



Budget 2018-19

Portfolio Budget Statements 2018-19 Budget Related Paper No. 1.13B

Jobs and Innovation Portfolio
(Jobs and Small Business)

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

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Senator the Hon Michaelia Cash
Minister for Jobs and Innovation

President of the Senate
Australian Senate
Parliament House
CANBERRA ACT 2600

Speaker
House of Representatives
Parliament House
CANBERRA ACT 2600

Dear Mr President
Dear Mr Speaker

I hereby submit Portfolio Budget Statements in support of the 2018–19 Budget for the Jobs and Innovation portfolio (Jobs and Small Business).

These statements have been developed, and are submitted to the Parliament, as a statement on the outcomes for the portfolio.

I present these statements to provide accountability to the Parliament and, through it, the public.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Michaelia Cash', with a large flourish at the end.

Senator the Hon Michaelia Cash

Abbreviations and conventions

The following notation may be used:

NEC/nec	not elsewhere classified
-	nil
..	not zero, but rounded to zero
na	not applicable (unless otherwise specified)
nfp	not for publication
\$m	\$ million
\$b	\$ billion

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

Enquiries

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

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

**USER GUIDE
TO THE
PORTFOLIO BUDGET STATEMENTS**

USER GUIDE

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

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

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

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

The Enhanced Commonwealth Performance Framework

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

Enhanced Commonwealth Performance Framework
- key components of relevant publications

Portfolio Budget Statements (May)
Portfolio based

Supports Annual Appropriations. Informs Senators and Members of Parliament of the proposed allocation of other resources to **government outcomes and programs**.

Provides links to **relevant programs** undertaken by other Commonwealth entities.

Provides high level performance information for current, ongoing programs, particularly a **forecast of performance for the current year**.

Provides **detailed** prospective performance information for proposed new budget measures that require a **new program** or **significantly change an existing program**.

Corporate Plan (August)
Entity based

Primary planning document of a Commonwealth entity.

Sets out the **purposes** of the entity, the **activities** it will undertake to achieve its purposes and the **results** it expects to achieve over a minimum four year period.

Describes the **environment** in which the entity **operates**, the **capability** it requires to undertake **activities** and a discussion of **risk**.

Explains how the entity's **performance** will be **measured** and **assessed**.



Annual Performance Statement (October following year)
Entity based

Included in the Commonwealth entity's Annual Report. Focuses on **recent performance**.

Reports on the **actual performance results** for the year against the **forecasts** made in the **corporate plan** and **Portfolio Budget Statements**, and provides other performance information relevant to the entity.

Provides an **analysis** of the factors that **contributed** to the **entity's performance results**.

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PORTFOLIO OVERVIEW

JOBS AND INNOVATION PORTFOLIO OVERVIEW

Ministers and portfolio responsibilities

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

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

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

Structure of the portfolio

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

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

Jobs and Small Business

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

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

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

Portfolio overview

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

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

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

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

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

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

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

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

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

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

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

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

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

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**DEPARTMENT OF JOBS AND
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**ENTITY RESOURCES AND PLANNED
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DEPARTMENT OF JOBS AND SMALL BUSINESS

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DEPARTMENT OF JOBS AND SMALL BUSINESS

Section 1: Entity overview and resources

1.1 STRATEGIC DIRECTION STATEMENT

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

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

The Department has two Outcomes:

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

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

- delivering efficient and effective employment services, helping more job seekers find and keep a job, through the continued implementation of jobactive
- implementing initiatives to support Australians, particularly in regional areas or experiencing unique challenges due to large-scale industry changes, and provide them with a better chance of securing future job opportunities as technology transforms the economy
- providing mature age Australians with opportunities to contribute to the workforce, share their skills and insights with younger workers and continue to benefit from the economic and social wellbeing of having a job
- supporting local solutions for jobs creation in regional areas through a targeted grant program to help stimulate communities to deliver tailored local employment solutions
- encouraging entrepreneurship and self-employment, particularly to support opportunities for mature age Australians, and providing nationally-accredited training, mentoring and business advice

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- administering payments and recovery activities under the Fair Entitlements Guarantee which assists workers who have unpaid employment entitlements when they are made redundant by the liquidation or bankruptcy of their employer
- working cooperatively with our portfolio agencies to ensure a fair, productive, flexible and safe national workplace relations system
- supporting small and family business and enterprise development, and ensuring that small business interests are considered in national economic reform
- promoting safer workplaces in the building and construction industry through the Australian Government Building and Construction WHS Accreditation Scheme which provides mandated accreditation requirements for companies to undertake most Commonwealth-funded building and construction projects
- contributing to higher productivity through implementation of national approaches to workplace health and safety and workers' compensation laws, as well as advising government on reforms to improve the Comcare and Seacare workers' compensation schemes
- engaging with relevant international forums and advising on policies and programs to promote Australia's national interests and inform domestic policies, and
- contributing to the government's deregulation agenda by reducing unnecessary compliance burdens.

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

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

1.2 ENTITY RESOURCE STATEMENT

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

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

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

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

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

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

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

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

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

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

Third party payments from and on behalf of other entities

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

1.3 BUDGET MEASURES

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

Table 1.2: Entity 2018–19 Budget measures

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

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

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

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

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

- (a) The full measure description and package details appear in *Budget Paper No. 2* under the Jobs and Innovation portfolio.
- (b) The lead entity for this measure is the Department of the Prime Minister and Cabinet. The full measure description and package details appear in *Budget Paper No. 2* under the Prime Minister and Cabinet portfolio.
- (c) The lead entity for this measure is the Department of Social Services. The full measure description and package details appear in *Budget Paper No. 2* under the Social Services portfolio.

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- (d) Refer to the Jobs and Small Business 2017–18 Portfolio Supplementary Additional Estimates Statements for 2017–18 financial year, and to the 2018–19 *Budget Paper No. 2* for the full measure impact.
- (e) Measure relates to decision made post MYEFO and published in Table 1.2 of the Jobs and Small Business 2017–18 Portfolio Additional Estimates Statements as measure title *Digital Employment Services — Pilot*.
- (f) The lead entity for this measure is the Department of the Treasury. The full measure description and package details appear in *Budget Paper No. 2* under the Treasury portfolio.

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

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

Section 2: Outcomes and planned performance

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

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

Note:

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

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

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

2.1 BUDGETED EXPENSES AND PERFORMANCE FOR OUTCOME 1

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

Linked programs

Department of Human Services
Programs <ul style="list-style-type: none">• Program 1.1 – Services to the Community – Social Security and Welfare
Contribution to Outcome 1 made by linked program <p>The Department of Human Services makes payments on behalf of the Department of Jobs and Small Business.</p>
Department of Social Services
Programs <ul style="list-style-type: none">• Program 1.10 – Working Age Payments
Contribution to Outcome 1 made by linked program <p>The jobactive program is closely linked to the Social Services portfolio through providing means in which job seekers receiving working age income support can meet their mutual obligation requirements and also providing services to help those job seekers to find work.</p>

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

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

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

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

Table 2.1.2: Performance criteria for Outcome 1

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

Outcome 1—Foster a productive and competitive labour market through employment policies and programs that assist job seekers into work, meet employer needs and increase Australia’s workforce participation.	
Program 1.1—Employment services	
The Australian Government’s employment services system has four key objectives. These are to: help job seekers to find and keep a job, help job seekers move from welfare to work, help job seekers meet their mutual obligations, and that employment services providers deliver quality services. The objectives of Program 1.1 contribute to Outcome 1 by helping job seekers move into employment.	
Purpose	Our role is to deliver policies and programs that foster safe, fair and productive workplaces of all sizes, assisting job seekers to find work and small businesses to grow. ¹
Delivery	<p>jobactive services include:</p> <ul style="list-style-type: none"> • assisting job seekers to find and keep a job and ensuring employers are provided with job seekers who meet their business needs • Work for the Dole and the National Work Experience Programme which provide work-like activities for job seekers to help build skills, confidence and experience to improve their job prospects and develop their employability skills • New Enterprise Incentive Scheme which encourages entrepreneurship and self-employment through providing nationally accredited training, mentoring and business advice to assist participants to start and manage their own small businesses, and • Harvest Labour Services and the National Harvest Labour Information Service which connect workers with employers in harvesting areas across Australia. <p>From 1 July 2018 the Online Employment Services Trial will test an online self-service platform that will activate and support job seekers to find work. The trial will involve 5,000 job-ready people a year for two years. The pilot will be offered to new job seekers registering for jobactive who are job-ready and do not require any specialised assistance.</p> <p>The Time to Work Employment Service provides in-prison employment services to Aboriginal and Torres Strait Islander prisoners. This ensures access to support they need upon release to better prepare them to find employment and reintegrate back into the community.</p> <p>The two-year Seasonal Work Incentives for Job Seekers Trial supports employers to meet their seasonal labour needs by encouraging job seekers in employment services to undertake eligible seasonal horticultural work.</p> <p>Transition to Work provides intensive, pre-employment support to improve the work-readiness of young people and help them into work (including apprenticeships and traineeships) or education. From 1 July 2018, funding will be demand-driven.</p> <p>The Youth Jobs PaTH for young job seekers under 25 years of age supports young people to gain the skills and work experience they need to get and keep a job. This pathway has three elements:</p> <ul style="list-style-type: none"> • Prepare: Employability Skills Training to enhance young people’s basic employability skills. • Trial: Up to 30,000 intern placements each year for young people to help them

¹ Refers to the updated purpose statement that will be reflected in the 2018–19 Corporate Plan.

