

**Portfolio Budget Statements 2019–20  
Budget Related Paper No. 1.5**

Education and Training Portfolio

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

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ISSN 2204-8561 (Print)   
ISSN 2204-857X (Online)

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[addresses]
Senator the Hon Scott Ryan
President of the Senate
Parliament House
CANBERRA  ACT  2600

The Hon Tony Smith MP
Speaker
Parliament House
CANBERRA  ACT  2600

[Body of letter]
Dear Mr President and Mr Speaker

I hereby submit Portfolio Budget Statements in support of the 2019–20 Budget for the Education and Training portfolio.

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

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

Yours sincerely

[signatures]
DAN TEHAN 
MICHAELIA CASH

[end]


Abbreviations and conventions

The following notation may be used:

NEC/nec not elsewhere classified

- nil

.. not zero, but rounded to zero

n/a not applicable (unless otherwise specified)

nfp not for publication

$m $ million

$b $ billion

tbc to be confirmed

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

Enquiries

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

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

User Guide  
To The  
Portfolio Budget Statements

# User guide

The purpose of the 2019–20 Portfolio Budget Statements (PBS) is to inform Senators and Members of Parliament of the proposed allocation of resources to government outcomes by entities within the portfolio. Entities receive resources from the annual appropriations acts, special appropriations (including standing appropriations and special accounts), and revenue from other sources.

A key role of the PBS is to facilitate the understanding of proposed annual appropriations in Appropriation Bills (No. 1 and No. 2) 2019–20. In this sense, the PBS are Budget related papers and are declared by the Appropriation Acts to be ‘relevant documents’ to the interpretation of the Acts according to section 15AB of the *Acts Interpretation Act 1901*.

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

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

**The Enhanced Commonwealth Performance Framework**

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

**Enhanced Commonwealth Performance Framework**Key components of relevant publications

Portfolio Budget Statements (April)  
*Portfolio based*

Corporate Plan (August)  
*Entity 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**.

**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

# Education and Training portfolio overview

Ministers and portfolio responsibilities

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

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

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

The department and portfolio entities work with state and territory governments, other Australian Government entities and a range of service providers to provide quality policy advice and services for the benefit of all Australians.

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

Figure 1: Education and Training portfolio structure and outcomes

| **The Hon Dan Tehan MP**  Minister for Education |  | **Senator the Hon Michaelia Cash**  Minister for Small and Family Business, Skills and Vocational Education |
| --- | --- | --- |
| Spacer between fields |  |  |
| **Department of Education and Training**  Dr Michele Bruniges AM—Secretary  **Outcome 1:** Improved early learning, schooling, student educational outcomes and transitions to and from school through access to quality child care, support, parent engagement, quality teaching and learning environments.  **Outcome 2:** Promote growth in economic productivity and social wellbeing through access to quality higher education, international education, and international quality research, skills and training. | | |
| Spacer between fields |  |  |
| **Australian Curriculum, Assessment and Reporting Authority**  David de Carvalho—Chief Executive Officer  **Outcome:** Improved quality and consistency of school education in Australia through a national curriculum, national assessment, data collection, and performance reporting system. |  | **Australian Institute for Teaching and School Leadership**  Edmund Misson—Acting Chief Executive Officer  **Outcome:** Enhance the quality of teaching and school leadership through developing standards, recognising teaching excellence, providing professional development opportunities, and supporting the teaching profession. |
| Spacer between fields |  |  |
| **Australian Research Council**  Professor Sue Thomas—Chief Executive Officer  **Outcome:** Growth of knowledge and innovation through managing research funding schemes, measuring research excellence and providing advice. |  | **Australian Skills Quality Authority**  Mark Paterson AO—Chief Commissioner and Chief Executive Officer  **Outcome:** Contribute to a high quality vocational education and training sector, including through streamlined and nationally consistent regulation of training providers and courses, and the communication of advice to the sector on improvements to the quality of vocational education and training. |
| Spacer between fields |  |  |
| **Tertiary Education Quality and Standards Agency**  Anthony McClaran—Chief Executive Officer  **Outcome:** Contribute to a high quality higher education sector through streamlined and nationally consistent higher education regulatory arrangements; registration of higher education providers; accreditation of higher education courses; and investigation, quality assurance and dissemination of higher education standards and performance. |  | **Australian National University**  Professor Brian P. Schmidt AC—Vice-Chancellor, President and Chief Executive Officer |

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# Department of Education and Training

## Section 1: Entity overview and resources

### 1.1 Strategic direction statement

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

The department’s priorities in 2019–20 include progressing the implementation of major reforms previously announced, as well as new 2019–20 Budget measures.

The major elements of the Government’s child care reforms commenced on 2 July 2018 with the new Child Care Subsidy, which is providing an estimated $8.3 billion in 2019‑20 and an estimated $35.7 billion over four years from 2019–20 to support approximately one million families to balance their work, training and caring responsibilities.

The Government is committing a further $453.1 million to extend the National Partnership on Universal Access to Early Childhood Education until the end of 2020, and to undertake the related National Early Childhood Education and Care Collection. This will benefit approximately 350,000 children and builds on the previous decision to provide Commonwealth support for preschool until the end of 2019. A further $1.4 million over two years from 2019–20 will be invested to fund work by The Smith Family to work with state and territory governments and disadvantaged communities to develop strategies to further improve preschool participation.

The Government’s Quality Schools reforms provide consistent, transparent and needs‑based school funding arrangements. The department continues to work collaboratively with states and territories to deliver the Quality Schools Package, with a focus on targeting support in education where it is needed most, and through reforms that help ensure schools funding is invested in programs that have the biggest impact on improving educational outcomes for students.

Additional priorities to support quality schooling in 2019–20 include:

* $30.2 million in 2019–20 for the Local School Community Fund to assist students through the provision of equipment, upgrades or programs at the local school level.
* $9.5 million over four years from 2019–20 for Online Teaching and Learning Courses, to strengthen the capacity of teachers across Australia to teach mathematics and phonics through freely available, nationally coordinated, high quality professional learning and resources.
* A further $5.0 million over three years from 2019–20 for Life Education Australia to develop a new range of free training resources to help teachers better support the social and emotional needs of school students.
* $3.3 million over four years from 2019–20 to improve access to school-based arts education programs, particularly schools in regional, remote or low socio‑economic areas, with funding to support: Music Australia’s *Music Count Us In*, the Song Room’s *Transformational Learning through Creativity*, and Bell Shakespeare’s *National Education Program*.
* $4.0 million in 2018–19 to provide support for North Queensland flood-affected schools, to help schools address unforeseen challenges and remain financially viable as they provide support to students, their families and teachers.
* $2.0 million over two years from 2019–20 for the Australian Constitution Centre to support the establishment of a wide reaching educational outreach program, which will enable more Australian school students to obtain a greater understanding of Australia’s constitutional framework.
* $2.8 million over three years from 2019–20 to support student education on respectful relationships, with a focus on addressing domestic, family and sexual violence, with funding to support the development and delivery of educational resources through the Respect Matters program.

The Government is committed to a sustainable and accessible higher education system that delivers the best outcomes for students and the community. The department is progressing implementation of the measures announced in the 2018–19 Mid‑Year Economic and Fiscal Outlook.

Additional priorities to support students and the sector in 2019–20 include:

* $93.7 million over four years from 2019–20 to establish a new scholarship program to increase the number of domestic and international students studying in regional locations. This will provide students with opportunities to live and study in a regional community, and help share economic and other benefits of Australia’s tertiary education sector to more regional communities.
* As part of the Government’s commitment to Closing the Gap, the Government will remit Higher Education Loan Program (HELP) debts for teachers in very remote areas of Australia. This recognises the geographic, social, cultural and economic challenges that are unique to delivering education in such locations, as well as the much higher level of relative need.
* An increase to the combined HELP loan limit to $150,000 for eligible students undertaking aviation courses at a VET Student Loans approved provider from 1 January 2020. The increase will improve accessibility to courses to better support students and the commercial aviation sector.
* $5.0 million over two years from 2018–19 to the University of Melbourne to commence construction of the Stawell Underground Physics Laboratory. As the only such facility in the Southern Hemisphere, the Stawell laboratory will be part of a global research effort.

The Australian Government commissioned the *Expert Review of Australia’s Vocational Education and Training (VET) System* in late 2018. In response to the Review, conducted by the former New Zealand Minister for Skills and Employment, the Hon. Steven Joyce, the Government is providing a comprehensive package of VET initiatives, totalling $525.3 million over five years from 2018–19.

The Australian Government’s *Skills Package – delivering skills for today and tomorrow* seeks to reposition the sector to deliver the skills needed for Australia’s future prosperity and address issues faced by today’s workforce, including low literacy and numeracy, and a lack of digital skills, while tackling priority areas of skills shortage. The Government’s response to the review includes targeted initiatives to respond to immediate priorities and position the VET system for the future:

* $36.3 million over four years from 2019–20 to establish a new *National Careers Institute* and appoint a *National Careers Ambassador* to work with industry, governments, schools and tertiary providers to ensure every working age Australian has access to high-quality, evidence-based career advice to support and inform their study and career choices.
* $6.1 million over four years from 2019–20 to continue the *VET Information Strategy* to raise the profile of VET and promote career opportunities available through VET pathways, including addressing skill shortages.
* Establishment of a new language, literacy, numeracy and digital literacy (LLND) program, including:
* $52.5 million over four years from 2019–20 to upskill at-risk workers by supporting more than 11,000 workers with low-level language, literacy, numeracy and digital skills.
* $9.9 million over three years from 2019–20 to establish a new Indigenous delivery pilot of an LLND program to provide project-based delivery of LLND skills to individuals in remote Indigenous communities in four pilot areas.
* $48.3 million over four years from 2019–20 for the establishment of a *National Skills Commission* that will develop efficient pricing for training, informed by the work of the Productivity Commission. The Skills Commission will also oversee Skills Organisations to ensure industry is leading the development of VET qualifications and training products.
* $41.7 million over four years from 2019–20 for a national pilot of two *Skills Organisations* in the areas of digital technologies and the human services workforce. The organisations will trial new, industry-led methods of qualification development and assessment, and develop standards for industry to accredit Registered Training Organisations.
* $67.5 million over five years from 2018–19 to establish ten *Industry Training Hubs* supporting school‑based vocational education in regions with high youth unemployment, with an aim of creating better linkages between schools and local industry, and other skills development measures.
* $44.0 million over four years from 2019–20 for a new *Streamlined Incentives Program* to make it simpler and easier for employers to take on an apprentice or trainee. The Program will be responsive to industry and national skills needs with a streamlined payment structure and eligibility criteria, underpinned by a forward-looking National Skills Priority List.
* $156.3 million over four years from 2019–20 (and $108.0 million from 2023–24) for a new *Additional Identified Skills Shortage Payment* for employers and apprentices in the top 10 occupations where there is a demonstrated need for increased apprenticeship commencements and where the primary entry pathway into the occupation is through an apprenticeship. This specifically targets new workers to grow the number of apprentices in training to meet future workforce needs and the new payment is expected to support up to 80,000 new commencements over five years of operation.
* $8.2 million through an expanded *Commonwealth Scholarships Program for Young Australians* to provide up to 400 scholarships across more trial areas and to support people in selected regions experiencing high youth unemployment to participate in vocational education and training with strong pathways to jobs in areas of skills needs.
* $15.8 million over four years from 2019–20 to extend the Unique Student Identifier (USI) service – currently available only to VET students – to all higher education students. This will be supplemented by $2.2 million in 2019–20 to develop the first stage of a tertiary learning repository in 2020 to record an individual’s higher education and training records.
* $1.8 million over two years from 2019–20 to continue *the Jobs and Education Data Infrastructure Project*. The third phase of this project will develop a prototype tool to assist education providers respond to the skills needs of employers and industry.
* $350,000 in 2019–20 to support the National Rugby League’s (NRL) VET Apprenticeship Awareness Program. The funding will help the NRL provide ongoing player and community education.

The Government is also providing $34.2 million of additional funding in 2019–20 to the six signatory states and territories of the *Skilling Australians Fund* (SAF) National Partnership Agreement in response to an expected drop in SAF levy revenue.

For further information on the resourcing impact of the Budget and other measures, refer to Table 1.2: Department of Education and Training 2019–20 Budget measures on page 17.

### 1.2 Entity resource statement

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

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

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

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

Table 1.1: Department of Education and Training resource statement — Budget estimates for 2019–20 as at Budget April 2019

Data underpinning the financial tables is available from Data.gov.au.

Table 1.1: Department of Education and Training resource statement — Budget estimates for 2019–20 as at Budget April 2019 (continued)

Data underpinning the financial tables is available from Data.gov.au.

Third party payments from and on behalf of other entities

Data underpinning the financial tables is available from Data.gov.au.

(a) Annual appropriation amounts appearing for 2018–19 exclude amounts in Appropriation Bills (No. 3) and (No. 4), which are yet to receive Royal Assent.

(b) Appropriation Bill (No. 1) 2019–20.

(c) Excludes Departmental Capital Budget.

(d) Estimated External Revenue receipts under section 74 of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act).

(e) Departmental Capital Budgets are not separately identified in Appropriation Bill (No. 1) and form part of ordinary annual services items. Please refer to Table 3.5 for further details. For accounting purposes, this amount has been designated as a 'contribution by owner'.

(f) Excludes $40.447 million subject to administrative quarantine by Finance or withheld under section 51 of the PGPA Act.

(g) Appropriation Bill (No. 2) 2019–20.

(h) Excludes trust moneys held in Services for Other Entities and Trust Moneys (SOETM) and other special accounts. For further information on special accounts, please refer to Budget Paper No. 4 - Agency Resourcing. Please also see Table 2.1 for further information on outcome and program expenses broken down by various funding sources, e.g. annual appropriations, special appropriations and special accounts.

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

(j) For the 2019–20 Portfolio Budget Statements, the Government continues to grow its investment in Australian Schools. This includes $66.043 million for payments to states and territories in Appropriation Bill (No. 2), 2019–20 under Outcome 1, for Program 1.3 - Additional Support for Northern Territory Schools ($8.575 million), for Program 1.4 - Adjustment Assistance ($12.458 million); Non-Government Representative Bodies ($40.013 million); and Special Circumstances funding ($2.997 million), and for Program 1.5 - Literacy Support for Tasmanian Students ($2.000 million). Funding for the Additional Support for Northern Territory Schools is for Northern Territory only. The distribution of the funding under the Non-Government Representative Bodies program is based on advice from the Independent Schools Council of Australia and the National Catholic Education Commission. The distribution of the Adjustment Assistance program will be determined following consideration of applications from eligible schools for national adjustment assistance funding and based on advice from the ACT Catholic system and ACT Association of Independent Schools for assistance to the ACT non-government sector. Funding under the Special Circumstances funding program is for short term emergency assistance and is determined following consideration of applications from schools as events occur. Funding under the Literacy Support for Tasmanian Students is for Tasmania only. Terms and conditions are made under the authority from the *Australian Education Act 2013* and the Australian Education Regulation.

