BUDGET

PORTFOLIO BUDGET STATEMENTS 2012-13
BUDGET RELATED PAPER NO. 1.6

EDUCATION, EMPLOYMENT AND WORKPLACE RELATIONS PORTFOLIO

BUDGET INITIATIVES AND EXPLANATIONS OF APPROPRIATIONS SPECIFIED BY OUTCOMES AND PROGRAMS BY AGENCY

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The document must be attributed as the Portfolio Budget Statements 2012-13

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The Hon Peter Garrett AM MP
Minister for School Education,
Early Childhood and Youth

The Hon Bill Shorten MP
Minister for Employment and
Workplace Relations

Senator the Hon John Hogg
President of the Senate
Australian Senate
Parliament House
CANBERRA ACT 2600

The Hon Peter Slipper MP
Speaker
House of Representatives
Parliament House
CANBERRA ACT 2600

Dear Mr President
Dear Mr Speaker

We hereby submit Portfolio Budget Statements in support of the 2012-13 Budget for the Education, Employment and Workplace Relations portfolio.

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

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

Yours sincerely

Peter Garrett

Bill Shorten

Abbreviations and conventions

The following notation may be used:

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nfp	not for publication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

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

Enquiries

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A copy of this document can be located on the Australian Government Budget website at: http://www.budget.gov.au.

USER GUIDE
TO THE
PORTFOLIO BUDGET STATEMENTS

USER GUIDE

The purpose of the 2012-13 Portfolio Budget Statements (PB Statements) is to inform Senators and Members of Parliament of the proposed allocation of resources to Government outcomes by agencies within the portfolio. Agencies receive resources from the annual appropriations acts, special appropriations (including standing appropriations and special accounts), and revenue from other sources.

A key role of the PB Statements is to facilitate the understanding of proposed annual appropriations in Appropriation Bills No. 1 and No. 2 2012-13. In this sense the PB Statements are Budget related papers and are declared by the Appropriation Acts to be 'relevant documents' to the interpretation of the Acts according to section 15AB of the *Acts Interpretation Act 1901*.

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

As required under section 12 of the *Charter of Budget Honesty Act 1998*, non-general government sector entities are not consolidated into the Commonwealth general government sector fiscal estimates and accordingly, these entities are not reported in the PB Statements.

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PORTFOLIO OVERVIEW

EDUCATION, EMPLOYMENT AND WORKPLACE RELATIONS PORTFOLIO OVERVIEW

Minister(s) and portfolio responsibilities

The Portfolio Budget Statements provide information about the Education, Employment and Workplace Relations Portfolio. Through its portfolio agencies, the Australian Government takes a national leadership role in education, and aims to improve the productive performance of enterprises in Australia. The Australian Government works with the state and territory governments, other Australian Government agencies, various industries and a range of contracted service providers to provide high quality policy, advice and services for the benefit of Australia.

The Education, Employment and Workplace Relations Portfolio comprises the Department of Education, Employment and Workplace Relations (the department), and the following agencies:

- Australian Curriculum, Assessment and Reporting Authority (ACARA)
- Australian Institute for Teaching and School Leadership (AITSL)
- Comcare
- Fair Work Australia (FWA)
- Fair Work Ombudsman (FWO)
- Office of the Australian Building and Construction Commissioner (ABCC) – until 1 June 2012
- Office of the Fair Working Building Industry Inspectorate (FWBII) – from 1 June 2012
- Safe Work Australia (SWA).

The department's responsibilities changed during the 2011-12 financial year as a result of the Administrative Arrangements Order (AAO) that took effect on 14 December 2011. The responsibility for Tertiary Education, Skills and International functions and policy has been transferred from the department, to the Department of Industry, Innovation, Science, Research and Tertiary Education.

To record the part-year effect of those functions that have transferred, the 2012-13 Portfolio Budget Statements include Outcome 5, which details administered program estimates that have transferred to the Industry, Innovation, Science, Research and Tertiary Education portfolio during 2011-12.

In addition, the departmental resourcing impacts for both agencies are included in this publication on an interim basis, pending final agreement. It is expected following the finalisation of the 2011-12 Final Budget Outcome, the Education, Employment and Workplace Relations will no longer publish estimates or performance information for Outcome 5.

In addition to the abovementioned machinery of government changes affecting the department, the FWBII which is an independent statutory agency has been established in the portfolio by the *Fair Work (Building Industry) Act 2012*. FWBII is to commence operations on 1 June 2012.

As a result of the establishment of FWBII, and subject to any Ministerial determinations providing otherwise, the ABCC will cease operations on, or around, 1 June 2012 in accordance with the *Fair Work (Building Industry) Act 2012*.

Figure 1: Education, Employment and Workplace Relations portfolio structure and outcomes

The Hon Peter Garrett AM, MP
Minister for School Education, Early Childhood and Youth

The Hon Bill Shorten MP
Minister for Employment and Workplace Relations

The Hon Kate Ellis MP
Minister for Employment Participation, Early Childhood and Childcare

The Hon Julie Collins MP
Minister for Indigenous Employment and Economic Development

Senator the Hon Jacinta Collins
Parliamentary Secretary for School Education and Workplace Relations

Department of Education, Employment and Workplace Relations

Secretary: **Lisa Paul AO PSM**

Outcome 1: Improved access to quality services that support early childhood learning and care for children through a national quality framework, agreed national standards, investment in infrastructure, and support for parents, carers, services and the workforce.

Outcome 2: Improved learning, and literacy, numeracy and educational attainment for school students, through funding for quality teaching and learning environments, workplace learning and career advice.

Outcome 3: Enhanced employability and acquisition of labour market skills and knowledge and participation in society through direct financial support and funding of employment and training services.

Outcome 4: Safer, fairer and more productive workplaces for employers and employees by promoting and supporting the adoption of fair and flexible workplace arrangements and safer working arrangements.

Outcome 5: A growth in skills, qualifications and productivity through funding to improve teaching quality, learning, and tertiary sector infrastructure, international promotion of Australia's education and training sectors, and partnerships with industry.

Figure 1: Education, Employment and Workplace Relations portfolio structure and outcomes (cont) – Portfolio Agencies

Australian Curriculum Assessment and Reporting Authority

Chief Executive Officer: **Dr Peter Hill**

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

Chief Executive Officer: **Ms Margery Evans**

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

Fair Work Australia

General Manager: **Ms Bernadette O'Neill**

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

Fair Work Ombudsman

Ombudsman: **Mr Nicholas Wilson**

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

Safe Work Australia

Chief Executive Officer: **Mr Rex Hoy**

Outcome: Safer and more productive Australian workplaces through harmonising national occupational health and safety and workers' compensation arrangements.

Comcare

Chief Executive Officer: **Mr Paul O'Connor**

Outcome 1: The protection of the health, safety and welfare at work of workers covered by the Comcare scheme through education, assurance and enforcement.

Outcome 2: An early and safe return to work and access to compensation for injured workers covered by the Comcare scheme through working in partnership with employers to create best practice in rehabilitation and quick and accurate management of workers' compensation claims.

Outcome 3: Access to compensation for people with asbestos-related diseases where the Commonwealth has a liability, through the management of claims.

Figure 1: Education, Employment and Workplace Relations portfolio structure and outcomes (cont) – Portfolio Agencies

Office of the Australian Building and Construction Commissioner

Commissioner: **Mr Leigh Johns**

Outcome: Workplace relations laws are enforced in building and construction industry workplaces

Office of the Fair Work Building Industry Inspectorate

Commissioner: **Vacant**

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

PORTFOLIO RESOURCES

Table 1 shows the total new resources provided to the portfolio in the 2012-13 budget year, by agency.