<p>Outcome 1—Foster a productive and competitive labour market through employment policies and programs that assist job seekers into work, meet employer needs and increase Australia’s workforce participation.</p>		
<p>Program 1.1—Employment services</p> <p>The Australian Government’s employment services system has four key objectives. These are to: help job seekers to find and keep a job, help job seekers move from welfare to work, help job seekers meet their mutual obligations, and that employment services providers deliver quality services. The objectives of Program 1.1 contribute to Outcome 1 by helping job seekers move into employment.</p>		
	<p>gain real work experience in Australian businesses and demonstrate their skills to potential employers.</p> <ul style="list-style-type: none"> • Hire: Provides a Youth Bonus wage subsidy of up to \$10,000 paid over six months to employers who hire young job seekers aged 15–24 years of age with barriers to employment. A wage subsidy of up to \$6,500 is also available for the most job-ready young job seekers. <p>Empowering YOUth Initiatives support new, innovative approaches to help long-term unemployed young people aged 15 to 24 years to improve their skills and move toward sustainable employment.</p> <p>ParentsNext helps eligible parents to plan and prepare for employment by the time their youngest child reaches school age. ParentsNext providers work with parents to help them to identify their education and employment goals, develop a pathway to achieve their goals, and link them to activities and services in the local community.</p> <p>The Career Transition Assistance Program helps mature age job seekers become more competitive in their local labour market. It will be rolled out nationally and eligibility expanded from July 2019.</p> <p>The Launch into Work Program trials pre-employment projects that provide training, mentoring, work experience and guaranteed employment to all participants who successfully complete the project. Projects select job seekers based on their values and attributes and train them for specific roles within a business and/or industry.</p> <p>From 1 July 2018, up to 10 Pathway to Work pilots will assist people looking for work, particularly those facing barriers such as mature age Australians, to prepare and train for vacancies in specific industries.</p> <p>The Stronger Transitions package supports workers who are to be retrenched, or have been retrenched, to transition into new jobs. The package will operate in five regions impacted by structural change.</p> <p>The More Choices for a Longer Life Package introduces a new Skills and Training Incentive, 20 additional Entrepreneurship Facilitators in selected locations, a range of Job Change initiatives to help older Australians facing retrenchment, a Collaborative Partnership on Mature Age Employment, and new funding arrangements for wage subsidies to ensure they continue to be available to employers to encourage them to hire disadvantaged Australians.</p>	
<p>Performance information</p>		
Year	Performance criteria	Targets
2017–18	Help job seekers find and keep a job	<ul style="list-style-type: none"> • Count of job placements (overall): 380,000 Assessment: Forecast achievement is not on track • Count of job placements (Indigenous): 38,000 Assessment: Forecast achievement is not on track¹

¹ To drive improvement in Indigenous employment outcomes, the jobactive deed includes specific Indigenous performance measures in the jobactive Star Ratings. A specific measure for sustained (26 week) employment for Indigenous job seekers, and the Indigenous Outcomes Incentive, based on a comparison of outcome rates for Indigenous job seekers with the rates for non-Indigenous job seekers on a like-for-like basis.

<p>Outcome 1—Foster a productive and competitive labour market through employment policies and programs that assist job seekers into work, meet employer needs and increase Australia’s workforce participation.</p>		
<p>Program 1.1—Employment services</p> <p>The Australian Government’s employment services system has four key objectives. These are to: help job seekers to find and keep a job, help job seekers move from welfare to work, help job seekers meet their mutual obligations, and that employment services providers deliver quality services. The objectives of Program 1.1 contribute to Outcome 1 by helping job seekers move into employment.</p>		
		<ul style="list-style-type: none"> • Proportion of job placements sustained to 4 weeks (overall): 55% Assessment: Forecast achievement is on track • Proportion of job placements sustained to 4 weeks (Indigenous): 55% Assessment: Forecast achievement is on track • Proportion of job placements sustained to 12 weeks (overall): 45% Assessment: Forecast achievement is on track • Proportion of job placements sustained to 12 weeks (Indigenous): 45% Assessment: Forecast achievement is on track • Proportion of job placements sustained to 26 weeks (overall): 25% Assessment: Forecast achievement is on track • Proportion of job placements sustained to 26 weeks (Indigenous): 25% Assessment: Forecast achievement is on track • Proportion of job seekers employed three months following participation in employment services Stream A: 55% Stream B: 35% Stream C: 25% Overall: 45% Assessment: Forecast achievement is on track
	Help job seekers move from welfare to work	<ul style="list-style-type: none"> • Proportion of job seekers moving off income support, or with reduced reliance on income support, six months after participation in jobactive: 40% Assessment: Forecast achievement is on track
	Help job seekers meet their mutual obligations	<ul style="list-style-type: none"> • Proportion of Work for the Dole participants who report increased motivation to find a job: 75% Assessment: Forecast achievement is on track • Proportion of Provider appointments attended: 90% Assessment: Forecast achievement is not on track • Proportion of job seekers (with Mutual Obligation requirements) who are actively looking for work: 95% Assessment: Forecast achievement on track

Outcome 1—Foster a productive and competitive labour market through employment policies and programs that assist job seekers into work, meet employer needs and increase Australia’s workforce participation.		
Program 1.1—Employment services		
The Australian Government’s employment services system has four key objectives. These are to: help job seekers to find and keep a job, help job seekers move from welfare to work, help job seekers meet their mutual obligations, and that employment services providers deliver quality services. The objectives of Program 1.1 contribute to Outcome 1 by helping job seekers move into employment.		
	jobactive organisations deliver quality services	<ul style="list-style-type: none"> Proportion of employers satisfied with the assistance provided by a jobactive organisation: 80% Assessment: Forecast achievement is on track Proportion of jobactive providers that meet their service level requirements: 80% Assessment: Forecast achievement is on track
	jobactive—overall program performance	<ul style="list-style-type: none"> \$2,500 cost per employment outcome Assessment: Forecast achievement is on track
	Help young people move into work or education (Transition to Work) ¹	<ul style="list-style-type: none"> Proportion of placements sustained to a 12 week Employment or Hybrid Outcome, or a 26 week Education Outcome: 65% Assessment: Forecast achievement is on track Proportion of placements that are converted to Sustainability Outcomes: 40% Assessment: Forecast achievement is on track Proportion of Transition to Work participants moving off income support, with reduced reliance on income support, or on to Youth Allowance (student) six months after participation in the service: 30% Assessment: Forecast achievement is on track
2018–19	Help job seekers find and keep a job	<ul style="list-style-type: none"> Proportion of job placements sustained to 26 weeks (overall): 30% Proportion of job placements sustained to 26 weeks (Indigenous): 30% Proportion of job seekers employed three months after accessing jobactive services (some will still be accessing jobactive and some will have exited) <ul style="list-style-type: none"> Stream A 55% Stream B 40% Stream C 25% Overall 45%

¹ The targets for this performance measure were updated from the 2017–18 Portfolio Budget Statements in the Department of Jobs and Small Business 2017–18 Corporate Plan.

Outcome 1—Foster a productive and competitive labour market through employment policies and programs that assist job seekers into work, meet employer needs and increase Australia’s workforce participation.		
Program 1.1—Employment services		
The Australian Government’s employment services system has four key objectives. These are to: help job seekers to find and keep a job, help job seekers move from welfare to work, help job seekers meet their mutual obligations, and that employment services providers deliver quality services. The objectives of Program 1.1 contribute to Outcome 1 by helping job seekers move into employment.		
	Help job seekers move from welfare to work	<ul style="list-style-type: none"> Proportion of job seekers moving off income support, or with reduced reliance on income support, six months after participation in jobactive: 40%
	Help job seekers meet their mutual obligations	<ul style="list-style-type: none"> Proportion of Work for the Dole participants who report increased motivation to find a job: 75% Proportion of Provider appointments attended: 90% Proportion of job seekers (with Mutual Obligation requirements) who are actively looking for work: 98%
	jobactive providers deliver quality services	<ul style="list-style-type: none"> Proportion of employers satisfied with the assistance provided by a jobactive organisation: 80% Proportion of assessed commitments met by jobactive providers: 80%
	jobactive—overall program measure	<ul style="list-style-type: none"> Cost per employment outcome: \$2,500
	New Enterprise Incentive Scheme (NEIS)—help people to create their own job through self-employment	<ul style="list-style-type: none"> Proportion of NEIS participants off income support or working 20 hours per week three months after participating in and exiting NEIS: 68%
	ParentsNext—support parents to build their work readiness	<ul style="list-style-type: none"> Proportion of ParentsNext participants who are in a current activity: 80%
	Transition to Work—help young people move into work or education	<ul style="list-style-type: none"> Proportion of placements sustained to a 12 week Employment or Hybrid Outcome, or a 26 week Education Outcome: 65% Proportion of placements that are converted to Sustainability Outcomes: 40% Proportion of Transition to Work participants moving off income support, with reduced reliance on income support, or on to Youth Allowance (student) six months after participation in the service: 30%
	Time to Work Employment Service	<ul style="list-style-type: none"> Proportion of eligible prisoners that participate in the service: 50% Proportion of participants that complete a facilitated transfer from their in-prison service provider to their post-release employment service provider: 60%
2019–20 and beyond	As per 2018–19	As per 2018–19

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

Program 1.1—Employment services

The Australian Government’s employment services system has four key objectives. These are to: help job seekers to find and keep a job, help job seekers move from welfare to work, help job seekers meet their mutual obligations, and that employment services providers deliver quality services. The objectives of Program 1.1 contribute to Outcome 1 by helping job seekers move into employment.