(k) Paid as a grant from Outcome 1 annual appropriations.

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

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

### 1.3 Budget measures

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

Table 1.2: Department of Education and Training 2019–20 Budget measures

Part 1: Measures announced since the 2018–19 Mid-Year Economic and Fiscal Outlook (MYEFO)

Data underpinning the financial tables is available from Data.gov.au.

Table 1.2: Department of Education and Training 2019–20 Budget measures (continued)

Data underpinning the financial tables is available from Data.gov.au.

Table 1.2: Department of Education and Training 2019–20 Budget measures (continued)

Data underpinning the financial tables is available from Data.gov.au.

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

(a) This measure has financial impacts for the Australian Tax Office. Refer to the Treasury 2019–20 Portfolio Budget Statements.

(b) The Department of the Treasury will administer payments to states and territories for this measure. Refer to the Treasury 2019–20 Portfolio Budget Statements.

(c) This measure has financial impacts for the Department of Jobs and Small Business. Refer to the Jobs and Small Business 2019–20 Portfolio Budget Statements.

(d) The Government decided not to proceed with this measure as included in the Education and Training 2018–19 Portfolio Additional Estimates Statement.

(e) The 2019–20 Budget Paper No. 2 includes the measure Trades Recognition Australia – full cost recovery. This measure was published in the Education and Training 2018–19 Portfolio Additional Estimates Statements.

## Section 2: Outcomes and planned performance

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

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

**Note:**

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

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

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

Figure 2: Department of Education and Training Outcome 1 changes to program numbering

The numbering of the programs of Outcome 1 has changed since the publication of the Portfolio Additional Estimates Statements 2018–19. The change reflects that the previously published ‘ Program 1.2: Child Care Benefit’ and ‘ Program 1.3: Child Care Rebate’ have ceased and do not appear in these Portfolio Budget Statements. There is no change to the program structure for Outcome 2.

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| Outcome 1 programs at Budget 2018–19 |  |  |  |  |  |  | Outcome 1 programs at Budget 2019–20 |
|  |  |  |  |  |  |  |  |
| Program 1.1: Support for the Child Care System |  |  |  |  |  |  | Program 1.1: Support for the Child Care System |
|  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |
| Program 1.2: Child Care Benefit |  |  |  |  |  |  | Program 1.2: Child Care Subsidy |
|  |  |  |  |  |  |
|  |  |  |  |  |  |  |
| Program 1.3: Child Care Rebate |  |  |  |  |  | Program 1.3: Government Schools National Support |
|  |  |  |  |  |
|  |  |  |  |  |  |
| Program 1.4: Child Care Subsidy |  |  |  |  | Program 1.4: Non-Government Schools National Support |
|  |  |  |  |  |
|  |  |  |  |  |  |
| Program 1.5: Government Schools National Support |  |  |  |  | Program 1.5: Early Learning and Schools Support |
|  |  |  |  |  |
|  |  |  |  |  |  |
| Program 1.6: Non-Government Schools National Support |  |  |  |  |  |
|  |  |  |  |  |  |
|  |  |  |  |  |  |  |
| Program 1.7: Early Learning and Schools Support |  |  |  |  |  |  |
|  |  |  |  |  |  |  |

### 2.1 Budgeted expenses and performance for Outcome 1

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

#### Programs contributing to Outcome 1

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

#### Linked programs

|  |
| --- |
| Department of Human Services |
| Programs  Program 1.1 - Services to the Community - Social Security and Welfare |
| Contribution to Outcome 1 made by linked programs  The linked program contributes to Outcome 1 by administering child care payments to eligible families. |
| Department of the Prime Minister and Cabinet |
| Programs  Program 2.1 - Jobs, Land and Economy  Program 2.2 - Children and Schooling |
| Contribution to Outcome 1 made by linked programs  The linked programs contribute to Outcome 1 by supporting school attendance, improved educational outcomes and access to further education, training and employment for Indigenous students. |
| Department of the Treasury |
| Programs  Program 1.9 - National Partnership Payments to the States |
| Contribution to Outcome 1 made by linked programs  The linked program contributes to Outcome 1 by making National Partnership Payments to the States. |

#### Budgeted expenses for Outcome 1

This table shows how much the department 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

Data underpinning the financial tables is available from Data.gov.au.

Table 2.1.1: Budgeted expenses for Outcome 1

Data underpinning the financial tables is available from Data.gov.au.

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

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

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

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

#### Performance criteria for Outcome 1

This section details the performance criteria for each program associated with Outcome 1. It also summarises how each program is delivered and where 2019–20 Budget measures have created new programs or materially changed existing programs.

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

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

|  |  |
| --- | --- |
| Objective | The program helps families to participate in the social and economic life of the community by promoting and supporting quality and affordable child care, and assisting services to improve access and inclusion for vulnerable or disadvantaged children and families, including children with disabilities and their families. |
| Delivery | Support for the Child Care System incorporates a number of activities and payment types that are tailored to different types of child care in different circumstances to meet the above objective. Since 2 July 2018, funding is being provided directly to child care services on behalf of eligible recipients.  In 2019–20, the department will continue bedding down the Child Care Safety Net, which involves:  grant funding under the Community Child Care Fund, Connected Beginnings and Inclusion Support Programme, and  payment of the Additional Child Care Subsidy, a top up payment to eligible recipients of Child Care Subsidy (CCS). |
| Purpose | Department of Education and Training Corporate Plan 2018–19:  Maximising opportunity and prosperity through national leadership on education and training. |

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

| Year | Performance criteria | Expected achievement |
| --- | --- | --- |
| 2018–19 | Child care support is targeted to vulnerable and disadvantaged families and communities. | 100% of the Child Care Safety Net supports vulnerable and disadvantaged families and communities.  **On Track** |

| **Year** | **Performance criteria** | Target |
| --- | --- | --- |
| 2019–20 | Child care support is targeted to vulnerable and disadvantaged families and communities. | 100% of the Child Care Safety Net supports vulnerable and disadvantaged families and communities. |
| 2020–21 and beyond | As per 2019–20. | As per 2019–20. |

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

Data underpinning the financial tables is available from Data.gov.au.

##### Program 1.2: Child Care Subsidy

|  |  |
| --- | --- |
| Objective | The Child Care Subsidy(CCS) aims to improve access to quality child care by providing assistance to meet the cost of child care for families engaged in work, training, study or other recognised activity. |
| Delivery | CCS replaced the Child Care Benefit and Child Care Rebate from 2 July 2018. CCS is paid directly to services through the Department of Human Services, to reduce the fees that eligible families pay.  The rate of subsidy to which a family will be entitled will be based on family income. The number of subsidised hours per fortnight will be determined by families’ level of work, training, study or other recognised activity (which can be combined). For families earning $186,958 or less an annual subsidy cap will no longer apply. |
| Purpose | Department of Education and Training Corporate Plan 2018–19:  Maximising opportunity and prosperity through national leadership on education and training. |

###### Performance information 1.2 Child Care Subsidy

| Year | Performance criteria | Expected achievement |
| --- | --- | --- |
| 2018–19 | Existing families transition to the new child care arrangements. | At least 90% of families transition to the new Child Care Subsidy.[[2]](#footnote-2)  **Achieved** |
|  | Ensuring accurate child care payments. | At least 90% of child care payments to all services are accurate.[[3]](#footnote-3)  **On Track** |

| Year | Performance criteria | Target |
| --- | --- | --- |
| 2019–20 | Ensuring accurate child care payments. | At least 90% of child care payments to all services are accurate. 2 |
| 2020–21 and beyond | As per 2019–20 | As per 2019–20 |

###### Program expenses 1.2 Child Care Subsidy

Data underpinning the financial tables is available from Data.gov.au.

(a) This program commenced 2 July 2018 and replaced the Child Care Benefit and Child Care Rebate programs.

##### Program 1.3: Government Schools National Support

|  |  |
| --- | --- |
| Objective | The program provides supplementary financial assistance to state and territory governments to facilitate the delivery of a quality education within government schools. |
| Delivery | The Government’s Quality Schools reforms will provide consistent, transparent and needs-based school funding arrangements. Under the new arrangements, states and territories are party to the National School Reform Agreement to lift performance outcomes for Australian students.  Recurrent grants – government schools  Recurrent funding for all schools, both government and non-government, is delivered under the needs-based funding arrangements in the *Australian Education Act 2013* informed by the Schooling Resource Standard (SRS). The SRS includes a base amount for every primary and secondary school student plus additional loadings to target disadvantage, including loadings for:  students with low socioeconomic status  students with disability  Aboriginal and Torres Strait Islander students  students with low English proficiency  school size  location. |
| Purpose | Department of Education and Training Corporate Plan 2018–19:  Maximising opportunity and prosperity through national leadership on education and training. |

###### Performance information 1.3 Government Schools National Support

| Year | Performance criteria | Expected achievement |
| --- | --- | --- |
| 2018–19 | Lifting outcomes in Australian schools – student attainment. | Lift the Year 12 (or equivalent) or Certificate III attainment rate to 90% by 2020 (*measured as trend towards target*).[[4]](#footnote-4)  **On Track** |
|  | Closing the Gap for Aboriginal and Torres Strait Islander students in schools. | Halve the gap for Indigenous children in reading, writing and numeracy within a decade (2018).3  **Not achieved**  Reduce the gap in school attendance for Indigenous students (2018).[[5]](#footnote-5)  **Not achieved**  Halve the gap in attainment rates in Year 12 or equivalent, for Indigenous people aged 20–24 by 2020 (*measured as trend towards target*).4  **On Track** |

| **Year** | **Performance criteria** | **Target** |
| --- | --- | --- |
| 2019–20 | Lifting outcomes in Australian schools – student attainment. | Lift the Year 12 (or equivalent) or Certificate III attainment rate to 90% by 2020 (*measured as trend towards target*). [[6]](#footnote-6) |
|  | Closing the Gap for Aboriginal and Torres Strait Islander students in schools. | Reduce the gap for Indigenous students in Year 12 or equivalent attainment rate by 2020.[[7]](#footnote-7) [[8]](#footnote-8) |
| 2020–21 and beyond | As per 2019–20. | As per 2019–20. |

###### Program expenses 1.3 Government Schools National Support

Data underpinning the financial tables is available from Data.gov.au.

##### Program 1.4: Non-Government Schools National Support

|  |  |
| --- | --- |
| Objective | The program provides financial assistance to approved authorities for non-government schools to facilitate the delivery of a quality education within non-government schools. |
| Delivery | The Government’s Quality Schools reforms will provide consistent, transparent and needs-based school funding arrangements. Under the new arrangements, states and territories are party to the National School Reform Agreement to help lift performance outcomes for Australian students.  Recurrent grants – non-government schools  Recurrent funding for all schools, both government and non-government, is delivered under the needs-based funding arrangements in the *Australian Education Act 2013* informed by the Schooling Resource Standard (SRS). The SRS includes a base amount for every primary and secondary school student plus additional loadings to target disadvantage, including loadings for:  students with low socioeconomic status  students with disability  Aboriginal and Torres Strait Islander students  students with low English proficiency  school size  location.  The Government is introducing a new method for calculating the capacity of a school community to contribute toward the school’s operating costs. The new method will be based on a direct measure of the income of the parents and/or guardians of students at a school. This replaces the current method which uses the average income in the area the student lives. This new method will be more accurate and ensure the Australian Government funding is directed to schools with the most need.  Transition support  The Government will provide approximately $170.8 million in additional funding for 2019 for non‑government schools. This support builds on similar provisions in 2018, allowing schools to plan with confidence for the 2019 school year while work is underway to test and refine the direct income measure and settle the new funding arrangements.  To complement the funding arrangements, the Government will create the new Choice and Affordability Fund to commence in 2020. This fund will provide the non‑government sector with a flexible means of driving other government priorities, including supporting parental choice and affordability, supporting schools during the transition and strengthening educational outcomes in schools.  Non-government reform support  Funding is provided to state and territory Catholic Education Commissions and Associations of Independent Schools as approved non-government representative bodies. The funding is provided to assist with implementation of national reforms in non‑government schools.  Capital Grants Program  Capital funding is provided to assist non-government school communities to improve school capital infrastructure, particularly for the most educationally-disadvantaged students. Capital grants are supplementary to funding provided by school communities and non‑government school authorities. Educational authorities have primary responsibility for providing, maintaining and upgrading their school facilities.  Special Circumstances Funding  Special circumstances funding is provided under the Australian Education Act 2013 to provide financial assistance to schools that are experiencing unexpected circumstances causing severe temporary financial difficulty. |
| Purpose | Department of Education and Training Corporate Plan 2018–19:  Maximising opportunity and prosperity through national leadership on education and training. |
| Measures impacting program 1.4:  North Queensland Flood Recovery Package | |

###### Performance information 1.4 Non-Government Schools National Support

| Year | Performance criteria | Expected achievement |
| --- | --- | --- |
| 2018–19 | As per Program 1.3. | As per Program 1.3. |

| **Year** | **Performance criteria** | **Target** |
| --- | --- | --- |
| 2019–20 | As per Program 1.3. | As per Program 1.3. |
| 2020–21 and beyond | As per Program 1.3. | As per Program 1.3. |

###### Program Expenses 1.4 Non-Government Schools National Support

Data underpinning the financial tables is available from Data.gov.au.