Table 1: Portfolio Resources 2012-13

	Appropriation			Receipts	Total
	Bill No. 1 $m	Bill No. 2 $m	Special $m	$m	$m
Department of Education, Employment and Workplace Relations					
Administered appropriations	3,754	177	28,011	-	31,942
Departmental appropriations	616	7	-	53	676
Total:					**32,618**
Australian Curriculum, Assessment and Reporting Authority					
Departmental appropriations	-	-	-	31	31
Total:					**31**
Australian Institute for Teaching and School Leadership					
Departmental appropriations	-	-	-	23	23
Total:					**23**
Comcare					
Departmental appropriations	6	-	-	500	506
Total:					**506**
Fair Work Australia					
Departmental appropriations	134	-	-	-	134
Total:					**134**
Fair Work Ombudsman					
Departmental appropriations	186	16	-	-	202
Total:					**202**
Office of the Australian Building and Construction Commissioner					
Departmental appropriations	-	-	-	-	-
Total:					**-**
Office of the Fair Work Building Industry Inspectorate					
Departmental appropriations	75	-	-	-	75
Total:					**75**

Table 1: Portfolio Resources 2012-13 (continued)

	Appropriation			Receipts	Total
	Bill No. 1	Bill No. 2	Special		
	$m	$m	$m	$m	$m
Safe Work Australia					
Departmental appropriations	9	-	-		9
Total:					**9**
Portfolio total					**33,598**
Less amounts transferred within portfolio					(36)
Resources available within portfolio:					**33,562**

AGENCY RESOURCES AND PLANNED PERFORMANCE

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Safe Work Australia 319

Department of Education, Employment and Workplace Relations

Positional only

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DEPARTMENT OF EDUCATION, EMPLOYMENT AND WORKPLACE RELATIONS

Section 1: Agency overview and resources

1.1 STRATEGIC DIRECTION STATEMENT

The Department of Education, Employment and Workplace Relations (the department) brings together people and services to support the Australian Government's agenda on education, employment and workplace relations. The department makes a difference at many stages of an individual's life: early childhood care and development; quality education; a skilled workforce with greater participation; safe workplaces and an inclusive society.

The diverse functions of the department are closely linked to enable worthwhile collaboration and learning. Across the department all staff contribute to closing the Gap for Aboriginal and Torres Strait Islander peoples, improving services in Regional Australia and for people experiencing disadvantage.

The department delivers the Australian Government's priorities and goals through the development and implementation of policies and programs. The goals are achieved in conjunction with the state and regional network, and through engagement with stakeholders to:

Provide a positive start in life

Children have access to culturally appropriate support, care and education throughout early childhood that will equip them for life and learning.

Offer a brighter future through education

All school students acquire the knowledge and skills to participate effectively in society and employment in a globalised economy and make successful transitions to further education, training and work.

Ensure a safe, fair, productive and successful workplace

Employers and employees are supported to adopt flexible and modern arrangements that lead to mutually beneficial outcomes in Australian workplaces and for the economy.

Promote a participative and inclusive society

People from all backgrounds have access to a range of services and financial support that help them overcome barriers, develop new skills and knowledge, gain employment and participate in society.

As detailed in the summary of portfolio responsibilities, the Administrative Arrangements Order (AAO) that took effect on 14 December 2011 has resulted in a change to the 2012-13 outcome structure for the portfolio. The responsibility for Tertiary Education, Skills and International functions and policy has been transferred from the department, to the Department of Industry, Innovation, Science, Research and Tertiary Education.

For the purposes of this publication, the estimates supporting the part-year (2011-12) transfer of administered programs as a result of the machinery of government changes, have been published under the department's Outcome 5. The departmental resourcing impacts of the machinery of government changes are reflected from 2012-13 financial year onwards in Outcome 5, as agreed between the department and the Department of Industry, Innovation, Science, Research and Tertiary Education. However, it should be noted that at the time of publication, the departmental resourcing transfers are interim and subject to final agreement by both agencies.

The measures for the department in the 2012-13 Budget are set out in Table 1.2 and in Budget Paper No. 2. Major measures delivered in this Budget are detailed below.

The Australian Government has confirmed additional funding for the Home Interaction Program for Parents and Youngsters. Access to early literacy and numeracy programs will be continued for the current 50 sites for a further two years and expand into an additional 50 Indigenous specific sites, benefitting around 3000 additional children.

Significant additional investment is also being delivered under the Jobs Education and Training Child Care Fee Assistance (JETCCFA) program to help more parents get the training and skills they need to get into work. Additional funding under the program will enable more families on income support – mostly sole parents – to access JETCCFA assistance for quality early childhood education and care for their children, while they work, study or train.

As part of its agenda for national education reform, the Government will increase its contribution to the Australian Curriculum, Assessment and Reporting Authority (ACARA) to support further development of the Australian Curriculum from Foundation to Year 12, the National Assessment Program to measure student progress against the National Curriculum, and the National Data and Collection and Reporting Program, including the *MySchool* website.

The review of funding for schooling is the next major step in the reform agenda, and the Government is committed to developing a new system that is fair, transparent and sustainable and that supports delivery of resources all schools need to provide every child with a world-class education. Funding has been confirmed in this budget to support the further technical and analytical work necessary to inform new school funding arrangements.

To support our school students, the 2012-13 Budget is also delivering additional investment in Science and Maths within our schools. A high quality school science and maths education is an essential foundation for Australia's future productivity and economic well-being. The Budget will provide additional investment to support the Science Connections and Science Partnerships programs, student participation in the international Science and Mathematics Olympiads, and provide national support for Advice for Teachers.

To improve the employment outcomes for Australians, the Government has announced that from 1 July 2013, the new Remote Jobs and Community Program (RJCP) will provide a more integrated and flexible approach, providing better participation and employment services for people living in remote areas of Australia. The four main programs currently delivering employment and participation services and community development in remote Australia – Job Services Australia, Disability Employment Services, Community Development Employment Projects and the Indigenous Employment Program – will be rolled into the new integrated service.

The Government will continue to invest in the education of children across the Northern Territory through the Stronger Futures package. Funding will be provided to retain 200 additional teaching positions in Northern Territory schools, along with additional funding to build teacher housing and deliver quality teaching initiatives. The Government will also continue to provide funding for the School Nutrition Program and the enhanced Improving School Attendance through Welfare Reform measure.

These initiatives, as well as further funding for the Teach Remote measure, the Clontarf Foundation and the extension of the Cape York Welfare Reform Trial will assist in meeting the Government's Closing the Gap targets.

Additional support is also being provided through the Budget to support mature age job seekers. The new Experience+ Corporate Champions program will provide assistance to build workplaces that value the experience of older Australians and increase recruitment of mature aged job seekers. The Experience+ Career Advice service will also be extended until 30 June 2016. Eligible job seekers aged 55 years and over will receive assistance for intensive job preparations. The service will support a review of the person's skills and training needs and support workers in job search techniques including resume preparation and interview skills.

In the 2012-13 Budget, the Government is helping many income support allowance recipients to meet cost of living pressures through a new twice-yearly lump sum Supplementary Allowance. This measure is complemented by a doubling of the Liquid Assets Waiting Period thresholds to assist people in managing unanticipated expenses.

Throughout the coming year, the department will also continue to assist the Government to maintain the successful operation of the national workplace relations system in particular the provision of policy advice to Government concerning its response to any recommendations which might be made by the panel undertaking the post implementation review of the *Fair Work Act 2009*.

The department will continue to work closely and cooperatively with its portfolio agencies, other government agencies (Commonwealth, state and territory), advisory bodies, businesses, professional associations, community organisations and citizens in achieving its objectives. In line with this objective and as part of the 2012-13 Budget, the department will deliver over four years a single Whole of Government Parliamentary Workflow Solution across 41 agencies leading to significant efficiencies.