Material changes to Program 1.1 resulting from the following measures:

- More Choices for a Longer Life — jobs and skills for mature age Australians
- Regional Employment Trials Program—establishment
- Streamlining Services for Refugees

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

2.2 BUDGETED EXPENSES AND PERFORMANCE FOR OUTCOME 2

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

Program changes

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

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

Budgeted expenses for Outcome 2

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

Table 2.2.1: Budgeted expenses for Outcome 2

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

Table 2.2.1: Budgeted expenses for Outcome 2 (continued)

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

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

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

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

Table 2.2.2: Performance criteria for Outcome 2

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

Outcome 2—Facilitate jobs growth through policies and programs that promote fair, productive and safe workplaces, and facilitate the growth of small business.	
Program 2.1—Workplace Support Contributes to Outcome 2 through:	
<ul style="list-style-type: none"> the promotion of fair workplaces by ensuring the protection of employee entitlements in certain circumstances, and ensuring the efficient operation of the workplace relations system through initiatives designed to encourage employers and employees to adopt fair, productive, flexible and safe workplace relations. 	
Purpose	Our role is to deliver policies and programs that foster safe, fair and productive workplaces of all sizes, assisting job seekers to find work and small businesses to grow. ¹
Delivery	<p>Program 2.1 delivers two services to promote fair workplaces by ensuring the protection of employee entitlements in certain circumstances:</p> <ul style="list-style-type: none"> Fair Entitlements Guarantee—established under the <i>Fair Entitlements Guarantee Act 2012</i> to provide financial assistance for certain unpaid employment entitlements when an employee loses their job through the liquidation or bankruptcy of their employer. <i>Coal Mining Industry (Long Service Leave) Administration Act 1992</i> financing arrangements—under this Act the cost of portable long service leave entitlements is managed through a central fund administered by the Coal Mining Industry (Long Service Leave Funding) Corporation. Monthly levy collection transfers are made from the consolidated revenue fund to the central fund.² <p>The Program contributes to the Government’s productivity agenda by ensuring the operation of the workplace relations system through initiatives designed to encourage employers and employees to adopt fair, productive, flexible and safe workplace relations, including the:</p> <ul style="list-style-type: none"> Protected Action Ballots Scheme—costs incurred by the Australian Electoral Commission in relation to protected action ballots. A protected action ballot is a statutory prerequisite to protected industrial action under the Fair Work Act.³ <p>International Labour Organization (ILO)—the Australian Government’s annual membership subscription to the ILO. The government works with other member states and representatives from employer and employee organisations to: participate in international policy discussions on labour issues, contribute to technical cooperation in the Asia-Pacific region, report on standards at the national level, and participate as a member of the ILO Governing Body.⁴</p>

¹ Refers to the updated purpose statement that will be reflected in the 2018–19 Corporate Plan.

² The Department holds funding for the Coal Mining Long Service Leave, however management is through the Government appointed Coal Mining Long Service Leave Corporation. As such, performance information is not included for Coal Mining Long Service Leave.

³ The Department holds funding for the Protected Action Ballots Scheme, however management is through the Australian Electoral Commission. As such, performance information is not included for the Protected Action Ballots Scheme.

⁴ The ILO measure is for Australia’s contribution to the operation of the international agency. As such, performance information is not included on the ILO.

<p>Outcome 2—Facilitate jobs growth through policies and programs that promote fair, productive and safe workplaces, and facilitate the growth of small business.</p>		
<p>Program 2.1—Workplace Support Contributes to Outcome 2 through:</p> <ul style="list-style-type: none"> the promotion of fair workplaces by ensuring the protection of employee entitlements in certain circumstances, and ensuring the efficient operation of the workplace relations system through initiatives designed to encourage employers and employees to adopt fair, productive, flexible and safe workplace relations. 		
<p>Performance information</p>		
Year	Performance criteria	Targets
2017–18	Fair Entitlements Guarantee program functions effectively	<ul style="list-style-type: none"> Fair Entitlements Guarantee—percentage of claims processed within 16 weeks of receipt of an effective claim: 80% Assessment: Forecast Achievement is on track Fair Entitlements Guarantee—average processing time for all claims: 14 weeks Assessment: Forecast Achievement is on track Fair Entitlements Guarantee—claim payments are correct: 95% Assessment: Forecast Achievement is on track Fair Entitlements Guarantee—claimants satisfied with the department’s administration of Fair Entitlements Guarantee: 80% Assessment: Forecast Achievement is on track Fair Entitlements Guarantee—insolvency Practitioners satisfied with the administration of Fair Entitlements Guarantee: 80% Assessment: Forecast achievement is unknown because data is not yet available
	Commonwealth-funded projects are undertaken by builders accredited by the Office of the Federal Safety Commissioner	<ul style="list-style-type: none"> Percentage of accreditation applications assessed and contact made with the applicant within 10 working days: 90% Assessment: Forecast achievement is on track Satisfaction of accredited companies with the service provided by the OFSC: majority rate the level of service as satisfactory or better Assessment: Forecast achievement is on track Companies consider that workplace safety has improved due to accreditation: majority of companies say accreditation has improved their safety performance Assessment: Forecast achievement is on track

<p>Outcome 2—Facilitate jobs growth through policies and programs that promote fair, productive and safe workplaces, and facilitate the growth of small business.</p>		
<p>Program 2.1—Workplace Support Contributes to Outcome 2 through:</p> <ul style="list-style-type: none"> the promotion of fair workplaces by ensuring the protection of employee entitlements in certain circumstances, and ensuring the efficient operation of the workplace relations system through initiatives designed to encourage employers and employees to adopt fair, productive, flexible and safe workplace relations. 		
2018–19	Fair Entitlements Guarantee program functions effectively	<ul style="list-style-type: none"> Fair Entitlements Guarantee—percentage of claims processed within 16 weeks of receipt of an effective claim: 80% Fair Entitlements Guarantee—average processing time for all claims: 14 weeks Fair Entitlements Guarantee—claim payments are correct: 95% Fair Entitlements Guarantee—claimants satisfied with the department’s administration of Fair Entitlements Guarantee: 80% Fair Entitlements Guarantee—insolvency Practitioners satisfied with the administration of Fair Entitlements Guarantee: 80%
	Commonwealth-funded projects are undertaken by builders accredited by the Office of the Federal Safety Commissioner	<ul style="list-style-type: none"> Percentage of accreditation applications assessed and contact made with the applicant within 10 working days: 90% Satisfaction of accredited companies with the service provided by the OFSC: majority rate the level of service as satisfactory or better Companies consider that workplace safety has improved due to accreditation: majority of companies say accreditation has improved their safety performance
2019–20 and beyond	As per 2018–19	As per 2018–19
<p>Material changes to Program 2.1 resulting from the following measures:</p> <p>Nil</p>		

<p>Outcome 2—Facilitate jobs growth through policies and programs that promote fair, productive and safe workplaces, and facilitate the growth of small business.</p>		
<p>Program 2.2—Workers’ compensation payments Managed by Comcare and contributes to Outcome 2 by managing the Comcare Workers’ Compensation Scheme. Further information can be found in the Comcare, the Safety, Rehabilitation and Compensation Commission and the Seafarers Safety, Rehabilitation and Compensation Authority section of this document.</p>		

Outcome 2—Facilitate jobs growth through policies and programs that promote fair, productive and safe workplaces, and facilitate the growth of small business.		
Program 2.3—Small Business Support		
The Australian Small Business Advisory Services (ASBAS) program aims to enhance the capabilities of business advisory service providers to provide low cost, high quality advice to small businesses to build sustainable and productive businesses. The objectives of Program 2.3 contribute to Outcome 2 by facilitating job growth and contributing to the Australian economy.		
Purpose	Our role is to deliver policies and programs that foster safe, fair and productive workplaces of all sizes, assisting job seekers to find work and small businesses to grow. ¹	
Delivery	<p>The ASBAS Digital Solutions 2018 program provides grants to business advisory service providers to enhance their capabilities to deliver low cost, high quality digital advisory services to Australian small businesses in metropolitan and regional areas across four priority digital capabilities:</p> <ul style="list-style-type: none"> • Websites and selling online. • Social media and digital marketing. • Using small business software. • Online security and data privacy. <p>Service delivery will run from 2 July 2018 until 30 June 2021. Services will be delivered through a combination of delivery formats, including face to face, video calls online, web-chats, interactive webinars and phone calls. Providers are required to offer services proportionately to the number of small businesses across the metropolitan and regional areas of the states/territories in their coverage areas.</p>	
Performance information		
Year	Performance criteria	Targets
2017–18	N/A	N/A
2018–19	Increased access by small businesses to advisory services that support and enhance their digital capabilities	N/A
2019–20 and beyond	As per 2018–19	As per 2018–19
Material changes to Program 2.3 resulting from the following measures:		
Nil		

¹ Refers to the updated purpose statement that will be reflected in the 2018–19 Corporate Plan.