##### Program 1.5: Early Learning and Schools Support

|  |  |
| --- | --- |
| Objective | This program supports initiatives that contribute to improved access to high quality teaching and learning in early learning and school education for all Australian students. |
| Delivery | This program supports national leadership and work in partnerships with state and territory governments and non-government education authorities, the Australian Curriculum, Assessment and Reporting Authority (ACARA), the Australian Institute for Teaching and School Leadership (AITSL) and Education Services Australia (ESA) through various platforms, such as Education Council, to implement priority initiatives.  Priority initiatives include:  supporting early learning preschool programs to facilitate children’s transition to full‑time school  measuring educational outcomes through national assessments and international benchmarking and building the national evidence base to inform decision making  supporting students to successfully transition to further education, training or work by ensuring they gain the skills required for the jobs of the future through the development of a National Career Education Strategy  implementing science, technology, engineering and mathematics (STEM) initiatives, including the Pathways in Technology (P-TECH) pilot  supporting disadvantaged students through the Learning for Life program  supporting quality teachers and school leaders  supporting the implementation of National Policy Initiatives under the National School Reform Agreement. |
| Purpose | Department of Education and Training Corporate Plan 2018–19:  Maximising opportunity and prosperity through national leadership on education and training. |
| Measures impacting program 1.5:  Fourth Action Plan (2019–22) to reduce violence against women and their children  Local School Community Fund  National Partnership Agreement on Universal Access to Early Childhood Education — further extension  School Funding — initiatives to support students and teachers | |

###### Performance information 1.5 Early Learning and Schools Support

| Year | Performance criteria | Expected achievement |
| --- | --- | --- |
| 2018–19 | Preschool  Universal access to quality early childhood education. | Preschool  95% of Indigenous children enrolled in early childhood education in the year before full-time school are enrolled for 600 hours per year.[[9]](#footnote-9)  **On Track**  95% of vulnerable and disadvantaged children enrolled in the year before full‑time school are enrolled for 600 hours per year.8  **Not on track** - The 2018 performance result is currently sitting at approximately 94 per cent. |
| 2018–19 | School  As per Program 1.3. | School  As per Program 1.3. |

| **Year** | **Performance criteria** | **Target** |
| --- | --- | --- |
| 2019–20 | Preschool  Universal access to quality early childhood education. | Preschool  95% of Indigenous children enrolled in early childhood education in the year before full-time school are enrolled for 600 hours per year.[[10]](#footnote-10)  95% of vulnerable and disadvantaged children enrolled in the year before full‑time school are enrolled for 600 hours per year.9 |
|  | School  As per Program 1.3. | School  As per Program 1.3. |
| 2020–21 and beyond | As per 2019–20. | As per 2019–20. |

###### Program expenses 1.5 Early Learning and Schools Support

Data underpinning the financial tables is available from Data.gov.au.

### 2.2 Budgeted expenses and performance for Outcome 2

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

#### Programs contributing to Outcome 2

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

#### Linked programs

|  |
| --- |
| Australian Trade and Investment Commission (Austrade) |
| Programs  Program 1.1 - Promotion of Australia's export and other international economic interests |
| Contribution to Outcome 2 made by linked programs  The linked program contributes to Outcome 2 by promoting the Australian education and training sector in international markets. |
| Department of Foreign Affairs and Trade |
| Programs  Program 1.4 - New Colombo Plan - Transforming Regional Relationships  Program 1.7 - Public Information Services and Public Diplomacy |
| Contribution to Outcome 2 made by linked programs  The linked programs contribute to Outcome 2 by promoting international education through advocacy and coordination roles at overseas missions. |
| Department of Home Affairs |
| Programs  Program 2.3 - Visas |
| Contribution to Outcome 2 made by linked programs  The linked program contributes to Outcome 2 by supporting a sustainable international education sector through administering student visas. |
| Department of Human Services |
| Programs  Program 1.1 - Services to the Community - Social Security and Welfare |
| Contribution to Outcome 2 made by linked programs  The linked program contributes to Outcome 2 by making payments to eligible job seekers and recent migrants participating in foundation skills programs. |
| Department of Social Services |
| Programs  Program 1.11 - Student Payments |
| Contribution to Outcome 2 made by linked programs  The linked program contributes to Outcome 2 by providing financial support to individuals and families to undertake further education and training. This also includes enhancing educational outcomes for Australian Indigenous students by increasing their access and participation in further education. |
| Department of the Prime Minister and Cabinet |
| Programs  Program 2.1 - Jobs, Land and Economy  Program 2.2 - Children and Schooling |
| Contribution to Outcome 2 made by linked programs  The linked programs contributes to Outcome 2 by supporting school attendance, improved educational outcomes and access to further education, training and employment for Indigenous students. |
| Department of the Treasury |
| Programs  Program 1.9 - National Partnership Payments to the States |
| Contribution to Outcome 2 made by linked programs  The linked program contributes to Outcome 2 by making National Partnership Payments to the States. |

#### Budgeted expenses for Outcome 2

This table shows how much the department 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

Data underpinning the financial tables is available from Data.gov.au.

Table 2.2.1: Budgeted expenses for Outcome 2 (continued)

Data underpinning the financial tables is available from Data.gov.au.

Table 2.2.1: Budgeted expenses for Outcome 2 (continued)

Data underpinning the financial tables is available from Data.gov.au.

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

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

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

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

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

#### Performance criteria for Outcome 2

This section details the performance criteria for each program associated with Outcome 2. It also summarises how each program is delivered and where 2019–20 Budget measures have created new programs or materially changed existing programs.

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

##### Program 2.1: Commonwealth Grant Scheme

|  |  |
| --- | --- |
| Objective | A highly skilled workforce and educated community is important for economic productivity and social wellbeing. The Commonwealth Grant Scheme (CGS) contributes to achieving this objective through:  making a direct contribution to the cost of educating Commonwealth supported students enrolled in undergraduate and postgraduate degrees  increasing the number of regional students participating in higher education by providing additional funding to regional universities to meet the higher costs associated with delivery of higher education in regional locations  supporting educationally disadvantaged students to prepare for and successfully complete higher education through funding for enabling courses  meeting medical workforce training needs through the provision of targeted support for initial-entry medical programs. |
| Delivery | The CGS subsidises the tuition costs for higher education students enrolled in undergraduate and selected postgraduate degrees at public universities. CGS funding also supports a limited number of student places in designated national priority areas at other higher education providers.  The Government provides funding to universities, in instalments, for domestic students enrolled in a bachelor degree at a public university. This funding reduces the direct cost to students in Commonwealth supported places.  Limited funding is also provided for students enrolled in a sub-degree and postgraduate degree programs based on an agreed amount in Funding Agreements with public universities. |
| Purpose | Department of Education and Training Corporate Plan 2018–19:  Maximising opportunity and prosperity through national leadership on education and training. |

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

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

| Year | Performance criteria | Target |
| --- | --- | --- |
| 2019–20 | Creating a highly skilled workforce and educated community. | The proportion of the 20–34 year old population with a tertiary qualification is stable or increases from previous year.  The rate of attrition for domestic bachelor students is less than 15%.  At least 85% of undergraduates are employed within four months of completing a degree. |
| 2020–21 and beyond | As per 2019–20. | As per 2019–20. |

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

Data underpinning the financial tables is available from Data.gov.au.

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

|  |  |
| --- | --- |
| Objective | The program provides supplementary funding to assist eligible universities to meet certain superannuation expenses for eligible current and former university employees who are members of identified state government emerging cost superannuation schemes.  Cost-share arrangements are in place with relevant state governments and a proportion of Higher Education Superannuation Program (HESP) funding is recovered from these states as a result of their historical responsibilities for funding higher education.  These schemes have been closed to new members for some time but are still active for existing members. |
| Delivery | The program is demand driven. Funding is paid to eligible universities in instalments based on verified annual claims for payment. University claims are based on the emerging costs charged by the identified state government emerging cost superannuation funds for payments to eligible retirees. Funding is administered in accordance with the Higher Education Support Act 2003 Other Grants Guidelines (Education) 2012. |
| Purpose | Department of Education and Training Corporate Plan 2018–19:  Maximising opportunity and prosperity through national leadership on education and training. |

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

| Year | Performance criteria | Expected achievement |
| --- | --- | --- |
| 2018–19 | Eligible current and former university employees receive support for certain superannuation expenses. | All 27 eligible universities are able to meet specified superannuation expenses.[[11]](#footnote-11)  **On Track** |

| Year | Performance criteria | Target |
| --- | --- | --- |
| 2019–20 | Eligible current and former university employees receive support for certain superannuation expenses. | All 27 eligible universities are able to meet specified superannuation expenses.11 |
| 2020–21 and beyond | As per 2019–20. | As per 2019–20. |

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

Data underpinning the financial tables is available from Data.gov.au.

##### Program 2.3: Higher Education Support

|  |  |
| --- | --- |
| Objective | The program aims to ensure the quality of our higher education system is maintained and improved, including improving the quality of training for teachers of mathematics and science. The program also aims to improve access to, and the education outcomes for, students from disadvantaged backgrounds. |
| Delivery | Quality in learning and teaching  The program includes a range of activities that focus on quality, promote the enhancement of learning and teaching, and provide better information for student choice, including:  administering the Quality Indicators for Learning and Teaching (QILT), which is delivered through the QILT website and captures and publishes data on the student life-cycle from commencement to employment  supporting the ongoing operations of quality National Institutes  supporting the quality and teaching of mathematics and science through grants  improving the quality of PhD student research training, and supporting more women into STEM careers, through research based industry internships.  Access and participation in higher education  The program includes a range of activities to improve access to and participation in higher education, including:  improving access to, and participation and success in higher education for, students from low socioeconomic status backgrounds through the Higher Education Participation and Partnerships Program  removing barriers to access and participation by students with disability by providing specialised equipment (Higher Education Disability Support Program) and providing a national network of regionally based officers to assist in the transition from school to tertiary education and employment (National Disability Coordination Officer Program)  supporting regional and remote access to higher education, by establishing Regional Study Hubs and offering Rural and Regional Enterprise Scholarships in STEM studies. |
| Purpose | Department of Education and Training Corporate Plan 2018–19:  Maximising opportunity and prosperity through national leadership on education and training. |

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

| Year | Performance criteria | Expected achievement |
| --- | --- | --- |
| 2018–19 | Improving participation in higher education for students from previously disadvantaged groups. | At least 18% of domestic undergraduates are from a low socioeconomic background (based on postcode).[[12]](#footnote-12)  **On Track**  At least 16% of domestic undergraduates are from a low socioeconomic background (based on Statistical Area level 1).[[13]](#footnote-13)  **On Track**  At least 2% of higher education students are Indigenous.[[14]](#footnote-14)  **Not on track** |
| 2018–19 | Maintaining the quality of higher education | At least 80% of undergraduate students rate the teaching quality at their institution positively  **On Track**  At least 85% of employers are satisfied with the skills of graduates (overall across all skills).  **On Track** |

| Year | Performance criteria | Target |
| --- | --- | --- |
| 2019–20 | Improving participation in higher education for students from previously disadvantaged groups. | At least 18% of domestic undergraduates are from a low socioeconomic background (based on postcode).12  At least 16% of domestic undergraduates are from a low socioeconomic background (based on Statistical Area level 1).**13**  At least 2% of higher education students are Indigenous.14 |
|  | Maintaining the quality of higher education | At least 80% of undergraduate students rate the teaching quality at their institution positively  At least 85% of employers are satisfied with the skills of graduates (overall across all skills). |
| 2020–21 and beyond | As per 2019–20. | As per 2019–20. |

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

Data underpinning the financial tables is available from Data.gov.au.

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

|  |  |
| --- | --- |
| Objective | The program aims to remove the up-front cost barriers to tertiary education and training in order to increase access and participation. This is achieved through the provision of income contingent loans for students undertaking higher education courses and in certain higher level vocational education and training (VET) courses. |
| Delivery | The program is delivered through the following activities:  HECS-HELP—provides loans to eligible Commonwealth supported higher education students to pay their student contributions  FEE-HELP—provides loans to eligible fee-paying higher education students to pay all or part of their tuition fees  OS-HELP—provides loans to eligible Commonwealth supported higher education students who wish to undertake some of their Australian course of study overseas  SA-HELP—provides loans to eligible higher education students to pay Student Services and Amenities Fees charged by their higher education providers  VET Student Loans—provides loans to eligible students to pay for all or part of tuition fees for eligible higher level VET courses, subject to loan caps for each eligible course and fee limits for approved providers.  Student HELP loan amounts are paid by the Government directly, in instalments, to approved providers on a demand-driven basis for all domestic students who have accessed a HELP loan.  Repayment of debt commences once an individual’s HELP repayment income reaches a prescribed level. Repayments are made to the Australian Taxation Office through the taxation system. |
| Purpose | Department of Education and Training Corporate Plan 2018–19:  Maximising opportunity and prosperity through national leadership on education and training. |
| Measures impacting program 2.4:  Closing the Gap refresh — Indigenous Youth Education Package  Higher Education Loan Program — partial cost recovery delay  VET Student Loans — increase in loan limit for aviation courses | |

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

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

| **Year** | **Performance criteria** | **Target** |
| --- | --- | --- |
| 2019–20 | Tertiary education is affordable for students and the community. | HELP  The proportion of debt not expected to be repaid is stable or reduces from the previous year. |
| 2019–20 | VET training choices are better aligned with industry needs. | VET Student Loans  The proportion of students surveyed that report studying for business or job related reasons remains stable or increases from the previous year. |
| 2020–21 and beyond | As per 2019–20 | As per 2019–20. |

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

Data underpinning the financial tables is available from Data.gov.au.

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

|  |  |
| --- | --- |
| Objective | The Australian Government is committed to a world-class research system, that encourages innovation and economic growth. Quality collaboration, engagement, diversity, impact and sustainability are the key priorities for the Government and drive its investment in Australian research and research capacity. |
| Delivery | The program is delivered through annual research block grants to eligible Australian higher education providers to support:  their research activities and ensure the delivery of a world-class research system  the research training of higher degree by domestic and international research students and meet the skills needs of the Australian and international research community.  Together with competitive research grants and world-class infrastructure, research block grants will support Australia’s high performing research system. |
| Purpose | Department of Education and Training Corporate Plan 2018–19:  Maximising opportunity and prosperity through national leadership on education and training. |

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

| Year | Performance criteria | Expected achievement |
| --- | --- | --- |
| 2018–19 | Australian universities continue to rank highly in research excellence. | Australia’s share of the world’s top 10% most highly-cited research publications remains above the OECD average  **On Track** |
|  | Research postgraduates continue to have high employability. | At least 90% of research postgraduates are employed within four months of completing their degree.  **On Track** |
|  | More Indigenous Australians attain higher degrees by research. | Indigenous higher degree by research (HDR) completions, as a proportion of all domestic HDR completions, increases from the previous year.  **Not on track**  In 2016 there were 61 completions (0.92%) and in 2017 there were 60 completions (0.89%). |

| **Year** | **Performance criteria** | **Target** |
| --- | --- | --- |
| 2019–20 | Australian universities continue to rank highly in research excellence. | Australia’s share of the world’s top 10% most highly-cited research publications remains above the OECD average. |
|  | Research postgraduates continue to have high employability. | At least 90% of research postgraduates are employed within four months of completing their degree. |
|  | More Indigenous Australians attain higher degrees by research. | Indigenous higher degree by research (HDR) completions, as a proportion of all domestic HDR completions, increases from the previous year. |
| 2020–21 and beyond | As per 2019–20. | As per 2019–20. |

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

Data underpinning the financial tables is available from Data.gov.au.