1.2 AGENCY RESOURCE STATEMENT

Table 1.1 shows the total resources from all sources. The table summarises how resources will be applied by outcome and by administered and departmental classification.

Table 1.1: Department of Education, Employment and Workplace Relations Resource Statement — Budget Estimates for 2012-13 as at Budget May 2012

		Estimate of prior year amounts available in 2012-13 $'000	+ Proposed at Budget 2012-13 $'000	= Total estimate 2012-13 $'000	Actual available appropriation 2011-12 $'000
Ordinary annual services[1]					
Departmental appropriation					
Prior year departmental appropriation[2]		-	-	-	-
Departmental appropriation[3]		-	616,120	616,120	809,280
s31Relevant agency receipts[4]		-	52,914	52,914	23,200
Total		**-**	**669,034**	**669,034**	**832,480**
Administered expenses					
Outcome 1		-	430,231	430,231	417,601
Outcome 2		-	518,831	518,831	556,701
Outcome 3		-	2,590,817	2,590,817	2,613,445
Outcome 4		-	213,637	213,637	216,993
Outcome 5		-	-	-	1,009,181
Total		**-**	**3,753,516**	**3,753,516**	**4,813,921**
Total ordinary annual services	**A**	**-**	**4,422,550**	**4,422,550**	**5,646,401**
Other services[5]					
Administered expenses					
Specific payments to States, ACT, NT and local government					
Outcome 2		-	177,058	177,058	322,134
Total		**-**	**177,058**	**177,058**	**322,134**
Departmental non-operating					
Equity injections		-	6,520	6,520	12,132
Total		**-**	**6,520**	**6,520**	**12,132**
Total other services	**B**	**-**	**183,578**	**183,578**	**334,266**
Total available annual appropriations		**-**	**4,606,128**	**4,606,128**	**5,980,667**

Table 1.1: Department of Education, Employment and Workplace Relations Resource Statement — Budget Estimates for 2012-13 as at Budget May 2012 (continued)

		Estimate of prior year amounts available in 2012-13 $'000	+ Proposed at Budget 2012-13 $'000	= Total estimate 2012-13 $'000	Actual available appropriation 2011-12 $'000
Special appropriations					
Special appropriations limited by criteria/entitlement					
A New Tax System (Family Assistance) Act 1999		-	4,437,338	4,437,338	4,178,514
Asbestos-related Claims (Management of Commonwealth Liabilities) Act 2005		-	27,890	27,890	23,270
Coal Mining Industry (Long Service Leave Funding) Act 1992		-	152,423	152,423	152,423
Higher Education Support Act 2003		-	-	-	3,567,346
Indigenous Education (Targeted Assistance) Act 2000		-	130,047	130,047	150,941
Safety, Rehabilitation and Compensation Act 1988		-	39,661	39,661	34,790
Schools Assistance Act 2008		-	8,183,019	8,183,019	7,587,740
Social Security (Administration) Act 1999		-	14,761,161	14,761,161	15,638,806
Student Assistance Act 1973		-	279,842	279,842	276,998
Total special appropriations	C	**-**	**28,011,381**	**28,011,381**	**31,610,828**
Total appropriations excluding Special Accounts		**-**	**32,617,509**	**32,617,509**	**37,591,495**

Table 1.1: Department of Education, Employment and Workplace Relations Resource Statement — Budget Estimates for 2012-13 as at Budget May 2012 (continued)

		Estimate of prior year amounts available in 2012-13 $'000	+ Proposed at Budget 2012-13 $'000	= Total estimate 2012-13 $'000	Actual available appropriation 2011-12 $'000
Special Accounts					
Opening balance[6]		6,494	-	6,494	6,494
Non-appropriation receipts to Special Accounts		-	275	275	107,606
Total Special Account	**D**	**6,494**	**275**	**6,769**	**114,100**
Total resourcing					
A+B+C+D		6,494	32,617,784	32,624,278	37,705,595
Less appropriations drawn from annual or special appropriations above and credited to special accounts and/or CAC Act bodies through annual appropriations		-	35,750	35,750	49,379
Total net resourcing for agency Department of Education, Employment and Workplace Relations		**6,494**	**32,582,034**	**32,588,528**	**37,656,216**

[1] Appropriation Bill (No.1) 2012-13

[2] Estimated adjusted balance carried forward from previous year

[3] Includes an amount of $45.094m in 2012-13 for the Departmental Capital Budget (refer to table 3.2.5 for further details). For accounting purposes this amount has been designated as 'contributions by owners'.

[4] s31 Relevant Agency receipts - estimate

[5] Appropriation Bill (No.2) 2012-13

[6] Estimated opening balance for special accounts (less 'Special Public Money' held in accounts like Other Trust Monies accounts (OTM), Services for other Government and Non-agency Bodies accounts (SOG), or Services for Other Entities and Trust Moneys Special accounts (SOETM)). For further information on special accounts see Table 3.1.2.

Reader note: All figures are GST exclusive.

Table 1.1: Department of Education, Employment and Workplace Relations Resource Statement — Budget Estimates for 2012-13 as at Budget May 2012 (continued)

Third party payments from and on behalf of other agencies

	2012-13 $'000	2011-12 $'000
Receipts received from other agencies for the provision of services (disclosed above within Departmental section 31)	52,914	23,200
Payments made by other agencies on behalf of Department of Education, Employment and Workplace Relations (disclosed above)	19,560,458	20,182,592
Payments made to CAC Act bodies within the Portfolio		
Australian Institute for Teaching and School Leadership		
Annual Appropriation Bill 1 - Outcome 2	14,000	22,201
Australian Curriculum, Assessment and Reporting Authority		
Annual Appropriation Bill 1 - Outcome 2	15,450	12,775
Comcare		
Annual Appropriation Bill 1 - Outcome 4	6,300	14,403

1.3 BUDGET MEASURES

Budget measures relating to the Department of Education, Employment and Workplace Relations are detailed in Budget Paper No. 2 and are summarised below.

Table 1.2: Department of Education, Employment and Workplace Relations 2012-13 Budget measures

	Program	2011-12 $'000	2012-13 $'000	2013-14 $'000	2014-15 $'000	2015-16 $'000
Revenue measures						
Ministerial Standing Council on Tertiary Education, Skills and Employment - Secretariat services	5.5					
Administered revenues		1,222	-	-	-	-
Departmental revenues		-	-	-	-	-
Total		**1,222**	**-**	**-**	**-**	**-**
Total Revenue Measures						
Administered revenues		1,222	-	-	-	-
Departmental revenues		-	-	-	-	-
Total		**1,222**	**-**	**-**	**-**	**-**
Expense measures						
Whole-of-Government Parliamentary Workflow Solution	All					
Administered expenses		-	-	-	-	-
Departmental expenses		169	1,232	1,046	439	-
Total		**169**	**1,232**	**1,046**	**439**	**-**
Community Development Employment Projects (CDEP) program - continuation of grandfathered wage arrangements	1, 3.2					
Administered expenses		(1,373)	(36,744)	(34,264)	(33,340)	(33,254)
Departmental expenses		-	(2,000)	(2,000)	(2,000)	(2,000)
Total		(1,373)	(38,744)	(36,264)	(35,340)	(35,254)
Stronger Futures in the Northern Territory - Continued support for Creches established under the Northern Territory Emergency Response	1.1					
Administered expenses		-	2,502	nfp	nfp	nfp
Departmental expenses		-	181	nfp	nfp	nfp
Total		**-**	**2,683**	**nfp**	**nfp**	**nfp**
Adjustment to the HECS-HELP Benefit for Early Childhood Education Teachers	1.1					
Administered expenses		-	-	-	-	-
Departmental expenses		-	-	-	-	-
Total		**-**	**-**	**-**	**-**	**-**
Home Interaction Program for Parents and Youngsters	1.1					
Administered expenses		-	9,659	13,212	16,170	15,672
Departmental expenses		-	371	374	120	121
Total		**-**	**10,030**	**13,586**	**16,290**	**15,793**