Section 3: Budgeted financial statements

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

3.1 BUDGETED FINANCIAL STATEMENTS

3.1.1 Explanatory notes and analysis of budgeted financial statements

Departmental

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

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

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

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

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

Administered

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

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

3.2. BUDGETED FINANCIAL STATEMENTS TABLES

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

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

Note: Impact of net cash appropriation arrangements

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

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

Prepared on Australian Accounting Standards basis.

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

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

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

Prepared on Australian Accounting Standards basis.

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

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

Prepared on Australian Accounting Standards basis.

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

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

Prepared on Australian Accounting Standards basis.

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

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

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

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

Prepared on Australian Accounting Standards basis.

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

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

(a) 'Appropriation equity' refers to equity injections appropriations provided through Appropriation Bill (No. 2) 2018–19.

Prepared on Australian Accounting Standards basis.

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

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

Prepared on Australian Accounting Standards basis.

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

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

Prepared on Australian Accounting Standards basis.

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

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

Prepared on Australian Accounting Standards basis.

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

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

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

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

**ASBESTOS SAFETY AND
ERADICATION AGENCY**

**ENTITY RESOURCES AND PLANNED
PERFORMANCE**

ASBESTOS SAFETY AND ERADICATION AGENCY

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ASBESTOS SAFETY AND ERADICATION AGENCY

Section 1: Entity overview and resources

1.1 STRATEGIC DIRECTION STATEMENT

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

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

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

The agency's main functions are to:

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

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

1.2 ENTITY RESOURCE STATEMENT

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

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

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

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

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

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

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

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

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

1.3 BUDGET MEASURES

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

**Table 1.2: Entity 2018–19 Budget measures
Part 1: Measures announced since the 2017–18 Mid-Year Economic and Fiscal Outlook (MYEFO)**

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

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

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

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

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

Section 2: Outcomes and planned performance

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

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

Note:

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

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

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

2.1 BUDGETED EXPENSES AND PERFORMANCE FOR OUTCOME 1

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

Budgeted expenses for Outcome 1

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

Table 2.1.1: Budgeted expenses for Outcome 1

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

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

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

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

Table 2.1.2: Performance criteria for Outcome 1

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

Outcome 1—Assist the prevention of exposure to asbestos fibres and the elimination of asbestos-related disease in Australia through implementing the National Strategic Plan for Asbestos Awareness and Management in Australia.		
Program 1.1—Asbestos Safety and Eradication Agency		
The Asbestos Safety and Eradication Agency delivers Outcome 1 through administering the National Strategic Plan. To meet this objective, the agency commissions, monitors and promotes research about asbestos safety, works collaboratively with regulators, industry, agencies and other bodies across workplace, environment, public health, planning and building sectors, as well as the community, to improve awareness of asbestos safety.		
Purpose	The Asbestos Safety and Eradication Agency’s purpose is to facilitate the prevention of exposure to asbestos fibres in order to eliminate asbestos-related disease in Australia. This is achieved through the National Strategic Plan for Asbestos Management and Awareness.	
Delivery	The deliverables for the Asbestos Safety and Eradication Agency, through the coordination of the implementation of the NSP, include: <ol style="list-style-type: none"> 1. Awareness: Increase public awareness of the health risks posed by working with or being exposed to asbestos 2. Best practice: Identify and share best practice in asbestos management, education, handling, storage and disposal 3. Identification: Improve the identification and grading of asbestos and sharing of information regarding the location of asbestos-containing materials (ACMs) 4. Removal: Identify priority areas where ACMs present a risk, the barriers to the safe removal of asbestos and review management and removal infrastructure to estimate the capacity and rate for the safe removal of asbestos 5. Research: Commission, monitor and promote research into asbestos exposure pathways, prevention and asbestos-related disease to inform policy options, and 6. International leadership: Australia to continue to play a leadership role in a global campaign for a worldwide asbestos ban. 	
Performance information		
Year	Performance criteria	Targets
2017–18	Increase public awareness about asbestos safety	Increase in awareness, coordination and evidence demonstrating progress in relation to the NSP and reduction in asbestos exposure risks Assessment: On track
	Effectively coordinate national issues that relate to the NSP and asbestos safety issues	
	Identify targeted and practical initiatives to reduce the risks of asbestos-related disease in Australia	Demonstrated by development of resources, delivery of events, progress tracking of NSP, including publishing the annual NSP progress report, and supporting the Asbestos Safety and Eradication Council meetings Assessment: On track

<p>Outcome 1—Assist the prevention of exposure to asbestos fibres and the elimination of asbestos-related disease in Australia through implementing the National Strategic Plan for Asbestos Awareness and Management in Australia.</p>		
<p>Program 1.1—Asbestos Safety and Eradication Agency</p> <p>The Asbestos Safety and Eradication Agency delivers Outcome 1 through administering the National Strategic Plan. To meet this objective, the agency commissions, monitors and promotes research about asbestos safety, works collaboratively with regulators, industry, agencies and other bodies across workplace, environment, public health, planning and building sectors, as well as the community, to improve awareness of asbestos safety.</p>		
2018–19	As per 2017–18, and coordinate the development of the second phase of the NSP	As per 2017–18, and the outcomes of the first phase of the plan inform the second phase of the NSP
2019–20 and beyond	Administer the next phase of the NSP and contribute to the elimination of exposure to asbestos fibres in order to eliminate asbestos-related disease	ASEA effectively encourages and supports the next phase of the NSP with research, reporting, coordination evaluation and advice
<p>Material changes to Program 1.1 resulting from the following measures:</p> <p>Nil</p>		

Section 3: Budgeted financial statements

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

3.1 BUDGETED FINANCIAL STATEMENTS

3.1.1 Differences between entity resourcing and financial statements

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

3.1.2 Explanatory notes and analysis of budgeted financial statements

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

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

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

3.2. BUDGETED FINANCIAL STATEMENTS TABLES

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

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

Note: Impact of net cash appropriation arrangements

	2017–18 \$'000	2018–19 \$'000	2019–20 \$'000	2020–21 \$'000	2021–22 \$'000
Total comprehensive income/(loss) excluding depreciation/amortisation expenses previously funded through revenue appropriations	-	-	-	-	-
less depreciation/amortisation expenses previously funded through revenue appropriations (a)	35	47	59	64	58
Total comprehensive income/(loss)—as per the statement of comprehensive income	(35)	(47)	(59)	(64)	(58)

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

Prepared on Australian Accounting Standards basis.

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

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

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

Prepared on Australian Accounting Standards basis.

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

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

Prepared on Australian Accounting Standards basis.

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

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

Prepared on Australian Accounting Standards basis.

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

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

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

Prepared on Australian Accounting Standards basis.

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

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

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

Prepared on Australian Accounting Standards basis.

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

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

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

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

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

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

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

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

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

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

**AUSTRALIAN BUILDING AND
CONSTRUCTION COMMISSION**

**ENTITY RESOURCES AND PLANNED
PERFORMANCE**

AUSTRALIAN BUILDING AND CONSTRUCTION COMMISSION

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AUSTRALIAN BUILDING AND CONSTRUCTION COMMISSION

Section 1: Entity overview and resources

1.1 STRATEGIC DIRECTION STATEMENT

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

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

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

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

1.2 ENTITY RESOURCE STATEMENT

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

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

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

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

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

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

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

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

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

1.3 BUDGET MEASURES

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

Table 1.2: Entity 2018–19 Budget measures
Part 1: Measures announced since the 2017–18 Mid-Year Economic and Fiscal Outlook (MYEFO)

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

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

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

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

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

Section 2: Outcomes and planned performance

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

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

Note:

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

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

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

2.1 BUDGETED EXPENSES AND PERFORMANCE FOR OUTCOME 1

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

Budgeted expenses for Outcome 1

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

Table 2.1.1: Budgeted expenses for Outcome 1

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

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

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

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

Table 2.1.2: Performance criteria for Outcome 1

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

Outcome 1—Enforce workplace relations laws in the building and construction industry and ensure compliance with those laws by all participants in the building and construction industry through the provision of education, assistance and advice.		
Program 1.1—Education, compliance and enforcement		
To educate building industry participants in order to promote compliance with workplace laws.		
Purpose	<p>In accordance with its responsibilities under the Building and Construction Industry (Improving Productivity) Act 2016, the ABCC:</p> <ol style="list-style-type: none"> enforces workplace relations laws in the building and construction industry through the provision of education, assistance and advice, and where necessary, civil penalty litigation in the courts, and ensures compliance with Building Codes by educating the industry, monitoring compliance, and where appropriate, seeking rectification by, or sanctions against, non-compliant contractors. 	
Delivery	<ul style="list-style-type: none"> Provide education, assistance and advice to building industry participants. Conduct inspections and audits involving Building Codes, and where appropriate, seek rectification by or sanctions against non-compliant contractors. Investigate claims regarding alleged breaches of workplace laws and undertake targeted activities, and where necessary, litigate to enforce compliance with workplace laws. 	
Performance information		
Year	Performance criteria	Targets
2017–18	Surveyed stakeholders are satisfied or highly satisfied with the quality and timeliness of advice and assistance provided	75% Assessment: On track
	Number of formal presentations delivered to stakeholders	150 Assessment: On track
	Surveyed stakeholders indicate that presentations, advice and/or materials provided by ABCC have improved their understanding of workplace rights and responsibilities	75% Assessment: On track
	Compliance activities to improve compliance with the Building Codes	300 Assessment: On track
	Legal proceedings in court within 12 months of complaint being initiated	75% Assessment: On track