##### Program 2.6: Research Capacity

|  |  |
| --- | --- |
| Objective | Research advances our knowledge and drives our potential for innovation, economic competitiveness and social change. The program aims to increase the production, use and awareness of research knowledge and to improve collaboration between government, industry and the research sector in the production of research knowledge. |
| Delivery | The program invests in Australia’s research capacity by providing financial support to organisations, including universities, learned academies and other research organisations.  Activities under this program include:  supporting the costs of operating capabilities, and updating associated research infrastructure, funded through grants under the National Collaborative Research Infrastructure Strategy (NCRIS)  supporting training of specialised cyber security professionals in Academic Centres of Cyber Security Excellence (ACCSE) in Australian universities  promoting the central role of research, science and technology, including through funding provided to Australia’s learned academies and other organisations under the Higher Education Research Promotion (HERP) scheme  improved measurement of educational outcomes through creation of the National Education Evidence Base (NEEB) to inform decision making. |
| Purpose | Department of Education and Training Corporate Plan 2018–19:  Maximising opportunity and prosperity through national leadership on education and training. |
| Measures impacting program 2.6:  Stawell Underground Physics Laboratory — establishment | |

###### Performance information 2.6 Research Capacity

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

| **Year** | **Performance criteria** | **Target** |
| --- | --- | --- |
| 2019–20 | Investments are prioritised to ensure researchers have access to the resources needed to undertake world-class research. | At least 85% of research conducted by Australian universities and related to priority investment areas is rated as world standard or above.  At least 90% of researchers report access to NCRIS facilities and projects improved research quality and outputs. |
| 2020–21 and beyond | As per 2019–20. | As per 2019–20. |

###### Program expenses 2.6 Research Capacity

Data underpinning the financial tables is available from Data.gov.au.

##### Program 2.7: International Education Support

|  |  |
| --- | --- |
| Objective | International education is increasingly important to Australia’s prosperity and our engagement with the world. The program aims to support the sustainable growth of Australia’s high quality international education, training and research through strong government-to-government engagement, international mobility, strategic policy and legislation. |
| Delivery | The *National Strategy for International Education 2025* sets a ten-year vision for Australian international education and provides a framework of priorities to sustainably grow the sector, while maintaining Australia’s reputation for high quality. The program delivers this vision through the following activities:  Policy and project work that develop Australia’s role as a global leader in education, training and research through the Enabling Growth and Innovation program  Ongoing support for individual and institutional grants for in-bound and out-bound students, researchers and professionals to undertake projects and study exchanges through the Endeavour Leadership Program, which will cease after the 2019 round  Support for institutional grants to support international and domestic students to study in regional Australia under the Destination Australia Program announced in March 2019  government-to-government engagement including bilateral working groups and multilateral agreements to facilitate institutional relationships, student and researcher mobility, and strengthen Australia’s position in the highly competitive global international education marketplace  policy and legislation for international students to receive an effective, risk-based, quality assured education, including consumer protection underpinned by the Education Services for Overseas Students Act 2000. |
| Purpose | Department of Education and Training Corporate Plan 2018–19:  Maximising opportunity and prosperity through national leadership on education and training. |
| Measures impacting program 2.7:  Population Package | |

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

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

| **Year** | **Performance criteria** | **Target** |
| --- | --- | --- |
| 2019–20 | Sustainably grow Australia’s international education sector by maintaining quality and increasing diversity. | Average annual growth rate of 3% to 5% in international education export earnings.  At least 85% of international students are satisfied or very satisfied with studying and living in Australia.[[15]](#footnote-15)  At least 60% of international students employed or enrolled in further study after graduation  Maintain positive growth in the number of students enrolled in offshore and transnational education and training delivered by Australian providers. |
| 2020–21 and beyond | As per 2019–20. | As per 2019–20. |

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

Data underpinning the financial tables is available from Data.gov.au.

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

|  |  |
| --- | --- |
| Objective | The Australian Government is working to create an effective and efficient skills and training system that is industry led and delivers the skills Australian employers need. Building skills and capabilities is central to Australia’s economic growth, competitiveness, and business productivity. The national training system provides employees or potential employees with the skills and capabilities required for a job or pathway into a job. |
| Delivery | The Australian Government’s Skills Package responds to the *Expert Review of Australia’s Vocational Education and Training System*. The package addresses immediate priorities and lays the foundation for longer term reform.  ***Industry competitiveness***  This program component facilitates training to ensure Australian businesses’ competitiveness in domestic and global markets. The Industry Skills Fund (ISF) provided employers with training grants in priority areas and in other industries that are focused on growth opportunities. The ISF is a co-contribution reimbursement funding model.  The ISF closed to new applications on 31 December 2016. The ISF will continue to deliver assistance to businesses already participating until 30 June 2019.  ***Skills development***  This program component is designed to develop the skills of the Australian workforce through support for skills-based training, including:  Australian Apprenticeships  Assistance is provided in the form of financial incentives to eligible employers and through incentives and loans to eligible individuals participating in apprenticeships. The program includes contractual arrangements with a national network of Australian Apprenticeship Support Network providers who administer incentives, loans and support apprentices and their employers through to completion of the apprenticeship.  Industry Specialist Mentoring for Australian Apprentices  The Industry Specialist Mentoring for Australian Apprentices program aims to increase apprentice retention rates in the first two years of training in order to improve completion rates and support the supply of skilled workers in industries undergoing structural change. The program was launched on 31 January 2018 and will finish on 31 December 2019.  Commonwealth Scholarships Program for Young Australians  Scholarships to support undergraduate, postgraduate and vocational education and training students to undertake study or training and an industry based work placement in priority industries.  ***Access to training***  This program component is designed to provide clearer pathways and improved access to training which allows Australians to obtain jobs and progress to better career opportunities.  Funding is provided through the Adult Migrant English Program and the Skills for Education and Employment Program to organisations to deliver foundation skills training to eligible individuals, including job seekers and recent migrants. Improved foundation skills enable people to access further training, or gain employment, and better participate in Australian society.  ***Support for the national training system***  This program component is designed to develop an effective and efficient national training system that meets the needs of Australia’s current and emerging industries. It is delivered in collaboration with industry, business and state and territory governments. Activities include:  developing and reviewing nationally recognised training packages  enhancing the transparency and performance of the system through data collection and research  promoting the system to potential participants locally and internationally  ensuring the ongoing operation of key functions to support the effective operation of national training arrangements. |
| Purpose | Department of Education and Training Corporate Plan 2018–19:  Maximising opportunity and prosperity through national leadership on education and training. |
| Measures impacting program 2.8:  Skills Package — delivering skills for today and tomorrow | |

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

| Year | Performance criteria | Expected achievement |
| --- | --- | --- |
| 2018–19 | Maintaining the quality of vocational education and training (VET). | * At least 85% of graduates are satisfied with the overall quality of the training.   **On Track** |
|  | Responding to industry and employers through access to VET graduates with the required skills. | * Positive growth in the apprenticeship completion rate from the previous year.   **Data not yet available**[[16]](#footnote-16)   * At least 80% of VET graduates are employed or enrolled in further study after training.   **On Track** |
|  | Improving language, literacy and numeracy for target groups. | * At least 80% of participants in targeted programs increase one or more levels on the Australian Core Skills Framework.   **On Track** |

| Year | Performance criteria | Target |
| --- | --- | --- |
| 2019–20 | Maintaining the quality of vocational education and training (VET). | * At least 85% of graduates are satisfied with the overall quality of the training. * At least 53% of employers report use of the VET system.[[17]](#footnote-17) |
|  | Responding to industry and employers through access to VET graduates with the required skills. | * Positive growth in the apprenticeship completion rate from the previous year.[[18]](#footnote-18) * At least 80% of VET graduates are employed or enrolled in further study after training. |
|  | Improving language, literacy and numeracy for target groups. | * At least 80% of participants in targeted programs increase one or more levels on the Australian Core Skills Framework. |
| 2020–21 and beyond | As per 2019–20. | As per 2019–20. |

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

Data underpinning the financial tables is available from Data.gov.au.

Program expenses 2.8 Building Skills and Capability (continued)

Data underpinning the financial tables is available from Data.gov.au.

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

## Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of the department’s finances for the 2019–20 budget year, including the impact of budget measures and resourcing on financial statements.

### 3.1 Budgeted financial statements

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

The difference between the entity resources table and the budgeted financial statements are due to amounts in Bill 3 and Bill 4 not being included in the resource table, as they are yet to receive Royal Assent.

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

An analysis of the department’s budgeted financial statements, which consists of the budgeted departmental statements and administered schedules, is provided below. The 2018–19 estimated actual is used as the comparative year.

##### Budgeted departmental comprehensive income statement

The department’s income statement reflects a deficit across the forward estimates. These deficits are attributed to depreciation and amortisation expenses. Expenses for 2019–20 are estimated to be $449.4 million and reflects changes in departmental resourcing from 2019–20 measures in Table 1.2. This is an increase of $31.7 million from the estimated actual expense for 2018–19.

##### Budget departmental balance sheet

The budgeted net asset position of $71.0 million for 2019–20 represents an increase of $15.9 million from the 2018–19 estimated actual. The accumulated deficit apparent in the balance sheet predominately represents the accounting treatment applicable to depreciation expense.

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

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

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

The administered revenue estimates predominately relate to the loan programs administered by the department, including Higher Education Loan Program (HELP) and Trade Support Loans. The 2018–19 ‘other gain’ reflects the fair value gain as a result of reducing the HELP repayment threshold.

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

Total administered assets are projected to increase from $50.1 billion to $59.6 billion over the period 2018–19 to 2022–23, mainly attributable to HELP. The total administered liabilities predominately relate to the unfunded superannuation provision for Australian universities.

### 3.2 Budgeted financial statements tables

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

Data underpinning the financial tables is available from Data.gov.au.

Data underpinning the financial tables is available from Data.gov.au.

Prepared on Australian Accounting Standards basis.

(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) 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.

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

Data underpinning the financial tables is available from Data.gov.au.

Prepared on Australian Accounting Standards basis.

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

Table 3.3: Departmental statement of changes in equity — summary of movement (Budget year 2019–20)

Data underpinning the financial tables is available from Data.gov.au.

Prepared on Australian Accounting Standards basis.

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

Data underpinning the financial tables is available from Data.gov.au.

Prepared on Australian Accounting Standards basis.

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

Data underpinning the financial tables is available from Data.gov.au.

Prepared on Australian Accounting Standards basis.

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

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

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

Table 3.6: Statement of asset movements (Budget year 2019–20)

Data underpinning the financial tables is available from Data.gov.au.

Prepared on Australian Accounting Standards basis.

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

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

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

Data underpinning the financial tables is available from Data.gov.au.

Prepared on Australian Accounting Standards basis.

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

Data underpinning the financial tables is available from Data.gov.au.

Prepared on Australian Accounting Standards basis.

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

Data underpinning the financial tables is available from Data.gov.au.

Prepared on Australian Accounting Standards basis.

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

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

Table 3.11: Statement of administered asset movements (Budget year 2019–20)

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

Australian Curriculum, Assessment and Reporting Authority

Entity resources and planned performance

Australian Curriculum, Assessment and Reporting Authority

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# Australian Curriculum, Assessment and Reporting Authority

## Section 1: Entity overview and resources

### 1.1 Strategic direction statement

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

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

ACARA’s budget is agreed to by Council and provided in accordance with the Council’s agreed funding formula. ACARA’s 2017–18 to 2020–21 work plan and budget was endorsed by the Council in January 2018. ACARA’s high-level 2019–20 to 2022–23 work plan and budget will be submitted to the Council for consideration in mid‑2019.

A priority for ACARA during 2019–20 is continuing to ensure the successful transition to online assessment in collaboration with Education Services Australia and all Australian governments, with the goal to move the National Assessment Program – Literacy and Numeracy (NAPLAN) online by 2020. During this period, ACARA will also maintain research into international curriculum developments and trends to inform advice and agreed refinements to the Australian Curriculum.

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

#### National Curriculum

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

#### National Assessment

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

#### National Data and Reporting

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

#### National Collaboration and leadership

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

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

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

### 1.2 Entity resource statement

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

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

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

Information in this table is presented on a resourcing (that is, appropriations/cash available) basis, whilst the ‘Budgeted expenses by Outcome 1’ tables in Section 2 and the financial statements in Section 3 are presented on an accrual basis.

Table 1.1: ACARA resource statement — Budget estimates for 2019–20 as at Budget April 2019

Data underpinning the financial tables is available from Data.gov.au.

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

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

## Section 2: Outcomes and planned performance

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

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

**Note:**

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

[The most recent corporate plan for ACARA can be found at: www.acara.edu.au](http://www.acara.edu.au/docs/default-source/corporate-publications/20180830-acara-corporate-plan-2018-19.pdf?sfvrsn=2)

[The most recent annual performance statement can be found in the ACARA Annual Report at: www.acara.edu.au](http://www.acara.edu.au/docs/default-source/corporate-publications/acara-2017-18-annual-report.pdf?sfvrsn=2)

### 2.1 Budgeted expenses and performance for Outcome 1

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

#### Budgeted expenses for Outcome 1

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

Data underpinning the financial tables is available from Data.gov.au.

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

#### Performance criteria for Outcome 1

This section details the performance criteria for each program associated with Outcome 1. It summarises how each program is delivered and where 2019–20 Budget measures have created new programs or materially changed existing programs.

