positive growth in the apprenticeship completion rate from the previous year.<sup>21</sup></li> <li>• At least 80% of VET graduates are employed or enrolled in further study after training.</li> </ul> |
|                    | Improving language, literacy and numeracy for target groups.                                   | <ul style="list-style-type: none"> <li>• At least 80% of participants in targeted programs increase one or more levels on the Australian Core Skills Framework.</li> </ul>  |
| 2019–20 and beyond | Maintaining the quality of vocational education and training (VET).                            | As per 2018–19, with the additional target: <ul style="list-style-type: none"> <li>• At least 53% of employers report use of the VET system.</li> </ul>   |
|                    | Responding to industry and employers through access to VET graduates with the required skills  | As per 2018–19.   |
|                    | Improving language, literacy and numeracy for target groups.                                   | As per 2018–19.   |

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<sup>21</sup> As it can take up to four years for apprentices to complete, the 2018–19 reporting year will compare completion rates between the 2014 and 2013 commencing cohorts.

Department of Education and Training Budget Statements

**Program expenses 2.8 Building Skills and Capability**

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

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

## Section 3: Budgeted financial statements

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

### **3.1 BUDGETED FINANCIAL STATEMENTS**

#### **3.1.1 Differences between entity resourcing and Financial Statements**

The difference between the entity resources table and the budgeted financial statements are due to amounts in Bill 5 not being included in the resource table, as they are yet to receive Royal Assent.

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

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

##### **Budgeted departmental comprehensive income statement**

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

##### **Budget departmental balance sheet**

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

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

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

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

The administered revenue estimates predominately relate to the loan programs administered by the department, including Higher Education Loan Program (HELP)

and Trade Support Loans. The 2017–18 ‘other gain’ reflects the fair value gain as a result of reducing the HELP repayment threshold.

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

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

### 3.2. BUDGETED FINANCIAL STATEMENTS TABLES

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

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

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

|  | 2017–18<br>\$ 000 | 2018–19<br>\$ 000 | 2019–20<br>\$ 000 | 2020–21<br>\$ 000 | 2021–22<br>\$ 000 |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|
| <b>Total comprehensive income/(loss) excluding depreciation/amortisation expenses previously funded through revenue appropriations</b> | <b>(8,479)</b>    | <b>300</b>        | <b>315</b>        | <b>334</b>        | <b>355</b>        |
| less depreciation/amortisation expenses previously funded through revenue appropriations (a)   | 24,454            | 25,272            | 25,278            | 28,300            | 28,300            |
| <b>Total comprehensive income/(loss) - as per the statement of comprehensive income</b>  | <b>(32,933)</b>   | <b>(24,972)</b>   | <b>(24,963)</b>   | <b>(27,966)</b>   | <b>(27,945)</b>   |

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

Prepared on Australian Accounting Standards basis.



Department of Education and Training Budget Statements

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

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

\* Equity is the residual interest in assets after the deduction of liabilities.  
Prepared on Australian Accounting Standards basis.

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

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

Prepared on Australian Accounting Standards basis.

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

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

Prepared on Australian Accounting Standards basis.

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

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

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

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

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

Prepared on Australian Accounting Standards basis.

Department of Education and Training Budget Statements

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

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

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

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

Prepared on Australian Accounting Standards basis.

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

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

Prepared on Australian Accounting Standards basis.

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

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

Prepared on Australian Accounting Standards basis.

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

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

Prepared on Australian Accounting Standards basis.



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

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

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

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