Outcome 1—Enforce workplace relations laws in the building and construction industry and ensure compliance with those laws by all participants in the building and construction industry through the provision of education, assistance and advice.		
Program 1.1—Education, compliance and enforcement		
To educate building industry participants in order to promote compliance with workplace laws.		
2018–19	Surveyed stakeholders are satisfied or highly satisfied with the quality and timeliness of advice and assistance provided	80%
	Number of formal presentations delivered to stakeholders	150
	Surveyed stakeholders indicate that tools and resources provided by ABCC have improved their understanding of workplace rights and responsibilities	75%
	Activities to improve compliance with designated building laws and the Building Codes	450
	Average time taken to commence civil penalty proceeding	<12 months
2019–20 and beyond	As per 2018–19	As per 2018–19
Material changes to Program 1.1 resulting from the following measures:		
Nil		

Section 3: Budgeted financial statements

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

3.1 BUDGETED FINANCIAL STATEMENTS

3.1.1 Differences between entity resourcing and financial statements

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

3.1.2 Explanatory notes and analysis of budgeted financial statements

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

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

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

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

3.2. BUDGETED FINANCIAL STATEMENTS TABLES

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

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

Note: Impact of net cash appropriation arrangements

	2017–18 \$'000	2018–19 \$'000	2019–20 \$'000	2020–21 \$'000	2021–22 \$'000
Total comprehensive income/(loss) excluding depreciation/amortisation expenses previously funded through revenue appropriations	-	-	-	-	-
less depreciation/amortisation expenses previously funded through revenue appropriations (a)	1,337	1,299	1,417	1,444	1,444
Total comprehensive income/(loss)—as per the statement of comprehensive income	(1,337)	(1,299)	(1,417)	(1,444)	(1,444)

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

Prepared on Australian Accounting Standards basis.

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

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

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

Prepared on Australian Accounting Standards basis.

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

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

Prepared on Australian Accounting Standards basis.

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

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

Prepared on Australian Accounting Standards basis.

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

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

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

(b) Includes the following sources of funding:

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

Prepared on Australian Accounting Standards basis.

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

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

(a) 'Appropriation equity' refers to equity injections appropriations provided through Appropriation Bill (No. 2) 2018–19.

Prepared on Australian Accounting Standards basis.

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

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

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

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

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

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

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

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

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

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

**COMCARE,
THE SAFETY, REHABILITATION AND
COMPENSATION COMMISSION, AND
THE SEAFARERS SAFETY,
REHABILITATION AND
COMPENSATION AUTHORITY**

**ENTITY RESOURCES AND PLANNED
PERFORMANCE**

**COMCARE, THE SAFETY, REHABILITATION AND
COMPENSATION COMMISSION,
AND THE SEAFARERS SAFETY, REHABILITATION AND
COMPENSATION AUTHORITY**

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COMCARE, THE SAFETY, REHABILITATION AND COMPENSATION COMMISSION, AND THE SEAFARERS SAFETY, REHABILITATION AND COMPENSATION AUTHORITY

Section 1: Entity overview and resources

1.1 STRATEGIC DIRECTION STATEMENT

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

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

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

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

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

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

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

1.2 ENTITY RESOURCE STATEMENT

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

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

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

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

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

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

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

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

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

(b) Comcare is not directly appropriated as it is a corporate Commonwealth entity. Grants from its portfolio department include special appropriations under the *Safety, Rehabilitation and Compensation Act 1988* for the payment of pre-premium claims costs and the *Asbestos-related Claims (Management of Commonwealth Liabilities) Act 2005* for asbestos-related claims settlements.

1.3 BUDGET MEASURES

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

Table 1.2: Entity 2018–19 Budget measures

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

Section 2: Outcomes and planned performance

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

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

Note:

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

The most recent corporate plan for Comcare can be found at:

http://www.comcare.gov.au/about_us/comcare_2017-18_corporate_plan.

The most recent annual performance statement can be found at:

http://www.comcare.gov.au/annual_report_2016-17/annual_performance_statement/overview.

2.1 BUDGETED EXPENSES AND PERFORMANCE FOR OUTCOME 1

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

Budgeted expenses for Outcome 1

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

Table 2.1.1: Budgeted expenses for Outcome 1

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

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

Table 2.1.2: Program components of Outcome 1

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

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

Table 2.1.3: Performance criteria for Outcome 1

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

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

Outcome 1—Support participation and productivity through healthy and safe workplaces that minimise the impact of harm		
Program Component 1.1—Work Health, Safety and Rehabilitation Regulation		
This program component contributes to the outcome by achieving compliance with the SRC Act and WHS Act and regulations. It leads continuous improvements in work health and safety and rehabilitation outcomes.		
	Our approach improves WHS outcomes in workplaces, measured by increased knowledge, awareness and compliance to ensure regulatory intervention makes a positive difference	85% of surveyed workplaces have improved WHS outcomes following regulatory intervention
	A sustained high level of satisfaction and engagement with services provided, measured by survey, to ensure regulatory actions are appropriate, responsive and relevant	Satisfaction rating of 85% or more
Material changes to Program Component 1.1 resulting from the following measures:		
Nil		

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

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Program Component 1.2—Comcare Workers' Compensation Scheme Management		
National leader in the design, implementation and management of the national schemes that improves work health, safety and rehabilitation outcomes.		
	Improve the financial sustainability of the scheme measured by notional premium rate	Comcare scheme notional premium rate = 1.11%
	Better practice scheme management assessed through qualitative review	Qualitative evaluation of scheme management identifies the adoption/ promotion of better practice
Material changes to Program Component 1.2 resulting from the following measures:		
Nil		

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

Program Component 1.4—Premium Claims		
Purpose	Leading Workers' Compensation Insurer—To foster participation and productivity by minimising the impact of harm in workplaces, facilitate recovery at and return to work, and deliver sustainable management of the fund.	
Delivery	Responsible management of liabilities and premiums, supported by effective, value driven and outcome focused services.	
Performance information		
Year	Performance criteria	Targets
2017–18	The insured scheme continues to be fully funded	Assessment: On track
	The average Commonwealth premium rate reduced to 1.1 per cent of payroll (excluding GST) by 2018–19, to ensure the scheme remains financially sustainable	Assessment: Target achieved
	Reduce the insured scheme liability to \$1.9 billion, a reduction of \$1 billion from the baseline at 30 June 2014, to ensure the scheme remains financially sustainable	Assessment: On track
	Reduce the direct administration cost ratio to 20 per cent by 2018–19, measured by Safe Work Australia's comparative performance monitoring methodology, to ensure cost effective management of the fund	Assessment: Not on track ¹
	Increase the proportion of employees who have returned to work, measured by duration on incapacity benefits, to facilitate recovery and reduce liability. Reported by periods of: 13 weeks—73% 26 weeks—82% 78 weeks—91%	Assessment: 13 weeks—Not on track ² 26 weeks—On track 78 weeks—On track
	A sustained high level of satisfaction and engagement with the services provided, measured by survey to ensure services are appropriate, responsive and relevant	Assessment: On track
2018–19	The insured scheme continues to be fully funded	100–110%
	The average Commonwealth premium rate reduces to 1.1 per cent of payroll (excluding GST) for the 2018–19 premium year, to ensure the scheme remains financially sustainable	Average Commonwealth premium rate = 1.1% of payroll
	Reduce the insured scheme liability to ensure the scheme remains financially sustainable	Scheme liability is \$1.9 billion or less by 30 June 2019
	That claims administration cost as a ratio of all claims expenses is 20 per cent or lower for each injury year, measured by Safe Work Australia's comparative performance monitoring methodology, to ensure cost effective management of the fund	Administrative cost ratio is 20% or lower

¹ Claims cost decrease is greater than expense reduction

² Comcare is working with rehabilitation authorities on strategies to improve return to work rates.

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Program Component 1.4—Premium Claims		
	Increase the proportion of employees who have returned to work, measured by duration on incapacity benefits, to facilitate recovery and reduce liability	13 weeks — 76% 26 weeks — 84% 78 weeks — 92%
	A sustained high level of satisfaction and engagement with the services provided, measured by survey, to ensure services are appropriate, responsive and relevant	A stakeholder satisfaction rating of 82% or more for services provided to the Fund
2019–20 and beyond	The insured scheme continues to be fully funded	100–110%
	The average Commonwealth premium rate reduces to 1.1 per cent of payroll (excluding GST) for the 2018–19 premium year, to ensure the scheme remains financially sustainable	Average Commonwealth premium rate = 1.0% of payroll
	Reduce the insured scheme liability to ensure the scheme remains financially sustainable	Scheme liability is \$1.71 billion or less by 30 June 2019
	That claims administration cost as a ratio of all claims expenses is 20 per cent or lower for each injury year, measured by Safe Work Australia's comparative performance monitoring methodology, to ensure cost effective management of the fund	Administrative cost ratio is 20% or lower
	Increase the proportion of employees who have returned to work, measured by duration on incapacity benefits, to facilitate recovery and reduce liability	13 weeks — 80% 26 weeks — 88% 78 weeks — 95%
	A sustained high level of satisfaction and engagement with the services provided, measured by survey, to ensure services are appropriate, responsive and relevant	A stakeholder satisfaction rating of 85% or more for services provided to the Fund
Material changes to Program Component 1.4 resulting from the following measures: Nil		

Program Component 1.5—Pre-premium claims		
Purpose	Leading Workers' Compensation Insurer—To foster participation and productivity by minimising the impact of harm in workplaces, facilitate recovery at and return to work, and deliver sustainable management of the fund.	
Delivery	Build a high-performance business and service culture that is committed to quality and outcomes.	
Performance information		
Year	Performance criteria	Targets
2017–18	Reduce the direct administration cost ratio to 20 per cent by 2018–19, measured by Safe Work Australia's comparative performance monitoring methodology, to ensure cost effective management of the fund	Assessment: Not on track ¹
2018–19	That claims administration cost as a ratio of all claims expenses is 20 per cent or lower for each injury year, measured by Safe Work Australia's comparative performance monitoring methodology, to ensure cost effective management of the fund	Administrative cost ratio is 20% or lower
2019–20 and beyond	As per 2018–19	As per 2018–19
Material changes to Program Component 1.5 resulting from the following measures: Nil		

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

¹ Comcare remains committed to achieving its target to ensure the cost-effective management of the fund.