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

##### Program 1.1 – National Curriculum

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

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

| Year | Performance criteria | Expected achievement |
| --- | --- | --- |
| 2018–19 | Activities relating to monitoring the national curriculum, international comparisons and research on developments in curriculum design undertaken  Portfolios of work samples for all published curriculum available. | Reports on national curriculum monitoring, international comparison(s) and research on developments in curriculum design published by the end of the third quarter of the reporting year  Portfolios of new work samples for Languages, History 7-10 and HASS F-6 published by end of reporting year. |

| Year | Performance criteria | Targets |
| --- | --- | --- |
| 2019–20 | Activities relating to monitoring the national curriculum, international comparisons and research on developments in curriculum design undertaken  Activities relating to monitoring the national curriculum, international comparisons and research on developments in school curriculum design activities completed and the scope of the refinement of the Australian Curriculum ready for approval by the ACARA Board. | Reports on national curriculum monitoring and any research on international developments in curriculum design published by the end of the reporting year  The scope for refinement of the Australian Curriculum, (informed by analysis of monitoring, comparative and research activities 2016–17 to 2019–20) approved by the ACARA Board. |
| 2020–21 and beyond | Agreed refinements to the Australian Curriculum commenced  Refinements to the Australian Curriculum in progress in collaboration with partners and stakeholders. | Actions for refinements to the Australian Curriculum are agreed to by jurisdictions and work on refinements undertaken. |

##### Program 1.2 – National Assessment

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

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

| Year | Performance criteria | Expected achievement |
| --- | --- | --- |
| 2018–19 | National Assessment Program (NAP) – NAPLAN and NAP sample assessments delivered  Evaluation of NAPLAN online processes undertaken and potential enhancements identified. | NAP successfully delivered, reported on (including delivery of NAPLAN online in 2019 to schools, as determined by state and territory authorities)  NAPLAN online processes reviewed with Tailored Test Design and test content specifications updated and significant improvements to Online accessibility adjustments  Testing and certification completed before any NAPLAN Online event to provide assurances to stakeholders that test content, platform functionality relating to ACARA’s functions, data analysis and psychometric components, and national policy guidance materials are fit for purpose. |

| Year | Performance criteria | Targets |
| --- | --- | --- |
| 2019–20 | NAP for information and communication technology literacy (ICTL) revised, relative to the Australian Curriculum: Digital Technologies and ICT General Capability. | In accordance with the National STEM School Education Strategy, the pilot study and trial of NAP-ICTL successfully undertaken in line with the revised definition of ICTL, relative to the Australian Curriculum: Digital Technologies and ICT General Capability. |
| 2020–21 and beyond | Level of stakeholder satisfaction with online assessment  Advice on NAP enhancements developed. | Strong level of satisfaction with NAP online assessment recorded  Advice on NAP enhancements considered by the ACARA Board, AESOC and Education Council by end of June 2022. |

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

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

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

| Year | Performance criteria | Expected achievement |
| --- | --- | --- |
| 2018–19 | The National Report on Schooling in Australia is approved by the ACARA Board before the end of the subsequent calendar year  Revisions to the Measurement Framework for Schooling in Australia scoped. | The 2017 National Report on Schooling drafted and approved by the ACARA Board in December 2018 and published on 28 February 2019  The data portal updated in December and March with the most up‑to‑date available data, allowing public access to the various agreed national data sets for schooling  The scope of revisions required to be made to the Measurement Framework for Schooling in Australia considered by jurisdictions. |

| Year | Performance criteria | Targets |
| --- | --- | --- |
| 2019–20 | The National Report on Schooling in Australia is approved by the ACARA Board before the end of the subsequent calendar year  Enhancements to My School considered and agreed to by the Education Council progressed. | The National Report on Schooling drafted and approved by the ACARA Board by the end of December of the following year; the data portal updated in December and March with the most up-to-date available data, allowing public access to the various agreed national data sets for schooling  All enhancements to My School consulted on with key stakeholders and implemented as agreed. |
| 2020–21 and beyond | The presentation of national reports (e.g. NAP reports) revised and any related proposal for change presented to the ACARA Board, AESOC and Council as required  Level of stakeholder satisfaction with the My School website. | Proposal(s) relating to the presentation of data/national reports developed and presented to the ACARA Board, AESOC and Council, as required, for consideration  Strong level of satisfaction with the My School website recorded. |

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

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

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

| Year | Performance criteria | Expected achievement |
| --- | --- | --- |
| 2018–19 | An advisory structure that is fit for purpose is in place  A transparent and timely reporting process and structure is maintained  Collaboration with partners (government and non-government school sectors), national stakeholders and international education bodies clearly maintained. | A revised advisory structure published on ACARA’s website and strong level of satisfaction received as measured through surveys in the second half of 2018–19  Progress reports against the annual work plan submitted to the Council and/or AESOC each year and at each meeting of the ACARA Board and all advice provided on time and of high quality  Evidence of collaboration through scheduled meetings of ACARA’s key advisory groups, ACARA’s attendance at key working groups and peak body opportunities, and evidence of communication with international education bodies. |

| Year | Performance criteria | Targets |
| --- | --- | --- |
| 2019–20 | An advisory structure that is fit for purpose is in place  A transparent and timely reporting process and structure is maintained  Collaboration with partners (government and non-government school sectors), national stakeholders and international education bodies clearly maintained. | Advisory structure published  Progress reports against the annual work plan submitted to the Council and/or AESOC each year and at each meeting of the ACARA Board and all advice provided on time and of high quality  Evidence of collaboration through scheduled meetings of ACARA’s key advisory groups, ACARA’s attendance at key working groups and peak body opportunities, and evidence of communication with international education bodies. |
| 2020–21 and beyond | As per 2019–20. | As per 2019–20. |

## Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of ACARA’s finances for the 2019–20 budget year, including the impact of budget measures and resourcing on financial statements.

### 3.1 Budgeted financial statements

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

There are no material variances between the entity resources table and the budgeted financial statements.

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

ACARA’s work is undertaken through agreement by the COAG Education Council (the Council) and set through its Charter, its rolling quadrennial plan and any other written instructions from the Council. ACARA’s budget is agreed to by the Council and provided in accordance with the Council’s agreed funding formula.

ACARA’s high level 2019–20 to 2020–21 work plan and budget was endorsed by the Council in January 2018. ACARA’s high level 2021–22 to 2022–23 work plan and budget has yet to be endorsed by Council as part of ACARA’s 2019–20 to 2022–23 rolling quadrennial plan.

### 3.2 Budgeted financial statements tables

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

Data underpinning the financial tables is available from Data.gov.au.

Prepared on Australian Accounting Standards basis.

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

Data underpinning the financial tables is available from Data.gov.au.

Prepared on Australian Accounting Standards basis.

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

Table 3.3: Departmental statement of changes in equity — summary of movement (Budget year 2019–20)

Data underpinning the financial tables is available from Data.gov.au.

Prepared on Australian Accounting Standards basis.

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

Data underpinning the financial tables is available from Data.gov.au.

Prepared on Australian Accounting Standards basis.

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

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

Table 3.6: Statement of asset movements (Budget year 2019–20)

Data underpinning the financial tables is available from Data.gov.au.

Prepared on Australian Accounting Standards basis.

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

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

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

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

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

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

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

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

Table 3.11: Statement of administered asset movements (Budget year 2019–20)

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

Australian Institute for Teaching and School Leadership

Entity resources and planned performance

Australian Institute for Teaching and School Leadership

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# Australian Institute for Teaching and School Leadership

## Section 1: Entity overview and resources

### 1.1 Strategic direction statement

The Australian Institute for Teaching and School Leadership (AITSL) commenced operations on 1 January 2010.

AITSL is a public company limited by guarantee under the *Corporations Act 2001* and is subject to the *Public Governance, Performance and Accountability Act 2013*. The Minister for Education is the owner and sole member of the company. AITSL operates under its own constitution, with priorities set through instruction from the Minister. Its primary purpose is to promote excellence in the profession of teaching and school leadership.

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

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

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

### 1.2 Entity resource statement

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

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

Information in this table is presented on a resourcing (that is, appropriations/cash available) basis, whilst the ‘Budgeted expenses by Outcome 1’ tables in Section 2 and the financial statements in Section 3 are presented on an accrual basis.

Table 1.1: AITSL resource statement — Budget estimates for 2019–20 as at Budget April 2019

Data underpinning the financial tables is available from Data.gov.au.

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

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

## Section 2: Outcomes and planned performance

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

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

**Note:**

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

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

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

### 2.1 Budgeted expenses and performance for Outcome 1

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

#### Budgeted expenses for Outcome 1

This table shows how much AITSL 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

Data underpinning the financial tables is available from Data.gov.au.

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

#### Performance criteria for Outcome 1

This section details the performance criteria for each program associated with Outcome 1. It also summarises how each program is delivered and where 2019–20 Budget measures have created new programs or materially changed existing programs.

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

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

| Objective | This program enables AITSL to work collaboratively with the eight state and territory education departments and their Ministers, the Catholic and independent school sectors, teacher educators, teacher regulatory authorities, teacher unions, professional and community organisations and teachers and principals throughout Australia to strengthen the profession. |
| --- | --- |
| Delivery | The program includes a range of targeted initiatives which lead, shape and complement the work of other education agencies, to enhance the quality of initial teacher education, teaching and school leadership. |
| Purposes | AITSL plays a key role in leading significant national educational reform for the Australian, state and territory governments to promote excellence in initial teacher education, teaching and school leadership to achieve maximum impact on student learning in all Australian schools. |

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

| Year | Performance criteria | Expected achievement |
| --- | --- | --- |
| 2018–19 | AITSL continues to promote excellence in the profession of teaching and school leadership. | Initial Teacher Education (ITE) Programs in Australia–On Track  Implemented relevant elements of the Government response to the recommendations of Teacher Education Ministerial Advisory Group (TEMAG) including monitoring and maintaining the agreed strengthened approach to the Accreditation of Initial Teacher Education programs and implementing National Initial Teacher Education and Teacher Workforce Data Strategy.  Australian Professional Standard for Principals–On Track  Standard and support materials/ research, including Leadership Development Guidelines and Principal Profiles, promulgated effectively. Development of a process for pre-appointment certification of principals.  Assessment for Migration–On Track  The role of assessing authority under the Migration Regulations 1994 for the purpose of skilled migration to Australia, or special education school teacher successfully fulfilled. |

| Year | Performance criteria | Targets |
| --- | --- | --- |
| 2019–20 | As per 2018–19 | Initial Teacher Education Programs in Australia  Implement Education Council decisions on national quality assurance, consistency and transparency of initial teacher education.  Monitor and evaluate the implementation of the strengthened approach to the Accreditation of Initial Teacher Education programs and implement the Australian Teacher Workforce Data collection.  Quality Teaching  Improve access to high quality professional learning aligned to the *Australian Professional Standards for Teachers* (Teacher Standards).  Improve consistency in the implementation of the national teacher registration framework and Teacher Standards.  Support and promote the National Certification of Highly Accomplished and Lead Teachers.  Evaluate teacher effectiveness.  School Leadership  Support improvements to the quality of preparation and professional learning of school leaders aligned to the *Australian Professional Standard for Principals*, and promote access to key tools and resources.  Undertake and engage with national and international research and innovation developments in best practice  Strengthen the evidence base for AITSL’s work through enhanced research and involvement with national and international agencies and experts.  Assessment for Migration  Perform the role of assessing authority under the Migration Regulations 1994 for the purpose of skilled migration to Australia, or special education school teacher successfully fulfilled. |
| 2020–21 and beyond | As per 2019–20. | As per 2019–20. |

## Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of AITSL finances for the 2019–20 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 variances between the entity resources table and the budgeted financial statements.

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

In November 2015 the Department of Education and Training agreed to a funding arrangement for the three year period 2015–16 to 2017–18. In February 2017 the Department of Education and Training agreed to provide additional funding of $11.46 million to enable AITSL to continue to pursue its work through the 2018–19 year. In December 2018 the Department agreed to provide further funds of $0.54 million for expanded work in cultural competency and professional learning.

In February 2019 the Department of Education and Training provided AITSL with a funding agreement of $44.896 million for the financial years 2018–19 to 2021–22. The purpose of the funding is to enable AITSL to continue to pursue its objectives in teaching and school leadership.

The funding for the 2019–20 budget year will be $13.644 million. The comparative funding in the 2018–19 year will be $17.747 million. In the 2019–20 year the income from Overseas Skills Assessment is estimated to be $1.1 million. Income for AITSL to create a national data platform for the teaching workforce is budgeted to be $1.2 million and income for other services provided to third parties is estimated to be $0.2 million.

AITSL is budgeting for a surplus of $4.0 million in the financial year 2018–19. The surplus will arise as a result of revenue recognised in regard to work and expenses that will be incurred in subsequent years. The budgeted result for the 2019–20 financial year is a deficit of $2.0 million.

The net asset position of $6.3 million as at 30 June 2018 is expected to increase to $10.3 million at 30 June 2019. Total assets at 30 June 2019 are estimated to be $12.4 million, comprising $11.5 million of financial assets and $0.9 million of non‑financial assets.

Total liabilities at 30 June 2019 are estimated to be $2.1 million, of which $0.8 million will be accrued employee provisions, $1.0 million being supplier payables and $0.3 million of other provisions.

### 3.2 Budgeted financial statements tables

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

Data underpinning the financial tables is available from Data.gov.au.

Prepared on Australian Accounting Standards basis.

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

Data underpinning the financial tables is available from Data.gov.au.

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

Prepared on Australian Accounting Standards basis.

Table 3.3: Departmental statement of changes in equity — summary of movement (Budget year 2019–20)

Data underpinning the financial tables is available from Data.gov.au.

Prepared on Australian Accounting Standards basis.

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

Data underpinning the financial tables is available from Data.gov.au.

Prepared on Australian Accounting Standards basis.

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

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

Table 3.6: Statement of asset movements (Budget year 2019–20)

Data underpinning the financial tables is available from Data.gov.au.

Prepared on Australian Accounting Standards basis.

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

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

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

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

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

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

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

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

Table 3.11: Statement of administered asset movements (Budget year 2019–20)

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

Australian Research Council

Entity resources and planned performance

Australian Research Council

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# Australian Research Council

## Section 1: Entity overview and resources

### 1.1 Strategic direction statement

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

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

The ARC administers Excellence in Research for Australia (ERA), which assesses research quality by research discipline at eligible Australian higher education institutions. ERA is an established evaluation framework that reflects the Government’s commitment to a transparent and streamlined approach to research evaluation. The ARC is also responsible for administering the Engagement and Impact (EI) assessment, which assesses the engagement of researchers with end-users, and shows how universities are translating their research into economic, social, environmental and other impacts.