Table 1.2: Department of Education, Employment and Workplace Relations 2012-13 Budget measures (continued)

	Program	2011-12 $'000	2012-13 $'000	2013-14 $'000	2014-15 $'000	2015-16 $'000
Jobs, Education and Training Child Care Fee Assistance program - introduction of a package of reforms	1.1, 1.2					
Administered expenses		-	33,633	37,129	61,700	85,213
Departmental expenses		-	-	-	-	-
Total		**-**	**33,633**	**37,129**	**61,700**	**85,213**
Clontarf Foundation and Engagement Strategies for Indigenous students	2.2					
Administered expenses		-	1,601	1,751	800	-
Departmental expenses		-	252	257	127	-
Total		**-**	**1,853**	**2,008**	**927**	**-**
Schools - Teach Remote - Stage Two	2.2					
Administered expenses		-	3,200	5,550	5,250	-
Departmental expenses		-	109	110	56	-
Total		**-**	**3,309**	**5,660**	**5,306**	**-**
Stronger Futures in the Northern Territory - Reducing Substance Abuse Program - redirection	2.2					
Administered expenses		-	(456)	(931)	(947)	(966)
Departmental expenses		-	-	-	-	-
Total		**-**	**(456)**	**(931)**	**(947)**	**(966)**
Stronger Futures in the Northern Territory - Closing the Gap - Intensive Literacy and Numeracy Programs for Underachieving Indigenous Students Initiative - redirection of funding	2.2					
Administered expenses		-	(8,000)	(16,100)	(16,100)	(16,100)
Departmental expenses		-	-	-	-	-
Total		**-**	**(8,000)**	**(16,100)**	**(16,100)**	**(16,100)**
Stronger Futures in the Northern Territory - Building a Quality School Workforce	2.2					
Administered expenses		-	17,356	nfp	nfp	nfp
Departmental expenses		-	232	nfp	nfp	nfp
Total		**-**	**17,588**	**nfp**	**nfp**	**nfp**
Stronger Futures in the Northern Territory - Community Festivals for Education Engagement - redirection	2.2					
Administered expenses		-	(1,525)	(3,050)	(3,050)	(3,050)
Departmental expenses		-	-	-	-	-
Total		**-**	**(1,525)**	**(3,050)**	**(3,050)**	**(3,050)**
Stronger Futures in the Northern Territory - Indigenous Youth Mobility Program - redirection	2.2					
Administered expenses		-	(6,016)	(7,090)	(7,208)	(7,353)
Departmental expenses		-	-	-	-	-
Total		**-**	**(6,016)**	**(7,090)**	**(7,208)**	**(7,353)**

Table 1.2: Department of Education, Employment and Workplace Relations 2012-13 Budget measures (continued)

	Program	2011-12 $'000	2012-13 $'000	2013-14 $'000	2014-15 $'000	2015-16 $'000
Stronger Futures in the Northern Territory - Indigenous Youth Leadership Program - suspension	2.2					
Administered expenses		-	(929)	(3,031)	(7,242)	(11,561)
Departmental expenses		-	-	-	-	-
Total		**-**	**(929)**	**(3,031)**	**(7,242)**	**(11,561)**
Stronger Futures in the Northern Territory - School Nutrition Program - continuation of funding arrangements	2.2					
Administered expenses		-	8,658	nfp	nfp	nfp
Departmental expenses		-	558	nfp	nfp	nfp
Total		**-**	**9,216**	**nfp**	**nfp**	**nfp**
Cape York Welfare Reform Trial - extension	2.2, 2.12					
Administered expenses		-	940	961	-	-
Departmental expenses		-	58	59	-	-
Total		**-**	**998**	**1,020**	**-**	**-**
Schools -Student Resilience and Wellbeing Program - establishment	2.3					
Administered expenses		(1,333)	(2,089)	(2,418)	(4,410)	-
Departmental expenses		-	-	-	-	-
Total		**(1,333)**	**(2,089)**	**(2,418)**	**(4,410)**	**-**
Schools - One Laptop per Child Australia	2.3					
Administered expenses		11,700	-	-	-	-
Departmental expenses		-	-	-	-	-
Total		**11,700**	**-**	**-**	**-**	**-**
Queen Elizabeth II Diamond Jubilee Essay Competition - establishment	2.3					
Administered expenses		-	-	-	-	-
Departmental expenses		-	-	-	-	-
Total		**-**	**-**	**-**	**-**	**-**
Australian Curriculum, Assessment and Reporting Authority - additional funding	2.3					
Administered expenses		-	6,178	5,147	3,015	2,682
Departmental expenses		-	-	-	-	-
Total		**-**	**6,178**	**5,147**	**3,015**	**2,682**
Schools - Australian Baccalaureate - postpone development	2.3					
Administered expenses		-	-	(2,182)	(4,493)	(1,873)
Departmental expenses		-	-	-	-	-
Total		**-**	**-**	**(2,182)**	**(4,493)**	**(1,873)**

Table 1.2: Department of Education, Employment and Workplace Relations 2012-13 Budget measures (continued)

	Program	2011-12 $'000	2012-13 $'000	2013-14 $'000	2014-15 $'000	2015-16 $'000
Review of Funding for Schooling - additional work	2.3					
Administered expenses		-	4,793	557	-	-
Departmental expenses		-	275	139	-	-
Total		**-**	**5,068**	**696**	**-**	**-**
Schools -National Trade Cadetships - postponement	2.3					
Administered expenses		(3,100)	(9,400)	-	-	-
Departmental expenses		-	-	-	-	-
Total		**(3,100)**	**(9,400)**	**-**	**-**	**-**
School Enrolment and Attendance in Queensland - continuation	2.3					
Administered expenses		-	-	-	-	-
Departmental expenses		-	332	773	-	-
Total		**-**	**332**	**773**	**-**	**-**
Schools - Teach Next Program changes	2.3					
Administered expenses		(2,100)	(26)	(16)	-	-
Departmental expenses		-	-	-	-	-
Total		**(2,100)**	**(26)**	**(16)**	**-**	**-**
Digital Productivity - Australian Broadcasting Corporation (ABC) Digital Classroom - National Online Education Portal	2.3					
Administered expenses		-	-	-	-	-
Departmental expenses		-	-	-	-	-
Total		**-**	**-**	**-**	**-**	**-**
Mathematics and science - increasing participation in schools and universities	2.3, 2.9					
Administered expenses		(2,000)	600	4,650	4,700	4,450
Departmental expenses		-	-	-	-	-
Total		**(2,000)**	**600**	**4,650**	**4,700**	**4,450**
Schools - Digital Education Revolution - project pool - redirection	2.5					
Administered expenses		(24,358)	-	-	-	-
Departmental expenses		-	-	-	-	-
Total		(24,358)	**-**	**-**	**-**	**-**
Schools - Supporting implementation of the More Support for Students with Disabilities Initiative	2.10					
Administered expenses		138	80	10	-	-
Departmental expenses		(637)	(368)	(44)	-	-
Total		**(499)**	**(288)**	**(34)**	**-**	**-**

Table 1.2: Department of Education, Employment and Workplace Relations 2012-13 Budget measures (continued)