Section 3: Budgeted financial statements

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

3.1 BUDGETED FINANCIAL STATEMENTS

3.1.1 Differences between entity resourcing and financial statements

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

3.1.2 Explanatory notes and analysis of budgeted financial statements

Income

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

Expenses

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

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

Operating Result

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

Claims Liability

Comcare has three separate claims liabilities:

- Premium workers' compensation claims – these relate to workers' compensation claims from premium paying agencies with a date of injury on or after 1 July 1989.

- Pre-premium workers' compensation claims – these relate to workers' compensation claims with a date of injury before 1 July 1989. It is expected that pre-premium claims liabilities will decrease over time as claims are settled.
- Asbestos-related common law liabilities – these relate to asbestos related claims where the Commonwealth has a liability.

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

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

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

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

3.2. BUDGETED FINANCIAL STATEMENTS TABLES

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

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

(a) Relates to non-cash movements in workers' compensation claims liabilities and asbestos-related claims liabilities.

Prepared on Australian Accounting Standards basis.

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

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

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

Prepared on Australian Accounting Standards basis.

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

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

Prepared on Australian Accounting Standards basis.

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

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

Prepared on Australian Accounting Standards basis.

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

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

Prepared on Australian Accounting Standards basis.

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

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

Prepared on Australian Accounting Standards basis.

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

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

Prepared on Australian Accounting Standards basis.

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

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

Prepared on Australian Accounting Standards basis.

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

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

Prepared on Australian Accounting Standards basis.

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

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

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

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

3.3 NOTES TO THE FINANCIAL STATEMENTS

Accounting policy

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

Entity items

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

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

Comprehensive Income Statement

Revenue from government

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

Own source revenue

Comcare receives the following own-source revenue:

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

Workers' compensation premiums

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

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

Grants received from portfolio department

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

Other non-tax revenue

'Other non-tax revenue' is a non-cash appropriation representing:

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

Administration expenses

Comcare administration expenses include:

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

Claims expenses

Comcare recognises two types of claims expenses:

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

Departmental Balance Sheet

Cash and cash equivalents

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

Trade and other receivables

Other receivables are the combined value of:

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

Employee provisions

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

Other provisions

Provision is made for:

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

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

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

FAIR WORK COMMISSION

ENTITY RESOURCES AND PLANNED PERFORMANCE

FAIR WORK COMMISSION

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FAIR WORK COMMISSION

Section 1: Entity overview and resources

1.1 STRATEGIC DIRECTION STATEMENT

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

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

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

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

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

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

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

Further information about the activities of the Fair Work Commission can be found at the Commission’s website, www.fwc.gov.au, and in the Commission’s Corporate Plan.

1.2 ENTITY RESOURCE STATEMENT

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

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

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

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

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

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

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

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

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

1.3 BUDGET MEASURES

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

Table 1.2: Entity 2018–19 Budget measures

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

Section 2: Outcomes and planned performance

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

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

Note:

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

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

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

2.1 BUDGETED EXPENSES AND PERFORMANCE FOR OUTCOME 1

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

Budgeted expenses for Outcome 1

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

Table 2.1.1: Budgeted expenses for Outcome 1

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

	2017–18 Estimated actual \$'000	2018–19 Budget \$'000	2019–20 Forward estimate \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000
Program 1.1: Dispute resolution, minimum wage setting, orders and approvals of agreements					
Administered expenses					
Special appropriations					
<i>Public Governance, Performance and Accountability Act 2013—s77</i>	500	500	500	500	500
Administered total	500	500	500	500	500
Departmental expenses					
Departmental appropriation	74,133	74,047	75,759	77,058	77,664
s74 retained revenue receipts (a)	2,150	2,000	2,000	2,000	2,000
Expenses not requiring appropriation in the Budget year (b)	5,832	6,277	6,127	6,098	6,130
Departmental total	82,115	82,324	83,886	85,156	85,794
Total expenses for Program 1.1	82,615	82,824	84,386	85,656	86,294
Outcome 1 Totals by appropriation type					
Administered expenses					
Special appropriations	500	500	500	500	500
Administered total	500	500	500	500	500
Departmental expenses					
Departmental appropriation	74,133	74,047	75,759	77,058	77,664
s74 retained revenue receipts (a)	2,150	2,000	2,000	2,000	2,000
Expenses not requiring appropriation in the Budget year (a)	5,832	6,277	6,127	6,098	6,130
Departmental total	82,115	82,324	83,886	85,156	85,794
Total expenses for Outcome 1	82,615	82,824	84,386	85,656	86,294

	2017–18	2018–19
Average staffing level (number)	314	314

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

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

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

Table 2.1.2: Performance criteria for Outcome 1

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

Outcome 1—Simple, fair and flexible workplace relations for employees and employers through the exercise of powers to set and vary minimum wages and modern awards, facilitate collective bargaining, approve agreements and deal with disputes.		
Program 1.1—Dispute resolution, minimum wage setting, orders and approval of agreements		
The Fair Work Commission exercises powers under the <i>Fair Work Act 2009</i> in accordance with the objects of the Act and in a manner that is fair and just, is quick, informal and avoids unnecessary technicalities.		
Purpose	The Fair Work Commission is Australia's national workplace relations tribunal. It is an independent body responsible for exercising functions prescribed by the <i>Fair Work Act 2009</i> and the <i>Fair Work (Registered Organisations) Act 2009</i> , including: <ul style="list-style-type: none"> • providing a safety net of minimum conditions, including minimum wages, in awards • facilitating good faith bargaining and the making of enterprise agreements • granting remedies for unfair dismissal • regulating the taking of industrial action • resolving a range of collective and individual workplace disputes through conciliation, mediation and, in some cases, arbitration, and • functions in connection with workplace determinations, equal remuneration, transfer of business, general workplace protections, right of entry permits and stand downs. 	
Delivery	The deliverables for the Fair Work Commission are highlighted in the Fair Work Commission Corporate Plan, including: <ul style="list-style-type: none"> • promoting cooperative and productive workplace relations • resolving unfair dismissal claims • dealing with workplace bullying applications • dealing with general protections claims • setting the national minimum wage • creating, reviewing and varying modern awards • approving enterprise agreements • assisting the bargaining process for enterprise agreements • dispute resolution • determining applications for right of entry permits, and • registration and eligibility rule coverage of federally registered organisations of employers and employees. 	
Performance information		
Year	Performance criteria	Targets
2017–18	Improve or maintain the time elapsed from lodging applications to finalising conciliations in unfair dismissal applications	34 days Assessment: On track
	Annual wage review to be completed to enable an operative date of 1 July	By June 30 Assessment: On track

Outcome 1—Simple, fair and flexible workplace relations for employees and employers through the exercise of powers to set and vary minimum wages and modern awards, facilitate collective bargaining, approve agreements and deal with disputes.		
Program 1.1—Dispute resolution, minimum wage setting, orders and approval of agreements		
The Fair Work Commission exercises powers under the <i>Fair Work Act 2009</i> in accordance with the objects of the Act and in a manner that is fair and just, is quick, informal and avoids unnecessary technicalities.		
	Improve or maintain the agreement approval time	32 days Assessment: Not on track (a)
2018–19	Improve or maintain the time elapsed from lodging applications to finalising conciliations in unfair dismissal applications	34 days
	Annual wage review to be completed to enable an operative date of 1 July	By June 30
	Improve or maintain the agreement approval time (b)	32 days
2019–20 and beyond	As per 2018–19	As per 2018–19
Material changes to Program 1.1 resulting from the following measures:		
Nil		

- (a) Primarily due to a significant increase in applications where undertakings are required for approval of the agreement.
- (b) For agreements approved without undertakings.

Section 3: Budgeted financial statements

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

3.1 BUDGETED FINANCIAL STATEMENTS

3.1.1 Differences between entity resourcing and financial statements

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

3.1.2 Explanatory notes and analysis of budgeted financial statements

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

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

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

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

3.2. BUDGETED FINANCIAL STATEMENTS TABLES

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

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

Note: Impact of net cash appropriation arrangements

	2017–18 \$'000	2018–19 \$'000	2019–20 \$'000	2020–21 \$'000	2021–22 \$'000
Total comprehensive income/(loss) excluding depreciation/amortisation expenses previously funded through revenue appropriations	-	-	-	-	-
less depreciation/amortisation expenses previously funded through revenue appropriations (a)	5,777	6,222	6,072	6,043	6,075
Total comprehensive income/(loss)—as per the statement of comprehensive income	(5,777)	(6,222)	(6,072)	(6,043)	(6,075)

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

Prepared on Australian Accounting Standards basis.