The ARC’s priorities for 2019–20 include:

* delivering the NCGP effectively and efficiently, including responding to any recommendations from the Australian National Audit Office audit into the administration of the NCGP
* continuing to provide high quality advice to the Minister on research matters including in areas of Government focus (for example, strengthening linkages between research and business)
* analysing and disseminating data and insights arising from the ERA and EI exercises for the benefit of Government, universities, and other stakeholders
* reviewing the ERA and EI exercises
* working with stakeholders in delivering program and policy responsibilities, including through consultations and in raising awareness of research funded by the ARC
* continuing to monitor the performance of selected NCGP schemes though scheduled reviews and evaluations
* ensuring that the NCGP supports participation by all researchers, including Aboriginal and Torres Strait Islander researchers, women researchers and early and mid-career researchers
* maintaining a strong governance framework to support delivery against legislative requirements as well as the Government’s expectations for the agency as articulated in the ARC outcome statement.

### 1.2 Entity resource statement

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

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

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

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

Table 1.1: ARC resource statement — Budget estimates for 2019–20 as at Budget April 2019

Data underpinning the financial tables is available from Data.gov.au.

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

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

(a) Appropriation Bill (No. 1).

(b) Excludes departmental capital budget (DCB).

(c) Departmental capital budgets are not separately identified in Appropriation Bill (No. 1) and form part of ordinary annual services items. Please refer to Table 3.5 for further details. For accounting purposes, this amount has been designated as a 'contribution by owner'.

(d) Appropriation Bill (No. 2).

(e) Special Appropriation funded under *Australian Research Council Act 2001*.

(f) ARC Research Endowment Account - s80 PGPA Act 2013 [s62 *Australian Research Council Act 2001].* Excludes trust moneys held in Services for Other Entities and Trust Moneys (SOETM) and other special accounts. For further information on special accounts, please refer to Budget Paper No. 4 - Agency Resourcing. Please also see Table 2.1.1 for further information on outcome and program expenses broken down by various funding sources, e.g. annual appropriations, special appropriations and special accounts.

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

## Section 2: Outcomes and planned performance

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

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

**Note:**

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

[The most recent corporate plan for ARC can be found at: www.arc.gov.au> News> Publications> Corporate Plan](Https://www.arc.gov.au/policies-strategies/policy/corporate-plan)

[The most recent annual performance statement can be found in the Australian Research Council Annual Report at: www.arc.gov.au > News> Publications > Annual Report](https://www.arc.gov.au/policies-strategies/policy/annual-reports-australian-research-council)

### 2.1 Budgeted expenses and performance for Outcome 1

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

#### Budgeted expenses for Outcome 1

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

Table 2.1.1: Budgeted expenses for Outcome 1

Data underpinning the financial tables is available from Data.gov.au.

Table 2.1.1: Budgeted expenses for Outcome 1 (continued)

Data underpinning the financial tables is available from Data.gov.au.

Prepared on Australian Accounting Standards basis. Figures displayed as a negative (-) represent a decrease in funds and a positive (+) represent an increase in funds.

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

(b) Expenses not requiring appropriation in the Budget year are made up of depreciation expenses, amortisation expenses, audit fees and estimated expenses incurred in relation to revenue received under section 74 of the PGPA Act 2013 in 2017–18.

#### Performance criteria for Outcome 1

This section details the performance criteria for each program associated with Outcome 1. It summarises how each program is delivered and where 2019–20 Budget measures have created new programs or materially changed existing programs.

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

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

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

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

| Year | Performance criteria | Expected achievement |
| --- | --- | --- |
| 2018–19 | The Discovery program contributes to the growth of knowledge and innovation in Australia by funding:  excellent research and researchers  research training and career development  international collaboration  research in areas of priority.  The Discovery program produces outcomes that improve our fundamental understanding of the world and/or provide economic, environmental, social, health and/or cultural benefits to Australia. | Final reporting data for targets will be available at the end of 2018–19 and compared against baseline data in the annual report. To date:  16% of Discovery program funding allocated for commencement in 2018–19 was allocated under the DECRA scheme  84% of Discovery program research projects commencing in 2018–19 involve international collaboration  57% of Discovery program research projects commencing in 2018–19 address an Australian Government Science and Research Priority area.  Case studies demonstrating the benefits arising from Discovery research will be provided in the ARC annual report and *Making a Difference* publication. |

| Year | Performance criteria | Targets |
| --- | --- | --- |
| 2019–20 | The Discovery program contributes to the growth of knowledge and innovation in Australia by funding:  excellent research and researchers  research training and career development  international collaboration  research in areas of priority.  The Discovery program produces outcomes that improve our fundamental understanding of the world and/or provide economic, environmental, social, health and/or cultural benefits to Australia. | Target: Maintain proportion of Discovery program funding allocated to support early career researchers under the DECRA scheme.  Target: Maintain or increase the proportion of Discovery research projects, fellowships and awards that support international collaboration.  Target: Maintain the proportion of Discovery research projects, fellowships and awards that involve research in one of the Australian Government’s Science and Research Priority areas.  Target: Evidence of outcomes arising from Discovery research projects, fellowships and awards improving our fundamental understanding of the world and/or providing economic, environmental, social, health and/or cultural benefits to Australia. |
| 2020–21 and beyond | As per 2019–20. | As per 2019–20. |

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

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

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

| Year | Performance criteria | Expected achievement |
| --- | --- | --- |
| 2018–19 | The Linkage program contributes to the growth of knowledge and innovation in Australia by funding:  excellent collaborative research and researchers  industrial research training and career development  partnerships between universities and research end-users  research in areas of priority. | Final reporting data for targets will be available at the end of 2018–19 and compared against baseline data in the annual report. To date:  partner organisations involved in Linkage Projects have pledged $1.91 for every dollar awarded by the ARC  results indicate the Linkage Projects scheme is on track to maintain the level of stakeholder satisfaction with the research partnerships supported through the scheme  82% of Linkage program research projects commencing in 2018–19 address an Australian Government Science and Research Priority area  100% of recommendations to the Minister under the Linkage Projects scheme have been made within six months of application submission  64% of Linkage program research projects commencing in 2018–19 involve international collaboration. |
| 2018–19 |  | In relation to the target for expenditure on the Industrial Transformation Training Centres scheme as a proportion of Linkage program funding, the selection round for Industrial Transformation Training Centres 2019 has not been finalised.  Case studies demonstrating the benefits arising from Linkage research will be provided in the ARC annual report and *Making a Difference* publication. |

| Year | Performance criteria | Targets |
| --- | --- | --- |
| 2019–20 | The Linkage program contributes to the growth of knowledge and innovation in Australia by funding:  excellent collaborative research and researchers  industrial research training and career development  partnerships between universities and research end-users  research in areas of priority. | Target: Maintain or increase the level of co-funding from partner organisations under the Linkage Projects scheme [≥$1 for every ARC dollar].  Target: Maintain stakeholder satisfaction with the research partnerships supported through Linkage research projects, infrastructure, hubs and centres [with baseline based on 4 year rolling average].  Target: Maintain or increase the proportion of Linkage research projects, infrastructure, hubs and centres that involve research in one of the Australian Government’s Science and Research Priority areas.  Target: Linkage Projects scheme is delivered efficiently [100% of recommendations are made to the Minister within six months of application submission].  Target: Maintain proportion of Linkage program funding to support industrial research training under the Industrial Transformation Training Centres scheme. |
| 2020–21 and beyond | As per 2019–20. | As per 2019–20. |

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

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

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

| Year | Performance criteria | Expected achievement |
| --- | --- | --- |
| 2018–19 | The ERA program, including the research quality evaluation framework and EI assessment framework, contributes to the growth of knowledge and innovation in Australia by:  providing assurance of the quality of research in Australia  encouraging excellent, internationally competitive research  encouraging impactful engagement within and beyond the research sector. | ERA program reports and activities inform Australian Government policy  ERA program reports and activities inform strategic planning at eligible Australian higher education institutions  Engagement within and beyond the research sector is benchmarked  Impact studies submitted for the EI assessment publicly demonstrate how universities are translating their research into economic, social, environmental and other impacts  Research performance of Australian higher education institutions improves. |

| Year | Performance criteria | Targets |
| --- | --- | --- |
| 2019–20 | The ERA program, including the research quality evaluation framework and EI assessment framework, contributes to the growth of knowledge and innovation in Australia by:  providing assurance of the quality of research in Australia  encouraging excellent, internationally competitive research  encouraging impactful engagement within and beyond the research sector. | ERA program reports and activities inform Australian Government policy  ERA program reports and activities inform strategic planning at eligible Australian higher education institutions. |
| 2020–21 and beyond | As per 2019–20. | As per 2019–20. |

## Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2019–20 budget year, including the impact of budget measures and resourcing on financial statements.

### 3.1 Budgeted financial statements

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

There are no material variances between the entity resources table and the budgeted financial statements. There is a minor variance between resourcing and expenses, which reflects the administered annual appropriation being credited to the ARC Research Endowment Special Account.

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

The ARC have not had any measures announced since the 2018–19 Budget.

##### Budgeted departmental comprehensive income statement

The ARC’s income statement reflects a deficit across the forward estimates. These deficits are predominantly attributable to the depreciation and amortisation expense for the year. Total expenses for 2019–20 are estimated to be $24.6 million.

##### Budgeted departmental balance sheet

The budgeted net asset position of $22.2 million for 2019–20 represents a decrease of $2.0 million from 2018–19.

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

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

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

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

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

### 3.2 Budgeted financial statements tables

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

Data underpinning the financial tables is available from Data.gov.au.

Prepared on Australian Accounting Standards basis.

(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.

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

Data underpinning the financial tables is available from Data.gov.au.

Prepared on Australian Accounting Standards basis.

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

Table 3.3: Departmental statement of changes in equity — summary of movement (Budget year 2019–20)

Data underpinning the financial tables is available from Data.gov.au.

Prepared on Australian Accounting Standards basis.

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

Data underpinning the financial tables is available from Data.gov.au.

Prepared on Australian Accounting Standards basis.

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

Data underpinning the financial tables is available from Data.gov.au.

Prepared on Australian Accounting Standards basis.

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

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

Table 3.6: Statement of asset movements (Budget year 2019–20)

Data underpinning the financial tables is available from Data.gov.au.

Prepared on Australian Accounting Standards basis.

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

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

Data underpinning the financial tables is available from Data.gov.au.

Prepared on Australian Accounting Standards basis.

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

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

Data underpinning the financial tables is available from Data.gov.au.

Prepared on Australian Accounting Standards basis.

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

Data underpinning the financial tables is available from Data.gov.au.

Prepared on Australian Accounting Standards basis.

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

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

Table 3.11: Statement of administered asset movements (Budget year 2019–20)

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

Australian Skills Quality Authority

Entity resources and planned performance

Australian Skills Quality Authority

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# Australian Skills Quality Authority

## Section 1: Entity overview and resources

### 1.1 Strategic direction statement

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

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

Key facets of ASQA’s regulatory approach include:

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

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

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

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

In 2019–20 ASQA will focus on:

* Addressing the target areas, and progressing the strategic initiatives, detailed in the Authority’s *Regulatory Strategy 2018–20*:
* Target areas:
  + Australia’s international education sector (this will include the finalisation of ASQA’s strategic review into international education)
  + Trainer and assessor capability
* Strategic initiatives:
  + Recognising and supporting quality in the VET sector
  + Strengthening registration requirements
  + Training products of concern
  + CHC30113 Certificate III in Early Childhood Education and Care
  + TAE40116 Certificate IV in Training and Assessment
  + CHC33015 Certificate III in Individual Support
  + CHC50113 Diploma of Early Childhood Education and Care
* progressing ASQA’s move to full cost recovery by 1 July 2020
* addressing recommendations emanating from the review of the *National Vocational Education and Training Regulator Act 2011* that relate to ASQA.

### 1.2 Entity resource statement

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

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

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

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

Table 1.1: ASQA resource statement — Budget estimates for 2019–20 as at Budget April 2019

Data underpinning the financial tables is available from Data.gov.au.

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

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

(a) Appropriation Bill (No. 1) 2019–20.

(b) Excludes departmental capital budget (DCB).

(c) Estimated External Revenue receipts under section 74 of the Public Governance, Performance and Accountability Act 2013 (PGPA Act).

(d) Departmental capital budgets are not separately identified in Appropriation Bill (No.1) and form part of ordinary annual services items. Please refer to Table 3.5 for further details. For accounting purposes, this amount has been designated as a 'contribution by owner'.

(e) Appropriation Bill (No. 2) 2019–20.

(f) This is Special Appropriation - PGPA Act - s77 Repayments NVETR.

## 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.

ASQA’s outcome is described below together with its related programs. The following provides detailed information on ASQA’s expenses, further broken down by funding source.

**Note:**

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

[The most recent corporate plan for ASQA can be found at: www.asqa.gov.au](https://www.asqa.gov.au/news-publications/publications/asqa-corporate-plan-2018-19)

[The most recent annual performance statement can be found in the Annual Report at: www.asqa.gov.au](https://www.asqa.gov.au/news-publications/publications/annual-reports2)

### 2.1 Budgeted expenses and performance for Outcome 1

|  |
| --- |
| Outcome 1: Contribute to a high quality vocational education and training sector, including through streamlined and nationally consistent regulation of training providers and courses, and the communication of advice to the sector on improvements to the quality of vocational education and training. |

#### Budgeted expenses for Outcome 1

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

Table 2.1.1: Budgeted expenses for Outcome 1

Data underpinning the financial tables is available from Data.gov.au.

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

(b) Departmental expenses not requiring appropriation are depreciation expenses and amortisation expenses.