	Program	2011-12 $'000	2012-13 $'000	2013-14 $'000	2014-15 $'000	2015-16 $'000
National Career Development Strategy under the National Partnership Agreement on Youth Attainment and Transitions - cessation	2.11					
Administered expenses		(5,783)	(7,568)	(3,666)	-	-
Departmental expenses		-	-	-	-	-
Total		**(5,783)**	**(7,568)**	**(3,666)**	**-**	**-**
Social and Community Services - Queensland pay equity regulation - back pay	2.11					
Administered expenses		554	554	475	-	-
Departmental expenses		-	-	-	-	-
Total		**554**	**554**	**475**	**-**	**-**
Spreading the Benefits of the Boom - new income support supplement	2.12, 3.5					
Administered expenses		-	113,213	230,801	236,415	242,123
Departmental expenses		-	-	-	-	-
Total		**-**	113,213	230,801	236,415	242,123
Fraud prevention and compliance - increase in compliance review activity	2.12, 3.5					
Administered expenses		-	(26,014)	(26,080)	(13,073)	-
Departmental expenses		-	-	-	-	-
Total		**-**	(26,014)	(26,080)	(13,073)	**-**
Family Tax Benefit Part A - change to age of eligibility	2.12, 3.5					
Administered expenses		-	1,170	2,733	2,542	2,633
Departmental expenses		-	-	-	-	-
Total		**-**	**1,170**	**2,733**	**2,542**	**2,633**
Portability of Australian Government Payments	2.12, 3.5					
Administered expenses		-	(917)	(1,902)	(1,957)	(2,014)
Departmental expenses		-	-	-	-	-
Total		**-**	**(917)**	**(1,902)**	**(1,957)**	**(2,014)**
Building Australia's Future Workforce - changes to ABSTUDY eligibility	2.12					
Administered expenses		-	(730)	(1,331)	(1,384)	(1,418)
Departmental expenses		-	-	-	-	-
Total		**-**	**(730)**	**(1,331)**	**(1,384)**	**(1,418)**
Schools - Reward Payments for School Improvement - reduction	2.14					
Administered expenses		-	-	-	(4,375)	(8,850)
Departmental expenses		-	-	-	-	-
Total		**-**	**-**	**-**	**(4,375)**	**(8,850)**

Table 1.2: Department of Education, Employment and Workplace Relations 2012-13 Budget measures (continued)

	Program	2011-12 $'000	2012-13 $'000	2013-14 $'000	2014-15 $'000	2015-16 $'000
Schools - National Rewards for Great Teachers - amendment	2.15					
Administered expenses		-	-	-	-	-
Departmental expenses		-	-	-	-	-
Total		**-**	**-**	**-**	**-**	**-**
Bribie Island Youth Camp Facilities - one-off grant	3.1					
Administered expenses		1,900	-	-	-	-
Departmental expenses		-	-	-	-	-
Total		**1,900**	**-**	**-**	**-**	**-**
Australian Automotive Industry Structural Adjustment Package - Labour Market Element - continuation	3.1					
Administered expenses		-	-	-	-	-
Departmental expenses		-	-	-	-	-
Total		**-**	**-**	**-**	**-**	**-**
Job Services Australia Outcome Payments - simplification	3.1					
Administered expenses		-	(7,383)	(12,000)	(12,552)	(12,400)
Departmental expenses		-	73	-	-	-
Total		**-**	(7,310)	(12,000)	(12,552)	(12,400)
Economic Potential of Senior Australians - employment assistance	3.1					
Administered expenses		-	4,518	5,789	8,335	7,879
Departmental expenses		-	767	807	635	641
Total		**-**	**5,285**	**6,596**	**8,970**	**8,520**
Economic Potential of Senior Australians - 'Experience+ Training', 'On-The-Job Support' and 'Job Transition Support' programs - cessation	3.1					
Administered expenses		-	(8,340)	(7,655)	-	-
Departmental expenses		-	(187)	(214)	-	-
Total		**-**	**(8,527)**	**(7,869)**	**-**	**-**
Mature Age Participation - job seeker assistance	3.1					
Administered expenses		-	1,545	5,117	7,409	10,407
Departmental expenses		-	388	239	331	335
Total		**-**	**1,933**	**5,356**	**7,740**	**10,742**
Employment Services Arrangements - Job Placement Fee - changes to activity requirements and arrangements	3.1					
Administered expenses		-	(40,845)	(42,327)	(40,581)	(38,822)
Departmental expenses		-	17	-	-	-
Total		**-**	(40,828)	(42,327)	(40,581)	(38,822)

Table 1.2: Department of Education, Employment and Workplace Relations 2012-13 Budget measures (continued)

	Program	2011-12 $'000	2012-13 $'000	2013-14 $'000	2014-15 $'000	2015-16 $'000
Seasonal Labour Mobility Program with Pacific Island Countries and East Timor - establishment	3.1					
Administered expenses		-	1,148	935	1,265	1,693
Departmental expenses		-	340	117	349	128
Total		**-**	**1,488**	**1,052**	**1,614**	**1,821**
BackTrack - contribution	3.2					
Administered expenses		200	200	200	200	-
Departmental expenses		-	-	-	-	-
Total		**200**	**200**	**200**	**200**	**-**
Remote Jobs and Communities Program - establishment	3.4					
Administered expenses		-	168	108,511	101,435	155,842
Departmental expenses		-	6,091	7,696	6,783	6,863
Total		**-**	6,259	116,207	108,218	162,705
Fraud prevention and compliance - new compliance data sources	3.5					
Administered expenses		-	(6,853)	(13,817)	(13,926)	(14,028)
Departmental expenses		-	-	-	-	-
Total		**-**	(6,853)	(13,817)	(13,926)	(14,028)
Means test exemptions for the Western Australian Country Fuel Card and the Cost of Living Rebate Scheme - extension	3.5					
Administered expenses		-	67	69	71	72
Departmental expenses		-	-	-	-	-
Total		**-**	**67**	**69**	**71**	**72**
Weekly income support payments to vulnerable Australians - expansion	3.5					
Administered expenses		-	-	-	-	-
Departmental expenses		-	-	-	-	-
Total		**-**	**-**	**-**	**-**	**-**
Fraud prevention and compliance - increased recovery of high value non-current customer	3.5					
Administered expenses		-	-	-	-	-
Departmental expenses		-	-	-	-	-
Total		**-**	**-**	**-**	**-**	**-**
Parenting Payment - changed eligibility for 1 July 2006 grandfathered recipients	3.5					
Administered expenses		-	(129,006)	(207,916)	(161,043)	(227,043)
Departmental expenses		-	88	80	81	82
Total		-	(128,918)	(207,836)	(160,962)	(226,961)
Liquid assets waiting period - amendment	3.5					
Administered expenses		-	-	12,044	12,044	12,044
Departmental expenses		-	-	-	-	-
Total		**-**	**-**	**12,044**	**12,044**	**12,044**

Table 1.2: Department of Education, Employment and Workplace Relations 2012-13 Budget measures (continued)

	Program	2011-12 $'000	2012-13 $'000	2013-14 $'000	2014-15 $'000	2015-16 $'000
Total expense measures						
Administered		(25,555)	(81,058)	49,865	135,670	161,978
Departmental		(468)	8,809	9,439	6,921	6,170
Total		**(26,023)**	**(72,249)**	**59,304**	**142,591**	**168,148**
Capital measures						
Whole-of-Government Parliamentary Workflow Solution	All					
Administered capital		-	-	-	-	-
Departmental capital		-	1,093	1,148	1,816	2,398
Total		**-**	**1,093**	**1,148**	**1,816**	**2,398**
Economic Potential of Senior Australians - employment assistance	3.1					
Administered capital		-	-	-	-	-
Departmental capital		-	156	-	-	-
Total		**-**	**156**	**-**	**-**	**-**
Remote Jobs and Communities Program - establishment	3.4					
Administered capital		-	-	-	-	-
Departmental capital		-	4,600	-	-	-
Total		**-**	**4,600**	**-**	**-**	**-**
Fraud prevention and compliance - new compliance data sources	3.5					
Administered capital		-	-	-	-	-
Departmental capital		-	-	-	-	-
Total		**-**	**-**	**-**	**-**	**-**
Total capital measures						
Administered		-	-	-	-	-
Departmental		-	5,849	1,148	1,816	2,398
Total		**-**	**5,849**	**1,148**	**1,816**	**2,398**

Prepared on a Government Finance Statistics (fiscal) basis

Section 2: Outcomes and planned performance

2.1 OUTCOMES AND PERFORMANCE INFORMATION

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 agencies achieve the intended results of their outcome statements. Agencies 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, specifying the performance indicators and targets used to assess and monitor the performance of the department in achieving Government outcomes.