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

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

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

Prepared on Australian Accounting Standards basis.

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

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

Prepared on Australian Accounting Standards basis.

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

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

Prepared on Australian Accounting Standards basis.

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

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

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

Prepared on Australian Accounting Standards basis.

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

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

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

Prepared on Australian Accounting Standards basis.

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

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

Prepared on Australian Accounting Standards basis.

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

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

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

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

Prepared on Australian Accounting Standards basis.

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

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

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

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

**FAIR WORK OMBUDSMAN
AND THE
REGISTERED ORGANISATIONS
COMMISSION**

**ENTITY RESOURCES AND PLANNED
PERFORMANCE**

FAIR WORK OMBUDSMAN AND THE REGISTERED ORGANISATIONS COMMISSION

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FAIR WORK OMBUDSMAN AND THE REGISTERED ORGANISATIONS COMMISSION

Section 1: Entity overview and resources

1.1 STRATEGIC DIRECTION STATEMENT

Fair Work Ombudsman

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

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

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

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

Registered Organisations Commission

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

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

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

FWO and ROC Budget Statements

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

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

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

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

1.2 ENTITY RESOURCE STATEMENT

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

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

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

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

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

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

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

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

- (a) Appropriation Bill (No.1) 2018–19.
- (b) Excludes Departmental Capital Budget (DCB).
- (c) Estimated retained revenue receipts under section 74 of the PGPA Act.
- (d) DCBs are not separately identified in Appropriation Bill (No.1) and form part of ordinary annual services items. Please refer to Table 3.5 for further details. For accounting purposes, this amount has been designated as a 'contribution by owner'.
- (e) Appropriation Bill (No.2) 2018–19.
- (f) Excludes 'Special Public Money' held in accounts like Other Trust Monies accounts (OTM), Services for Other Government and Non-agency Bodies accounts (SOG) or Services for Other Entities and Trust Monies 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.
- (g) Amounts credited to the special account(s) from another entity's annual and special appropriations.

1.3 BUDGET MEASURES

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

**Table 1.2: Entity 2018–19 Budget measures
Part 1: Measures announced since the 2017–18 Mid-Year Economic and Fiscal Outlook (MYEFO)**

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

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

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

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

Section 2: Outcomes and planned performance

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

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

Note:

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

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

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

2.1 BUDGETED EXPENSES AND PERFORMANCE FOR OUTCOME 1

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

Budgeted expenses for Outcome 1

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

Table 2.1.1: Budgeted expenses for Outcome 1

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

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

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

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

Table 2.1.2: Performance criteria for Outcome 1

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

Outcome 1—Compliance with workplace relations legislation by employees and employers through advice, education and where necessary enforcement.		
Program 1.1—Education Services and Compliance Activities		
To educate employers, employees, organisations and contractors about the workplace relations system and to ensure compliance with workplace laws.		
Purpose	The FWO is the Australian Government agency responsible for ensuring compliance with workplace relations laws through advice, education and where necessary enforcement.	
Delivery	<ul style="list-style-type: none"> • Provide information, advice and education on the requirements and flexibilities of workplace laws to foster voluntary compliance. • Investigate claims regarding alleged breaches of workplace laws and undertake targeted activities. • Litigate, where necessary, to enforce compliance with workplace laws. 	
Performance information		
Year	Performance criteria	Targets
2017–18	At least 90% of requests for assistance involving a workplace dispute are finalised through education and dispute resolution services	Assessment: On Track
	No more than 10% of requests for assistance involving a workplace dispute are finalised through compliance and enforcement tools	Assessment: On Track
	99% availability for website services and of advertised contact centre hours	Assessment: On Track
	Requests for assistance involving a workplace dispute are finalised in an average of 30 days	Assessment: On Track
2018–19	Requests for assistance involving a workplace dispute are finalised through education and dispute resolution services	At least 90%
	Requests for assistance involving a workplace dispute are finalised through compliance and enforcement tools	No more than 10%
	Availability for website services and of advertised contact centre hours	99%
	Requests for assistance involving a workplace dispute are finalised in an average of 30 days	Finalised in an average of 30 days
2019–20 and beyond	As per 2018–19	As per 2018–19
Material changes to Program 1.1 resulting from the following measures:		
Nil		

2.2 BUDGETED EXPENSES AND PERFORMANCE FOR OUTCOME 2

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

Budgeted expenses for Outcome 2

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

Table 2.2.1: Budgeted expenses for Outcome 2

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

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

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

Table 2.2.2: Performance criteria for Outcome 2

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

Outcome 2—Effective governance and financial transparency of registered employee and employer organisations, through regulation, investigation and appropriate enforcement action.		
Program 2.1—Registered Organisations Commission		
Purpose	The ROC is responsible for improving the governance and financial accountability of registered organisations by ensuring compliance with the <i>Fair Work (Registered Organisations) Act 2016</i> through monitoring and regulation.	
Delivery	<ul style="list-style-type: none"> • Conducting inquiries and investigations into breached of the <i>Fair Work (Registered Organisations) Act 2009</i>. • Commencing legal proceedings in respect of contraventions of the <i>Fair Work (Registered Organisations) Act 2009</i>. • Referring possible criminal offences to the Director of Public Prosecutions or law enforcement agencies. • Overseeing registered organisations' internal elections. • Receiving complaints from members of registered organisations. • Providing information to members of registered organisations about their rights. • Educating registered organisations about their obligations. 	
Performance information		
Year	Performance criteria	Targets
2017–18	95 per cent of financial reports required to be lodged under the <i>Fair Work (Registered Organisations) Act 2009</i> are assessed for compliance within 40 working days	95% within 40 working days Assessment: On track
2018–19	95 per cent of financial reports required to be lodged under the <i>Fair Work (Registered Organisations) Act 2016</i> are assessed for compliance within 40 working days	95% within 40 working days
2019–20 and beyond	As per 2018–19	As per 2018–19
Material changes to Program 2.1 resulting from the following measures:		
Nil		

Section 3: Budgeted financial statements

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

3.1 BUDGETED FINANCIAL STATEMENTS

3.1.1 Differences between entity resourcing and financial statements

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

3.1.2 Explanatory notes and analysis of budgeted financial statements

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

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

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

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

3.2. BUDGETED FINANCIAL STATEMENTS TABLES

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

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

Note: Impact of net cash appropriation arrangements

	2017–18 \$'000	2018–19 \$'000	2019–20 \$'000	2020–21 \$'000	2021–22 \$'000
Total comprehensive income/(loss) excluding depreciation/amortisation expenses previously funded through revenue appropriations	-	-	-	-	-
less depreciation/amortisation expenses previously funded through revenue appropriations (a)	11,080	8,085	7,230	8,274	8,017
Total comprehensive income/(loss)—as per the statement of comprehensive income	(11,080)	(8,085)	(7,230)	(8,274)	(8,017)

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

Prepared on Australian Accounting Standards basis.

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

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

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

Prepared on Australian Accounting Standards basis.

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

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

Prepared on Australian Accounting Standards basis.

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

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

Prepared on Australian Accounting Standards basis.

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

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

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

(b) Includes the following sources of funding:

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

Prepared on Australian Accounting Standards basis.

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

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

(a) 'Appropriation equity' refers to equity injections appropriations provided through Appropriation Bill (No. 2) 2018–19.

Prepared on Australian Accounting Standards basis.

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

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

Prepared on Australian Accounting Standards basis.

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

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

Prepared on Australian Accounting Standards basis.

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

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

Prepared on Australian Accounting Standards basis.

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

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

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

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

SAFE WORK AUSTRALIA

ENTITY RESOURCES AND PLANNED PERFORMANCE

SAFE WORK AUSTRALIA

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SAFE WORK AUSTRALIA

Section 1: Entity overview and resources

1.1 STRATEGIC DIRECTION STATEMENT

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

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

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

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

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

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

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

1.2 ENTITY RESOURCE STATEMENT

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

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

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

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

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

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

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

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

- (a) Appropriation Bill (No.1) 2018–19.
- (b) Excludes Departmental Capital Budget (DCB).
- (c) DCBs are not separately identified in Appropriation Bill (No.1) and form part of ordinary annual services items. Please refer to Table 3.5 for further details. For accounting purposes, this amount has been designated as a 'contribution by owner'.
- (d) 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 Monies accounts (SOETM)). For further information on special appropriations and special accounts, please refer to Budget Paper No. 4—Agency Resourcing. Please also see Table 2.1 for further information on outcome and program expenses broken down by various funding sources, for example, annual appropriations, special appropriations and special accounts.
- (e) Amounts credited to the special account from Safe Work Australia's annual appropriation.

1.3 BUDGET MEASURES

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

Table 1.2: Entity 2018–19 Budget measures

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

Section 2: Outcomes and planned performance

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

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

Note:

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

The most recent corporate plan for Safe Work Australia can be found at:

<https://www.safeworkaustralia.gov.au/about-us/corporate-plan>

The most recent annual performance statement can be found at:

<https://www.safeworkaustralia.gov.au/book/safe-work-australia-annual-report-2016-17>.