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

#### Performance criteria for Outcome 1

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

| Outcome 1: Contribute to a high quality vocational education and training sector, including through streamlined and nationally consistent regulation of training providers and courses, and the communication of advice to the sector on improvements to the quality of vocational education and training. |
| --- |

##### Program 1.1: Regulation and Advice

| Objective | To assure the quality of VET outcomes through national regulation and the communication of advice on vocational education and training. |
| --- | --- |
| Delivery | The mechanisms through which Program 1.1 is delivered are:  identifying the risks to quality VET in Australia and taking regulatory action to reduce the most serious risks  undertaking risk-based regulation to support quality VET delivery  undertaking risk based regulation to respond to non-compliance and remove poor quality providers from the sector  engaging with stakeholders to inform our understanding of the risks to the VET sector  supporting the VET sector by providing accurate information to support stakeholder understanding of VET sector compliance  providing input and advice on strategies to improve VET regulation and the VET sector. |
| Purpose | Program 1.1 contributes to ASQA’s purposes which are to:  provide consistent risk based regulation of vocational education training (VET) that contributes to a VET system that meets Australia’s needs and provides quality VET to students. |

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

| **Year** | **Performance criteria** | **Expected achievement** |
| --- | --- | --- |
| 2018–19 | Stakeholders indicate they believe ASQA is improving the quality of VET outcomes in Australia. | Application of risk based regulation demonstrated by percentage of non‑application based audits to application based audits.  **As at 31 December 2018:**  72.1% of completed audits are non-application based audits.  Providers and stakeholders indicate they are satisfied with ASQA’s engagement with the regulated community.  **Most recent survey results indicated:[[19]](#footnote-19)**  73.2.0% provider satisfaction  60.9% stakeholder satisfaction. |

|  |  |  |
| --- | --- | --- |
| **Year** | **Performance criteria** | **Planned measurement** |
| 2019–20 | Identify and develop understanding of the risks to VET and take regulatory action to address the most serious identified risks.  Effectively manage risk based registration of quality RTOs and accreditation of courses that meet Australia’s vocation education needs.  Delivery of standards-based auditing based on risk and appropriate and proportionate regulatory decisions.  Effectively seek information to inform understanding of risks in the VET sector.  Provide clear, targeted and effective provision of information and support to stakeholders about the VET sector and compliance with standards.  Provide input and advice on strategies to improve VET regulation and the VET sector. | ASQA collects qualitative and quantitative performance data to form an overall assessment against the performance criteria. ASQA monitors and analyses trends in quantitative data against relevant performance criteria, where appropriate, which includes:   * Demonstrated performance in identifying and taking action on serious risks to VET * Comparative statistics on management of applications, regulatory processes and applied sanctions and conditions * Levels and types of activities to effectively communicate with and support the sector * Performance against published service standards across multiple activities * Annual stakeholder/provider survey results relevant to specific performance criteria (<70% satisfaction). |
| 2020–21 and beyond | As per 2019–20. | As per 2019–20. |

## Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of ASQA’s finances for the 2019–20 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 differences between entity resourcing and financial statements.

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

##### Budgeted departmental comprehensive income statement

Expenses for 2019–20 are estimated to be $40.2 million. This reflects an increase from 2018–19 of $1.4 million. ASQA is budgeting for a technical operating loss in 2019–20 reflecting the value of unfunded depreciation and amortisation expense of $3.5 million.

##### Budgeted departmental balance sheet

ASQA’s asset and liability forecasts are mostly in line with amounts advised in the   
2018–19 Budget. An exception is the increase in non-financial assets based on estimated capital purchases.

Capital acquisitions in 2019–20 (as shown in Tables 3.4 and 3.5) are planned to be $2.7 million for enhancement of IT systems and $1.3 million in leasehold improvements.

##### Administered

Revenue estimates for 2019–20 are $24.1 million. This is an increase from 2018–19 of $0.8 million. ASQA continues partial cost recovery arrangements for 2019–20.

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

### 3.2 Budgeted financial statements tables

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

Data underpinning the financial tables is available from Data.gov.au.

Prepared on Australian Accounting Standards basis.

(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) 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.

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

Data underpinning the financial tables is available from Data.gov.au.

Prepared on Australian Accounting Standards basis.

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

Table 3.3: Departmental statement of changes in equity — summary of movement (Budget year 2019–20)

Data underpinning the financial tables is available from Data.gov.au.

Prepared on Australian Accounting Standards basis.

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

Data underpinning the financial tables is available from Data.gov.au.

Prepared on Australian Accounting Standards basis.

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

Data underpinning the financial tables is available from Data.gov.au.

Prepared on Australian Accounting Standards basis.

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

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

Table 3.6: Statement of asset movements (Budget year 2019–20)

Data underpinning the financial tables is available from Data.gov.au.

Prepared on Australian Accounting Standards basis.

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

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

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

Data underpinning the financial tables is available from Data.gov.au.

Prepared on Australian Accounting Standards basis.

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

Data underpinning the financial tables is available from Data.gov.au.

Prepared on Australian Accounting Standards basis.

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

Data underpinning the financial tables is available from Data.gov.au.

Prepared on Australian Accounting Standards basis.

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

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

Table 3.11: Statement of administered asset movements (Budget year 2019–20)

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

Tertiary Education Quality and Standards Agency

Entity resources and planned performance

Tertiary Education Quality and Standards Agency

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# Tertiary Education Quality and Standards Agency

## Section 1: Entity overview and resources

### 1.1 Strategic direction statement

The Tertiary Education Quality and Standards Agency (TEQSA) is Australia’s independent national quality assurance and regulatory agency for higher education. All providers that offer higher education qualifications in or from Australia must be registered by TEQSA. Providers that have not been granted self-accrediting authority must also have their courses accredited by TEQSA.

TEQSA’s guiding legislation is the *Tertiary Education Quality and Standards Agency Act 2011* (the Act). TEQSA commenced regulatory functions on 29 January 2012.

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

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

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

### 1.2 Entity resource statement

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

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

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

Information in this table is presented on a resourcing (that is, appropriations/cash available) basis, whilst the ‘Budgeted expenses by Outcome 1’ tables in Section 2 and the financial statements in Section 3 are presented on an accrual basis.

Table 1.1: TEQSA resource statement — Budget estimates for 2019–20 as at Budget April 2019

Data underpinning the financial tables is available from Data.gov.au.

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

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

(a) Appropriation Bill (No. 1) 2019–20.

(b) Excludes $0m subject to administrative quarantine by Finance or withheld under section 51 of the *Public Governance, Performance and Accountability Act 2013 (PGPA Act).*

(c) Excludes departmental capital budget (DCB).

(d) Estimated External Revenue receipts under section 74 of the PGPA Act.

(e) Departmental capital budgets are not separately identified in Appropriation Bill (No.1) and form part of ordinary annual services items. Please refer to Table 3.5 for further details. For accounting purposes, this amount has been designated as a 'contribution by owner'.

(f) Appropriation Bill (No. 2) 2019–20.

### 1.3 Budget measures

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

Table 1.2: Entity 2019–20 Budget measures

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

Data underpinning the financial tables is available from Data.gov.au.

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 measure titled ‘Delayed transition to full cost recovery’ is Department of Education and Training. The full measure description and package details appeared in the 2018–19 Mid-Year Economic and Fiscal Outlook (page 114) under the Education and Training portfolio.

## Section 2: Outcomes and planned performance

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

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

**Note:**

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

[The most recent corporate plan for TEQSA can be found at: www.teqsa.gov.au](http://www.teqsa.gov.au)

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

### 2.1 Budgeted expenses and performance for Outcome 1

|  |
| --- |
| Outcome 1: Contribute to a high quality higher education sector through streamlined and nationally consistent higher education regulatory arrangements; registration of higher education providers; accreditation of higher education courses; and investigation, quality assurance and dissemination of higher education standards and performance. |

#### Budgeted expenses for Outcome 1

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

Table 2.1.1: Budgeted expenses for Outcome 1

Data underpinning the financial tables is available from Data.gov.au.

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

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

#### Performance criteria for Outcome 1

This section details the performance criteria for each program associated with Outcome 1. It also summarises how each program is delivered and where 2019–20 Budget measures have created new programs or materially changed existing programs.

| Outcome 1: Contribute to a high quality higher education sector through streamlined and nationally consistent higher education regulatory arrangements; registration of higher education providers; accreditation of higher education courses; and investigation, quality assurance and dissemination of higher education standards and performance. |
| --- |

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

|  |  |
| --- | --- |
| Objective | Regulation and quality assurance ensure that quality standards are being met by all higher education providers so that the interests of students and the reputation of Australia’s higher education sector are promoted and protected. This occurs by reference to the Higher Education Threshold Standards, which are determined by the Minister for Education and Training on advice from an independent Higher Education Standards Panel. A risk-based approach is used for planning and implementing assessments of provider compliance with those Standards. |
| Delivery | The mechanisms through which Program 1.1 will be delivered are:  register regulated entities as registered higher education providers and accredit courses of study  conduct compliance assessments and quality assessments  conduct accreditation assessments of courses developed by providers without self-accrediting authority  provide advice and make recommendations to the Commonwealth Minister responsible for Education on matters relating to the quality and regulation of higher education providers  cooperate with similar agencies in other countries  collect, analyse, interpret and disseminate information relating to quality assurance practice and quality improvement in higher education. |
| Purpose | To protect student interests and the reputation of Australia’s higher education sector through a proportionate, risk reflective approach to quality assurance that supports diversity, innovation and excellence.  We have four key objectives in delivering our purpose. We will:   1. quality assure and regulate the sector in a timely, transparent and risk reﬂective manner 2. support providers to deliver high quality higher education, protect student interests and enhance the reputation and competitiveness of Australia’s higher education sector 3. provide advice and information to inform decisions about the appropriateness and quality of higher education 4. take prompt and eﬀective action to address substantial risks to students or the sector’s reputation. |

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

| Year | Performance criteria | Expected achievement |
| --- | --- | --- |
| 2018–19 | TEQSA’s decisions are provided in a timely manner, clearly articulating the reasons for decisions, and TEQSA gives all higher education providers a reasonable opportunity to address matters relevant to a decision by TEQSA before making a decision that affects the provider. | By late 2018–19, TEQSA expects to see the benefits of recent staffing, training and process improvements reflected in increased throughput of assessments, reductions in processing times and reduced carry-over into 2019–20. This timing reflects the process improvements made in late 2018, as well as the significant increase in assessment capacity from late 2018, when new staff commenced after a rigorous recruitment process.  In 2018–19, providers continued to be informed in accordance with legislative timeframes. Where an adverse decision was proposed, a draft summary of findings was sent to providers to allow them a reasonable opportunity to respond. |
|  | TEQSA has effective mechanisms to identify, monitor and respond to risks to the quality and standards of higher education across the sector. | TEQSA’s use of risk factors continued to be informed by the demonstrated correlation between risk rating of providers and assessment outcomes.  In the last 12 months TEQSA further reduced the regulatory burden on low risk providers through the development and implementation of the *Extensions to the period of provider registration or course accreditation* policy, which has resulted in the extension of registration and accreditation periods for eligible providers.  In accordance with *TEQSA High Risk provider* policy, TEQSA met with high risk providers to be assured that they have implemented effective strategies to mitigate their risk. |
|  | TEQSA communication with higher education providers is clear, targeted and effective. | The majority of providers rated TEQSA’s communication as good or excellent, and continued to utilise the TEQSA website, including the National Register of Higher Education Providers, which was recently enhanced for greater usability.  TEQSA continued to engage proactively with providers and the sector more broadly through forums and events such as the annual TEQSA conference and the Quality Enhancement Forum Series. Additionally, TEQSA held roundtables with higher education providers and their peak bodies to receive direct feedback. TEQSA continued to build its engagement with its external experts, through the creation of an Experts Advisory Board and the development and roll out of an engagement program for TEQSA Experts. |
| 2018–19 | TEQSA engages in regular, constructive dialogue with international quality assurance agencies to contribute to the development of effective transnational quality assurance. | Cross border regulatory activity continued to be enhanced through engagement with international quality agencies. TEQSA’s understanding of and effectiveness in international higher education, and contribution to development of transnational policy was facilitated through information sharing and staff exchange programs with international quality agencies enabled by Memoranda of Cooperation. TEQSA continued to be an active member of international quality assurance groups and also continued to welcome a range of international delegations to its Melbourne office to enhance their understanding of TEQSA’s work. |

| Year | Performance criteria | Targets |
| --- | --- | --- |
| 2019–20 | Quality assure and regulate the sector in a  timely, transparent and risk-reﬂective manner. | Decision-making is timely and transparent, and supported by an improved case management approach. Regulation of the sector is risk-reflective, with further streamlining of evidence requirements for providers that demonstrate sustained low risk of non-compliance.  **Targets:**  90% or more of decisions about applications for re-registration from low risk providers are made within six months  90% or more of decisions about applications for accreditation from low risk providers are made within three months  80% of assessment reports and expert reports where adverse findings are reported are sent to applicants for consideration and response within four months of the application date  The majority of providers rate the case management approach as good or excellent. |
| 2019–20 | Support providers to deliver high quality higher education, protect student interests  and enhance the reputation and competitiveness of Australia’s higher  education sector. | Deliver a program of support, including guidance notes and workshops, for the sector on regulatory and quality assurance matters.  **Targets:**  Establish a program for delivery of information about quality enhancement based on identified needs and evidence of good practice  Develop additional guidance notes and communicate to providers to support compliance with the Higher Education Standards Framework  Develop and publish good practice material in relation to admissions transparency and sexual harassment and sexual assault  Deliver workshops with providers and students to address the risks of contract cheating. |
| Provide advice and information to inform decisions about the appropriateness and quality of higher education. | Enhance engagement with students, particularly on key areas of concern for students, and increase accessibility of TEQSA’s regulatory work.  **Targets:**  Hold three meetings of the Student Expert Advisory group to discuss and identify sector wide issues for students and to develop strategies for deeper integration of students with TEQSA’s regulatory work  Develop material for students to address key areas of concern to students  Publish key data used or collected by the agency  Enhance search facilities on the National Register to meet stakeholder needs. |
| Take prompt and eﬀective action to address substantial risks to students or the reputation of the sector. | Undertake compliance assessments of those providers that continue to present substantial risks to students and take enforcement action against entities in cases involving extensive non-compliance with the legislation administered by TEQSA.  **Targets:**  Ensure compliance assessments involve prompt, targeted action about substantial risks to students or the reputation of the sector  Report on enforcement action taken as a result of investigations and compliance assessments. |
| 2020–21 and beyond | As per 2019–20. | As per 2019–20. |

## Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of TEQSA’s finances for the 2019–20 budget year, including the impact of budget measures and resourcing on financial statements.

### 3.1 Budgeted financial statements

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

There are no material differences between the resources table and the budget financial statements.

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

The budgeted financial statements have been updated to reflect changes and other variations since the 2018–19 Portfolio Budget Statements.

An analysis of TEQSA’s budgeted financial statement for 2019–20 is provided below.

##### Budgeted departmental comprehensive income statement

TEQSA is budgeting for a balanced operating result in 2019–20 and remainder of the forward estimates, after adding back non-appropriated depreciation and amortisation expenses.