Outcome 1: Improved access to quality services that support early childhood learning and care for children through a national quality framework, agreed national standards, investment in infrastructure, and support for parents, carers, services and the workforce

Outcome 1 strategy

In this Budget, the Government is making a significant investment in child care assistance over the next four years to help parents get the training and skills they need to enter or re-enter the workforce. Jobs, Education and Training Child Care Fee Assistance (JETCCFA) provides assistance with child care fees for parents on income support, mostly sole parents, while they are studying or training to get the skills they need to help them find a job. The JETCCFA program will be better aligned with the Government's jobs policy and skills agendas and help improve employment outcomes for parents.

Access to early literacy and numeracy programs will be improved with the extension of the Home Interaction Program for Parents and Youngsters (HIPPY), which is a two-year, home-based parenting and early childhood enrichment program targeted to disadvantaged communities. An additional fifty sites are to be rolled out in Indigenous communities in remote regions. As a result, around 750 children from the remote Indigenous sites will enrol in HIPPY in 2014. HIPPY will also be extended to an additional cohort of children in the existing 50 locations. As a result of this additional cohort, around 1700 children will enrol in HIPPY in 2013.

All of these new measures build on the Government's early childhood education and care agenda. There is strong evidence that programs aimed at alleviating disadvantage during the early years of life are more effective in improving outcomes for the child and achieving higher returns on investment than remedial interventions later in life. Even for children who are not disadvantaged, high quality early childhood experiences have a positive effect on a child's development, transition to school and outcomes in later life.

In July 2009, the Council of Australian Governments (COAG) agreed to a National Early Childhood Development (ECD) Strategy with the vision that by 2020 all children have the best start in life to create a better future for themselves and for the nation.

The strategy will help all levels of government build a more effective and better coordinated national early childhood development system and identifies the early childhood development outcomes that all governments are seeking to achieve for children. These are:

- children are born and remain healthy
- children's environments are nurturing, culturally appropriate and safe
- children have the knowledge and skills for life and learning
- children benefit from better social inclusion and reduced disadvantage, especially Indigenous children
- children are engaged in and benefiting from educational opportunities
- families are confident and have the capabilities to support their children's development
- quality early childhood development services that support workforce participation choices for families.

The Government is continuing to work with state and territory governments on implementing the strategy.

Together with universal access to early childhood education, the National Quality Agenda for Early Childhood Education and Care is the first major tranche of reform under the strategy. The Agenda will ensure national consistency in early childhood education and child care services. The new National Quality Framework will: improve staff to child ratios; introduce new staff qualification requirements; and establish a quality rating system. A new national body, the Australian Children's Education and Care Quality Authority (ACECQA), will guide and monitor implementation. Transition to the new system began on 1 July 2010, with full implementation to occur from 1 January 2012 until 2020.

Data from the second national Australian Early Development Index (AEDI) collection will be available in 2013. This data, providing a snapshot of how children across Australia are developing prior to reaching school, will build on the information already available from the 2009 collection. The availability of two national AEDI datasets will help governments (at all three tiers) and community organisations monitor progress and inform early childhood policy and planning right across education, health and community services.

The Government is committed to lifting the quality of centre-based Budget Based Funded early childhood services. Budget Based Funded early childhood services are funded by the Australian Government to provide child care and early learning opportunities where the market would otherwise fail to deliver child care. These services predominantly operate in rural, remote and Aboriginal and Torres Strait Islander communities.

The department is also continuing to progress other key COAG commitments that underpin the National ECD Strategy, including the National Partnership Agreement on Early Childhood Education, which underpins the Government's commitment to universal access to early learning for all children in the year before formal schooling and the establishment of Children and Family Centres through the National Partnership Agreement on Indigenous ECD.

The Government is committed to supporting, training and retaining experienced and qualified early childhood educators. A well trained early childhood workforce is essential in delivering high quality early childhood services and achieving the best outcomes for children. The department is continuing to manage a range of initiatives such as improving access to Recognition of Prior Learning, removing TAFE fees for approved early childhood qualifications and reducing university HELP debts for early childhood teachers.

Table 2.1A Budgeted expenses and resources for Outcome 1

Outcome 1: Improve access to quality services that support early childhood learning and care for children through a national quality framework, agreed national standards, investment in infrastructure and support for parents, carers, services and workforce.	2011-12 Estimated actual expenses $'000	2012-13 Estimated expenses $'000
Program 1.1: Support for the Child Care System		
Administered expenses		
Ordinary annual services (Appropriation Bill No. 1)	414,601	427,231
Total for Program 1.1	**414,601**	**427,231**
Program 1.2: Child Care Fee Assistance		
Administered expenses		
Special appropriations	4,178,515	4,437,338
Total for Program 1.2	**4,178,515**	**4,437,338**
Program 1.3: Early Childhood Education		
Administered expenses		
Ordinary annual services (Appropriation Bill No. 1)	3,000	3,000
Total for Program 1.3	**3,000**	**3,000**
Outcome 1 Totals by appropriation type		
Administered Expenses		
Ordinary annual services (Appropriation Bill No. 1)	417,601	430,231
Special appropriations	4,178,515	4,437,338
Departmental expenses		
Departmental appropriation [1]	87,720	84,957
Expenses not requiring appropriation in the Budget year [2]	12,355	12,643
Total expenses for Outcome 1	**4,696,191**	**4,965,169**
	2011-12	2012-13
Average Staffing Level (number)	461	421

[1] Departmental Appropriation combines "Ordinary annual services (Appropriation Bills No. 1& 3)" and "Revenue from independent sources (s31)".

[2] Expenses not requiring appropriation in the Budget year is made up of Depreciation Expense, Amortisation Expense, Makegood Expense, and Audit Fees.

Contributions to Outcome 1

Program 1.1 Support for the Child Care System

Program objective

To support child care services so that more families can access quality early childhood education and childcare services. This program helps families to participate in the social and economic life of the community as it:

- promotes and supports quality child care
- assists services to improve access and inclusion for children and families with special and/or additional needs
- provides professional support to build the capacity of the child care sector

- supports the sustainability of child care for all Australian children and families including in areas and/or under circumstances where services would not otherwise be available

- develops, maintains and disseminates information to assist families to make informed decisions about child care and the related support programs and services provided or funded by the Government.

Additional funding provided to centre-based Budget Based Funded early childhood services is making a significant start towards helping these services meet the new National Quality Standards. The funding, which commenced from 2010–11, is targeted at improving the facilities these services operate from, the qualifications of staff working in these services, and their governance and administrative capacity.

The program provides funding to complete 38 priority early learning and care centres funded in the 2008-09 Budget.