2.1 BUDGETED EXPENSES AND PERFORMANCE FOR OUTCOME 1

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

Budgeted expenses for Outcome 1

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

Table 2.1.1: Budgeted expenses for Outcome 1

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

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

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

Table 2.1.2: Performance criteria for Outcome 1

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

Outcome 1—Healthier, safer and more productive workplaces through improvements to Australian work health and safety and workers’ compensation arrangements.		
Program 1.1—Reform of and improvements to Australian work health and safety and workers’ compensation arrangements		
This program contributes to Outcome 1 by ensuring the innovative development of evidence based policy which is central to Australia becoming a world leader in the delivery of improved safety and compensation outcomes.		
Purpose	Safe Work Australia has an important national role to achieve significant and continual reductions in the incidence of work-related death, injury and illness and to improve outcomes for injured workers and their employers. To be able to meet its objectives Safe Work Australia works collaboratively with regulators, industry and employee associations and the community to achieve healthy, safe and productive working lives for all Australians.	
Delivery	The deliverables for Safe Work Australia have been developed with reference to the Act and are highlighted in its annual operational plan and corporate plan and include: <ul style="list-style-type: none"> • review, evaluate and if necessary, revise the model WHS laws to address issues impeding the effective and efficient operation of the laws and improve safety outcomes • implement the Members’ response to the findings of the mid-term review of the Australian Work Health and Safety Strategy 2012–2022 and coordinate and report on activities undertaken to assist in the achievement of the Strategy’s outcomes and targets • develop and implement national education and communication strategies and initiatives to build awareness and knowledge of work health and safety and workers’ compensation and promote consistency in arrangements • collect, analyse and report on relevant data and undertake and disseminate research to identify new priorities and provide evidence for the development or evaluation of policies and supporting strategies • develop policy proposals and supporting strategies to improve workers’ compensation arrangements, with a particular focus on return to work, and • work with other national and international bodies to share data, information and/or knowledge, and represent Australia as appropriate, to improve Australian outcomes. 	
Performance information		
Year	Performance criteria	Targets
2017–18	Activities in the Operational Plan are delivered to the expected quality, on time and within budget Reductions in the incidence of work-related death, injury and illness through: <ul style="list-style-type: none"> • an improved and reformed work health and safety framework • increased work health and safety awareness and skills 	80% of Members and the Chair are satisfied with the agency’s achievements By 2022: <ul style="list-style-type: none"> • reduce workplace fatalities due to injury by 20 per cent or more • reduce the incidence rate of serious workers’ compensation claims by 30 per cent or more, and

<p>Outcome 1—Healthier, safer and more productive workplaces through improvements to Australian work health and safety and workers’ compensation arrangements.</p>		
<p>Program 1.1—Reform of and improvements to Australian work health and safety and workers’ compensation arrangements</p> <p>This program contributes to Outcome 1 by ensuring the innovative development of evidence based policy which is central to Australia becoming a world leader in the delivery of improved safety and compensation outcomes.</p>		
	<ul style="list-style-type: none"> developing and maintaining an evidence base which informs policy and practice reduced exposure to work-related hazards causing injury and illness, and improved quality of workplace controls 	<ul style="list-style-type: none"> reduce the incidence rate of serious workers’ compensation claims for musculoskeletal claims by 30 per cent or more <p>Assessment: On target</p>
2018–19	<p>Activities in the Operational Plan are delivered to the expected quality, on time and within budget</p> <p>Reductions in the incidence of work-related death, injury and illness through:</p> <ul style="list-style-type: none"> an improved and reformed work health and safety framework increased work health and safety awareness and skills developing and maintaining an evidence base which informs policy and practice reduced exposure to work-related hazards causing injury and illness, and improved quality of workplace controls 	<p>80% of Members and the Chair are satisfied with the agency achievements</p> <p>By 2022:</p> <ul style="list-style-type: none"> reduce workplace fatalities due to injury by 20 per cent or more reduce the incidence rate of serious workers’ compensation claims by 30 per cent or more, and reduce the incidence rate of serious workers’ compensation claims for musculoskeletal claims by 30 per cent or more
2019–20 and beyond	As per 2018–19	As per 2018–19
<p>Material changes to Program 1.1 resulting from the following measures:</p> <p>Nil</p>		

Section 3: Budgeted financial statements

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

3.1 BUDGETED FINANCIAL STATEMENTS

3.1.1 Differences between entity resourcing and financial statements

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

3.1.2 Explanatory notes and analysis of budgeted financial statements

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

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

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

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

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

3.2. BUDGETED FINANCIAL STATEMENTS TABLES

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

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

Note: Impact of net cash appropriation arrangements

	2017–18 \$'000	2018–19 \$'000	2019–20 \$'000	2020–21 \$'000	2021–22 \$'000
Total comprehensive income/(loss) excluding depreciation/amortisation expenses previously funded through revenue appropriations	-	-	-	-	-
less depreciation/amortisation expenses previously funded through revenue appropriations (a)	584	590	604	620	642
Total comprehensive income/(loss)—as per the statement of comprehensive income	(584)	(590)	(604)	(620)	(642)

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

Prepared on Australian Accounting Standards basis.

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

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

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

Prepared on Australian Accounting Standards basis.

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

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

Prepared on Australian Accounting Standards basis.

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

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

Prepared on Australian Accounting Standards basis.

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

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

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

Prepared on Australian Accounting Standards basis.

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

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

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

Prepared on Australian Accounting Standards basis.

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

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

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

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

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

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

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

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

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

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

PORTFOLIO GLOSSARY

Additional Estimates	Where amounts appropriated at Budget time are insufficient, Parliament may appropriate more funds to portfolios through the Additional Estimates Acts.
Additional Estimates Bills or Acts	These are Appropriation Bills 3 and 4, and a separate Bill for the Parliamentary Departments [Appropriations (Parliamentary Departments) Bill (No. 2)]. These Bills are introduced into Parliament sometime after the Budget Bills.
Administered Items	Expenses, revenues, assets or liabilities managed by agencies on behalf of the Commonwealth. Agencies do not control administered items. Administered expenses include grants, subsidies and benefits. In many cases, administered expenses fund the delivery of third party outputs.
Appropriation	An authorisation by Parliament to spend monies from the Consolidated Revenue Fund for a particular purpose.
Annual Appropriation	Two Appropriation Bills are introduced into Parliament in May and comprise the Budget for the financial year beginning 1 July. Further Bills are introduced later in the financial year as part of the additional estimates. Parliamentary departments have their own appropriations.
Assets	Assets are physical objects and legal rights expected to provide benefits in the future, or alternatively items of value owned by an Agency.
Capital expenditure	Expenditure by an agency on capital projects, for example purchasing a building.
Consolidated Revenue Fund	Section 81 of the Constitution stipulates that all revenue raised or money received by the Commonwealth forms the one consolidated revenue fund (CRF). The CRF is not a bank account. The Official Public Account reflects most of the operations of the CRF.
Departmental items	Assets, liabilities, revenues and expenses that are controlled by the agency in providing its outputs. Departmental items would generally include computers, plant and equipment assets used by agencies in providing goods and services and most employee expenses, supplier costs and other administrative expenses incurred.
Depreciation	Apportionment of an asset's capital value as an expense over its estimated useful life to take account of normal usage, obsolescence, or the passage of time.
Equity or net assets	Residual interest in the assets of an entity after deduction of its liabilities.
Expenses	Total value of all of the resources consumed in producing goods and services or the loss of future economic benefits in the form of reductions in assets or increases in liabilities of an entity.
Forward estimates	A system of rolling three year financial estimates. After the budget is passed, the first year of the forward estimates becomes the base for the next year's budget bid, and another out-year is added to the forward estimates.

Glossary

Liabilities	Liabilities represent amounts owing on goods or services that have been received but not yet paid for. A liability shows the future commitment of the Agency's assets.
Measure	A new Government policy or savings decision with financial impacts.
Net annotated appropriation (Section 74 Receipts)	Section 74 receipts, also known as net annotated appropriations, are a form of appropriation which allows a department access to certain money it receives in payment of services. These monies are known as Section 74 Receipts, reflecting their authority under Section 74 of the PGPA Act.
Operating result	Equals revenue less expenses.
Outcomes	The government's objectives in each portfolio area. Outcomes are desired results, impacts or consequences for the Australian community as influenced by the actions of the Australian Government. Actual outcomes are assessments of the end-results or impacts actually achieved.
Performance measure	Measures the joint or independent contribution of outputs and administered items to the achievement of their specified outcome.
Portfolio	A Minister's area of responsibility as a member of Cabinet. A portfolio consists of one or more Departments of State (ie the portfolio departments) and a number of entities with similar general objectives and outcomes.
Program	Entities deliver programs, which are government actions taken to deliver the stated outcomes. Entities are required to identify the programs which contribute to government outcomes over the Budget and forward years.
Receipts	The total or gross amount received by the Australian Government. Each receipt item is either revenue, an offset within outlays, or a financing transaction. Receipts include taxes, interest, charges for goods and services, borrowings and Government Business Enterprise (GBE) dividends received.
Revenue	Total value of resources earned or received to cover the production of goods and services.
Special Appropriations (including Standing Appropriations)	An amount of money appropriated by a particular Act of Parliament for a specific purpose and number of years. For special appropriations the authority to withdraw funds from the Consolidated Revenue Fund does not generally cease at the end of the financial year. Standing appropriations are a sub-category consisting of ongoing special appropriations—the amount appropriated will depend on circumstances specified in the legislation.