Total expenses excluding depreciation and amortisation expenses are estimated to be $17.856 million in 2019–20. This is an increase of $0.527 million from the 2018–19 estimated actual. The increase in expenditure reflects the full average staffing level (ASL) required to allow TEQSA to effectively undertake its regulatory and quality assurance functions as the agency transitions from partial cost recovery to full cost recovery in 2019–20.

##### Budgeted departmental balance sheet

The budgeted net position at the end of 2019–20 is estimated to be $7.055 million. Net position has increased slightly since 2018–19 mainly due to the increase in employee provisions.

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

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

Revenue estimated for 2019–20 is $7.427 million, which is $4.908 million higher than the estimated actual revenue for 2018–19. The increase is a result of a new fee structure, which is to commence in 2020 and anticipated increase in volume of applications.

### 3.2 Budgeted financial statements tables

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

Data underpinning the financial tables is available from Data.gov.au.

Prepared on Australian Accounting Standards basis.

(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) 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.

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

Data underpinning the financial tables is available from Data.gov.au.

\* ‘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 2019–20)

Data underpinning the financial tables is available from Data.gov.au.

Prepared on Australian Accounting Standards basis.

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

Data underpinning the financial tables is available from Data.gov.au.

Prepared on Australian Accounting Standards basis.

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

Data underpinning the financial tables is available from Data.gov.au.

Prepared on Australian Accounting Standards basis.

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

Table 3.6: Statement of asset movements (Budget year 2019–20)

Data underpinning the financial tables is available from Data.gov.au.

Prepared on Australian Accounting Standards basis.

(a) ‘Appropriation equity' refers to equity injections appropriations provided through Appropriation Bill (No. 2) 2019–20, including CDABs.

(b) 'Appropriation ordinary annual services' refers to funding provided through Appropriation Bill (No. 1) 2019–20 for depreciation/amortisation expenses, DCBs or other operational expenses.

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

Data underpinning the financial tables is available from Data.gov.au.

Prepared on Australian Accounting Standards basis.

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

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

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

Data underpinning the financial tables is available from Data.gov.au.

Prepared on Australian Accounting Standards basis.

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

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

Table 3.11: Statement of administered asset movements (Budget year 2019–20)

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

# Portfolio glossary

| Term | Meaning |
| --- | --- |
| Accrual accounting | System of accounting where items are brought to account and included in the financial statements as they are earned or incurred, rather than as they are received or paid. |
| Additional Estimates | Where amounts appropriated at Budget time are insufficient, Parliament may appropriate more funds to portfolios through the Additional Estimates Acts. |
| Additional Estimates Bills or Acts | These are Appropriation Bills 3 and 4, and a separate Bill for the Parliamentary Departments [Appropriations (Parliamentary Departments) Bill (No. 2)]. These Bills are introduced into Parliament sometime after the Budget Bills. |
| Administered items | Expenses, revenues, assets or liabilities managed by agencies on behalf of the Commonwealth. Agencies do not control administered items. Administered expenses include grants, subsidies and benefits. In many cases, administered expenses fund the delivery of third party outputs. |
| Appropriation | An authorisation by Parliament to spend moneys from the Consolidated Revenue Fund for a particular purpose. |
| Annual Appropriation | Two Appropriation Bills are introduced into Parliament and comprise the Budget for the financial year beginning 1 July. Further Bills are introduced later in the financial year as part of the additional estimates. Parliamentary departments have their own appropriations. |
| Annual performance statements | A document prepared by a Commonwealth entity’s accountable authority at the end of the reporting period that acquits actual performance against the planned performance for that year described in the entity’s corporate plan. Annual performance statements are included in an entity’s annual report. |
| Assets | Assets are physical objects and legal rights, it is expected will provide benefits in the future or alternatively items of value owned by an agency. |
| Budget measure | A decision by the Cabinet or Ministers that has resulted in a cost or savings to outlays. |
| Capital expenditure | Expenditure by an agency on capital projects, for example purchasing a building. |
| Consolidated Revenue Fund | Section 81 of the Constitution stipulates that all revenue raised or money received by the Commonwealth forms the one Consolidated Revenue Fund (CRF). The CRF is not a bank account. The Official Public Account reflects most of the operations of the CRF. |
| Corporate plan | The primary planning document of an entity that sets out its purposes, capability and intended results over a four-year horizon. The plan also describes how the achievement of results will be assessed against an entity’s purpose (i.e. a description of planned performance).  Commonwealth entities and companies are required to publish an updated corporate plan at the start of the reporting period, and provide a copy to their responsible Minister and the Minister for Finance. |
| Departmental items | Assets, liabilities, revenues and expenses that are controlled by the agency in providing its outputs. Departmental items would generally include computers, plant and equipment assets used by agencies in providing goods and services and most employee expenses, supplier costs and other administrative expenses incurred. |
| Depreciation | Apportionment of an asset’s capital value as an expense over its estimated useful life to take account of normal usage, obsolescence, or the passage of time. |
| Equity or net assets | Residual interest in the assets of an entity after deduction of its liabilities. |
| Expenses | Total value of all of the resources consumed in producing goods and services or the loss of future economic benefits in the form of reductions in assets or increases in liabilities of an entity. |
| Fair value | Valuation methodology: The amount for which an asset could be exchanged or a liability settled, between knowledgeable and willing parties in an arm’s length transaction. The fair value can be affected by the conditions of the sale, market conditions and the intentions of the asset holder. |
| Forward estimates | A system of rolling three year financial estimates. After the budget is passed, the first year of the forward estimates becomes the base for the next year’s budget bid, and another out-year is added to the forward estimates. |
| Liabilities | Liabilities represent amounts owing on goods or services that have been received but not yet paid for. A liability shows the future commitment of an agency’s assets. |
| Net annotated appropriation (Section 74 Receipts) | Section 74 Receipts, also known as net annotated appropriations, are a form of appropriation which allows a department access to certain money it receives in payment of services. These monies are known as Section 74 Receipts, reflecting their authority under s74 of the PGPA Act. |
| Official Public Account | The Australian Government maintains a group of bank accounts at the Reserve Bank of Australia, known as the Official Public Account (OPA), the aggregate balance of which represents its daily cash position. |
| Operating result | Equals revenue less expenses. |
| Outcomes | The Government's objectives in each portfolio area. Outcomes are desired results, impacts or consequences for the Australian community as influenced by the actions of the Australian Government. Actual outcomes are assessments of the end-results or impacts actually achieved. |
| Public Governance, Performance and Accountability Act 2013 | The Public Governance, Performance and Accountability Act 2013 (PGPA Act) replaced the Financial Management and Accountability (FMA) Act 1997 and the Commonwealth Authorities and Companies (CAC) Act 1997 as of 1 July 2014. |
| Portfolio Budget Statements | Statements prepared by portfolios to explain the budget appropriations in terms of outcomes. |
| Receipts | The total or gross amount received by the Australian Government. Each receipt item is either revenue, an offset within outlays, or a financing transaction. Receipts include taxes, interest, charges for goods and services, borrowings and Government Business Enterprise (GBE) dividends received. |
| Revenue | Total value of resources earned or received to cover the production of goods and services. |
| Section 74 Receipts | See net annotated appropriation. |
| Special Account | Balances existing within the Consolidated Revenue Fund (CRF) that are supported by standing appropriations (PGPA Act, s78 and s80). Special accounts allow money in the CRF to be acknowledged as set-aside (hypothecated) for a particular purpose. Amounts credited to a Special Account may only be spent for the purposes of the Special Account. Special accounts can only be established by a written determination of the Finance Minister (s78 of the PGPA Act) or through an Act of Parliament (referred to in s80 of the PGPA Act). |
| Special Appropriations (including Standing Appropriations) | An amount of money appropriated by a particular Act of Parliament for a specific purpose and number of years. For special appropriations the authority to withdraw funds from the Consolidated Revenue Fund does not generally cease at the end of the financial year. Standing appropriations are a sub‑category consisting of ongoing special appropriations — the amount appropriated will depend on circumstances specified in the legislation. |

# Portfolio acronyms

| **Term** | **Meaning** |
| --- | --- |
| ABS | Australian Bureau of Statistics |
| AC | Companion of the Order of Australia |
| ACARA | Australian Curriculum, Assessment and Reporting Authority |
| ACCSE | Academic Centres of Cyber Security Excellence |
| AESOC | Australian Education Senior Officials Committee |
| AITSL | Australian Institute for Teaching and School Leadership |
| AM | Member of the Order of Australia |
| AMSI | Australian Mathematical Sciences Institute |
| AO | Officer of the Order of Australia |
| ARC | Australian Research Council |
| ASQA | Australian Skills Quality Authority |
| CCS | Child Care Subsidy |
| CDAB | Collection Development Acquisition Budget |
| CGS | Commonwealth Grant Scheme |
| COAG | Council of Australian Governments |
| COPE | Commonwealth own-purpose expense |
| CRF | Consolidated Revenue Fund |
| CRICOS | Commonwealth Register of Institutions and Courses for Overseas Students |
| DCB | Departmental Capital Budget |
| DECRA | Discovery Early Career Researcher Award |
| EI | Engagement and Impact |
| ELICOS | English Language Intensive Courses for Overseas Students |
| ELLA | Early Learning Languages Australia |
| ELLIC | English Language Learning for Indigenous Children |
| ERA | Excellence in Research for Australia |
| ESA | Education Services Australia |
| ESOS | Education Services for Overseas Students |
| GST | Goods and Services Tax |
| HASS | Humanities and Social Sciences |
| HDR | higher degree by research |
| HECS | Higher Education Contribution Scheme |
| HECS-HELP | Higher Education Contribution Scheme -Higher Education Loan Program |
| HELP | Higher Education Loan Program |
| HERP | Higher Education Research Promotion |
| HESP | Higher Education Superannuation Program |
| ICT | Information and Communication Technology |
| ICTL | information and communication technology literacy |
| ISF | Industry Skills Fund |
| IT | Information Technology |
| ITE | Initial Teacher Education |
| LLND | Language, Literacy, Numeracy and Digital Literacy |
| MYEFO | Mid-Year Economic and Fiscal Outlook |
| NAP | National Assessment Program |
| NAPLAN | National Assessment Program – Literacy and Numeracy |
| NCGP | National Competitive Grants Program |
| NCRIS | National Collaborative Research Infrastructure Strategy |
| NEEB | National Education Evidence Base |
| NRL | National Rugby League |
| NVETR | National Vocational Education and Training Regulator |
| NVR Act | *National Vocational Education and Training Regulator Act 2011* |
| OECD | Organisation for Economic Co-operation and Development |
| OPA | Official Public Account |
| OS-HELP | Overseas - Higher Education Loan Program |
| PAES | Portfolio Additional Estimates Statements |
| PBS | Portfolio Budget Statements |
| PGPA Act | *Public Governance, Performance and Accountability Act 2013* |
| P-TECH | Pathways in Technology Early College High School |
| QILT | Quality Indicators for Learning and Teaching |
| RTO | registered training organisations |
| SAF | Skilling Australians Fund |
| SA-HELP | Loan scheme that assist eligible students to pay for all or part of their student services and amenities fee |
| SOETM | Services for Other Entities and Trust Moneys |
| SRS | Schooling Resource Standard |
| STEM | science, technology, engineering and mathematics |
| TEMAG | Teacher Education Ministerial Advisory Group |
| TEQSA | Tertiary Education Quality and Standards Authority |
| USI | Unique Student Identifier |
| VET | vocational education and training |
| VET FEE-HELP | Loan scheme for eligible students to pay for all or part of their tuition fees for a VET qualification (diploma level and above) at an approved VET provider |
| VSL | VET Student Loans |

1. The Australian National University is not part of the general government sector or included in the Commonwealth general government sector fiscal estimates and does not have a chapter in the PBS. [↑](#footnote-ref-1)
2. This target takes into account families that no longer choose to or require access to child care payments, as well as changes to policy settings. [↑](#footnote-ref-2)
3. Payment accuracy is a defined measure based on independent actuarial assessment. [↑](#footnote-ref-3)
4. Target source: COAG Education Council, *Measurement Framework for Schooling in Australia*, May 2015. Targets from 2019 and beyond are subject to change or agreement through COAG. [↑](#footnote-ref-4)
5. Target source: *Prime Minister’s Report on Closing the Gap*, 2019 [↑](#footnote-ref-5)
6. Target source: COAG Education Council, *Measurement Framework for Schooling in Australia*, May 2015. Targets from 2019 and beyond are subject to change or agreement through COAG. [↑](#footnote-ref-6)
7. Target source: *Prime Minister’s Report on Closing the Gap*, 2019 [↑](#footnote-ref-7)
8. Targets from 2019 and beyond are subject to agreement through COAG. Targets may be reported in the Corporate Plan. [↑](#footnote-ref-8)
9. Target as set under the National Partnership Agreement on Universal Access to Early Childhood Education. [↑](#footnote-ref-9)
10. Target as set under the National Partnership Agreement on Universal Access to Early Childhood Education. [↑](#footnote-ref-10)
11. To be eligible to receive a grant for superannuation liabilities under the program, the university must be a Table A provider under the *Higher Education Support Act 2003* and have staff who are members of one of the emerging cost schemes identified in the guidelines. [↑](#footnote-ref-11)
12. [Measured at the postcode level, as defined by the ABS. http://www.abs.gov.au/ausstats/abs@.nsf/mf/2033.0.55.001](http://www.abs.gov.au/ausstats/abs@.nsf/mf/2033.0.55.001) [↑](#footnote-ref-12)
13. [Measured at the Statistical Area Level 1, as defined by the ABS. http://www.abs.gov.au/ausstats/abs@.nsf/mf/1270.0.55.001](http://www.abs.gov.au/ausstats/abs@.nsf/mf/1270.0.55.001) [↑](#footnote-ref-13)
14. The target represents growth from the 2017–18 level of 1.8 per cent. [↑](#footnote-ref-14)
15. Target applies in 2018–19 and 2020–21 (biennial survey). [↑](#footnote-ref-15)
16. Data is sourced from the National Centre for Vocational Education Research, National Apprentice and Trainee Collection. This is due to be released in the second half of 2019. [↑](#footnote-ref-16)
17. Target applies in 2019–20 and 2021–22 (biennial survey). [↑](#footnote-ref-17)
18. As it can take up to four years for apprentices to complete, the 2019–20 reporting year will compare completion rates between the 2015 and 2014 commencing cohorts. [↑](#footnote-ref-18)
19. 2017–18. Results for 2018–19 will not be available until early 2019–20. [↑](#footnote-ref-19)