The effectiveness indicators provide details on the trend in the number of children with additional needs using government approved child care services. This is seen as a good measure of the overall effectiveness of access to quality child care and early learning services, as families with children from the target groups identified often find it more difficult to access child care that is appropriate to their special needs.

The National Quality Framework is a COAG initiative that is operationalised under a National Partnership (NP) using Treasury funding. The NP sets out indicators that ACECQA is required to provide reports against. The department has no ongoing indicators for the National Quality Framework that need to be reported.

Administered items

- Child Care Services Support—the main sub-elements of this administered item include:

  - community support—delivers improved access to child care through support for establishment of new services and maintenance of services, especially in areas where the market would otherwise fail to provide child care services

  - child care quality support—aims to ensure that children in care have stimulating, positive experiences and interactions that will foster all aspects of their development and promote quality care for all children in approved Australian child care services

  - inclusion and professional support—promotes and maintains high quality care and inclusion for all children in eligible child care services, by increasing the capacity of the service and the skill level of carers and educators through the provision of professional development and inclusion support

– program support—supports the development, maintenance and dissemination of information to assist families to make informed decisions about child care and the related support programs and services provided or funded by the Government. A range of products and services are funded to assist parents and service providers, including the Australian Early Development Index and the Home Interaction Program for Parents and Youngsters.

- Jobs, Education and Training Child Care Fee Assistance (JETCCFA)—provides eligible parents with extra financial assistance to help with the cost of approved child care while undertaking activities such as job search, work, study, training or rehabilitation to help them to enter or re-enter the workforce. The significant investment the Government is making in JETCCFA over the next four years will assist around 130 000 parents across the country to enter the workforce and provide for their families. The program will be better aligned with the Government's jobs policy and skills agendas as well as helping to improve employment outcomes for parents.

Table 2.1.1 Administered expenses for Program 1.1

	2011-12 Revised budget $'000	2012-13 Budget $'000	2013-14 Forward year 1 $'000	2014-15 Forward year 2 $'000	2015-16 Forward year 3 $'000
Annual administered expenses:					
Child Care Services Support	326,526	345,312	340,221	362,177	353,424
Jobs Education and Training Child Care Fee Assistance (JETCCFA)	88,075	81,919	78,980	104,677	128,768
Total program expenses	**414,601**	**427,231**	**419,201**	**466,854**	**482,192**

Program 1.1 deliverables

	Revised budget 2011–12	**Budget 2012–13**	**2013–14**	**2014–15**	**2015–16**
Child Care Services Support					
Number of child care services receiving sustainability assistance	2300	2300	2300	2300	2300
Number of child care services receiving establishment assistance	250	250	250	250	250
Number of Budget Based Funded Services	344	344	344	344	344
Jobs, Education and Training Child Care Fee Assistance					
Number of children in child care	52 000	44 300	46 900	49 000	50 800
Number of parents assisted	35 600	30 400	32 100	33 600	34 800

Program 1.1 key performance indicators

	Revised budget 2011–12	Budget 2012–13	2013–14	2014–15	2015–16
Growth in the number of children with additional needs using government approved child care services—by target group:					
• Children with disability	3%	3%	3%	3%	3%
• Aboriginal, Torres Strait and Australian South Sea Islander children	2%	2%	2%	2%	2%
• Children from non-English backgrounds	13%	13%	13%	13%	13%

Program 1.2 Child Care Fee Assistance

Program objective

To assist families with the cost of child care. The provision of this assistance means more families are able to access quality child care services.

The effectiveness indicator provides details on the child care out-of-pocket expenses as a proportion of weekly disposable income after child care subsidies. This is seen as a good measure of overall affordability of access to quality services that support early childhood learning and care.

Administered items

- Child Care Benefit (CCB)—assists parents with the cost of approved and registered child care. The payment of CCB varies depending on family income, the number of children in care, the hours of care, and the type of child care used. Low income families receive the highest rate of CCB.

- Child Care Rebate (CCR)—covers families for 50 per cent of their out-of-pocket approved child care expenses after CCB has been received, up to an annual maximum of $7500 per child. This assistance will help eligible working parents with the cost of child care, if they are using approved child care for work-related reasons.

Table 2.1.2 Administered expenses Program 1.2

	2011-12 Revised budget $'000	2012-13 Budget $'000	2013-14 Forward year 1 $'000	2014-15 Forward year 2 $'000	2015-16 Forward year 3 $'000
Special Appropriations:					
A New Tax System (Family Assistance) (Administration) Act 1999					
Child Care Benefit	2,342,852	2,444,197	2,555,561	2,632,024	2,707,810
Child Care Rebate	1,835,663	1,993,141	2,246,648	2,541,409	2,804,516
Total program expenses	**4,178,515**	**4,437,338**	**4,802,209**	**5,173,433**	**5,512,326**

Program 1.2 deliverables

	Revised budget 2011–12	**Budget 2012–13**	**2013–14**	**2014–15**	**2015–16**
Child Care Benefit					
Number of children using approved child care places	1 303 000	1 321 000	1 322 000	1 339 000	1 347 000
Number of families using approved child care services	929 000	941 000	948 000	951 000	956 000
Number of families using approved child care services and receiving a child care payment (percentage of families who use care and receive a payment)	906 000 (98%)	918 000 (98%)	925 000 (98%)	928 000 (98%)	933 000 (98%)
Number of families receiving both Child Care Benefit and Child Care Rebate	651 000	659 000	663 000	661 000	657 000
Number of families receiving only Child Care Benefit	121 000	121 000	120 000	119 000	118 000
Number of families receiving only Child Care Rebate	134 000	138 000	142 000	148 000	157 000
Number of eligible approved services	16 000	16 200	16 400	16 500	16 600

Program 1.2 key performance indicators

Percentage of child care out-of-pocket expenses as a proportion of weekly disposable income after child care subsidies	8 to 12%	8 to 12%	8 to 12%	8 to 12%	8 to 12%

Program 1.3 Early Childhood Education

Program objective

To improve access to high quality early childhood education and child care, to support optimal child development in the early years and prepare children for formal schooling.[1]

To achieve these goals a number of National Partnership Agreements have been entered into:

- The National Partnership Agreement on the National Quality Agenda for Early Childhood Education and Care—will establish a National Quality Framework for early childhood education and care and Outside School Hours Care services. The Framework, which commenced on 1 January 2012, will also facilitate the provision to families of quality information to help them make informed choices about services.

- The National Partnership Agreement on Early Childhood Education—aims that by 2013 every child will have access to a preschool program in the 12 months prior to full-time schooling. The preschool program is to be delivered by a four year university qualified early childhood teacher, in accordance with a national early years learning framework, for 15 hours a week, 40 weeks a year. It will be accessible across a diversity of settings, in a form that meets the needs of parents and in a manner that ensures cost does not present a barrier to access.

- Children and Family Centres—as part of the National Partnership Agreement on Indigenous Early Childhood Development, 38 Children and Family Centres have been announced and will be established across Australia by June 2014. These will deliver integrated services that offer early learning, child care and family support programs. Children and Family Centres are targeted at addressing the needs of Aboriginal and Torres Strait Islander families and their young children and will also provide services to all families in the community.

- The National Partnership Agreement on TAFE Fee Waivers for Child Care Qualifications—supports individuals, including existing child care workers, to gain a vocational education and training qualification in early childhood care. This funding removes the regulated course fees for diplomas and advanced diplomas in Children's Services, delivered by a TAFE institute or other government training provider.

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1 The Indigenous Education Program funding of $11 million per calendar year for preschools under the *Indigenous Education (Targeted Assistance) Act 2000* will provide assistance to early education providers to ensure access for Aboriginal and Torres Strait Islander children. This program is reported under Outcome 2.

The Government is working in partnership with the states and territories under COAG and through the Intergovernmental Agreement on Federal Financial relations to ensure the effective implementation of this program including the achievement of the outcomes. The delivery of the universal access to early childhood education is a state and territory responsibility and depends on Commonwealth and state and territory funding.

Linked to: Treasury's Specific Purpose Payments (SPPs)—refer to Budget Paper 3 (Australia's Federal Relations), which includes SPP arrangements with the states and territories.

Administered items

Total Commonwealth funding for universal access to early childhood education ($970 million over five years to 30 June 2013) is allocated in accordance with the National Partnership Agreement on Early Childhood Education (NP ECE). Of this funding, $15 million is for research, evaluation and data development which aims to inform the implementation of universal access to early childhood education program (see table 2.1.3).

Table 2.1.3 Administered expenses for Program 1.3

	2011-12 Revised budget $'000	2012-13 Budget $'000	2013-14 Forward year 1 $'000	2014-15 Forward year 2 $'000	2015-16 Forward year 3 $'000
Annual administered expenses:					
Early Childhood Education - Universal Access	3,000	3,000	-	-	-
Total program expenses	**3,000**	**3,000**	**-**	**-**	**-**

Program 1.3 key performance indicators

	Revised budget 2011–12	Budget 2012–13	2013–14	2014–15	2015–16
Universal access to Early Childhood Education (NP ECE)					
Percentage of all children enrolled in preschool	83%	95%	95%	95%	95%
Percentage of Indigenous children enrolled in preschool	78%	95%	95%	95%	95%
Percentage of Indigenous children enrolled in preschool in remote areas[2]	91%	95%	95%	95%	95%
Percentage of children enrolled in an early childhood education program that is available for at least 15 hours a week[3]	–	95%	95%	95%	95%

Outcome 1 Departmental outputs

Table 2.1B Performance information for Outcome 1 departmental outputs

Performance indicator	2012–13 estimate
Program management	
Services provided by Australian Government agencies (e.g. Centrelink) satisfy performance requirements	DEEWR requirements met

2 The ABS advises caution in the use of single year of age Aboriginal and Torres Strait Islander population projection data when calculating indicators such as rates, due to the inherent uncertainty in single year of age estimates as a result of quality issues associated with the source data assumptions used to derive estimates, and issues associated with modeling small numbers. Nevertheless, the ABS recommends that the Aboriginal and Torres Strait Islander population projections are the best current source of data for calculating and reporting Aboriginal and Torres Strait Islander preschool enrolment rates, including by remoteness.

3 New key performance indicator introduced in response to the ANAO report *Administration of the National Partnership on Early Childhood Education*, November 2011.

Outcome 2: Improved learning and literacy, numeracy and educational attainment for school students, through funding for quality teaching and learning environments, workplace learning and career advice

Outcome 2 strategy

The overarching policy framework for the Government's reform agenda is set by the National Education Agreement and the Melbourne Declaration on Educational Goals for Young Australians. The National Education Agreement includes a statement of objectives and outcomes for all schools, as well as a clear framework for performance reporting.

The Government commissioned an independent review of funding for schooling, chaired by Mr David Gonski AC, in 2010. The review panel report in early 2012 and the Government's high-level response outlining a comprehensive consultation framework.

The review of funding for schools is the next major step in the reform agenda, and the Government is committed to developing a new system that is fair, transparent and sustainable and that supports delivery of resources all schools need to provide every child with a world-class education.

The Government's strategy for Outcome 2 reflects two national goals for schooling outlined in the Melbourne Declaration:

- Australian schooling promotes excellence and equity; and
- all young Australians become successful learners, confident and creative individuals and active and informed citizens.

Similar policy parameters and accountability measures for the non-government sector are provided through the *Schools Assistance Act 2008*.

In 2007, the Government delivered a new vision for Australian schooling and has invested $65.4 billion in school education funding between 2009 and 2012. Investment in school buildings, trade training and technology has delivered state-of-the art facilities to equip our students for the 21st century. Targeted investment by the Government in low socioeconomic status (SES) schools is helping break the cycle of disadvantage.

In recognition of the fact that teacher quality is the single greatest in-school influence on student outcomes, the Government is committed to ensuring high quality entrants to the teaching profession, that they are supported and trained to be effective and that excellence is rewarded. Significant national reforms have already been put in place under the Improving Teacher Quality National Partnership, including agreement on the National Professional Standards for Teachers. Future years will see the Rewards for Great Teachers initiative recognise and reward our best teachers who achieve certification at the Highly Accomplished and Lead levels of the Standards.

The Government is delivering Australia's first national curriculum to ensure that all Australian students have access to a world-class curriculum. Developed by ACARA, the Australian Curriculum in the first four learning areas of English, mathematics, science and history is being implemented in schools around the country, with development work on other learning areas progressing this year.

The Government is also committed to providing greater transparency and accountability of school performance. The *My School* website was updated for the third time in February 2012 and included, for the first time, a new depiction of student improvement or 'gain' in literacy and numeracy achievement and a new vocational education page. The Government's commitment to *My School*, which puts more information into the hands of parents and the community, is also being matched by efforts to give schools greater responsibility and flexibility to make decisions at the local level to improve teaching and learning.

The Empowering Local Schools initiative aims to drive improved student performance and outcomes through increasing the capacity of principals, parents and school communities to make decisions about how their local school is run. The Reward for School Improvement initiative aims to encourage a nationally consistent and rigorous approach to school self-evaluation and improvement planning through implementation of a National School Improvement Framework and reward payments to schools showing most improvement.

Schools, teachers and students continue to be supported through the Government's $2.5 billion investment in the Smarter Schools National Partnerships to improve teacher quality, support disadvantaged school communities and improve literacy and numeracy. This includes $1.5 billion over seven years (2008–09 to 2014–15) to support education reform activities in approximately 1700 low SES schools around the country.

Closing the Gap is a commitment by all Australian governments to improve the lives of Aboriginal and Torres Strait Islander peoples, and in particular provide a better future for Aboriginal and Torres Strait Islander children. There are two Closing the Gap targets for schooling:

- to halve the gap in reading, writing and numeracy achievements for Indigenous children by 2018

- to halve the gap for Indigenous students in Year 12 attainment or equivalent rates by 2020.

To achieve these targets, a range of reforms, including the development of the *Aboriginal and Torres Strait Islander Education Action Plan 2010–14*, are being delivered. The plan focuses on improvements in the following areas: readiness for school, literacy and numeracy and pathways to real post-school options.

The Government is providing targeted assistance to help ensure that students with special learning needs and disabilities are appropriately supported. For example, an additional $200 million is being provided through the More Support for Students with Disabilities initiative, which will build the capacity of schools and teachers to better meet students' individual needs.

The Government is investing over $2.1 billion to support the effective integration of information and communications technology in Australian schools in line with the Government's broader education initiatives, including $31.4 million for more digital teaching and learning resources and infrastructure to support implementation of the Australian Curriculum.

The $2.5 billion investment in Trade Trading Centres (TTCs) ensures that Australian students are being equipped with the skills needed in the workplaces of today and tomorrow by building new state-of-the-art training centres on school sites for use by secondary school students who want to pursue a career in the trades.

Funding provided under the National Partnership on Youth Attainment and Transitions supports the achievement of a national Year 12 or equivalent attainment rate of 90 per cent by 2015. This National Partnership aims to increase the educational engagement and attainment of young people and to improve their transition to post school education, training and employment.

Table 2.1A Budgeted expenses and resources for Outcome 2

Outcome 2: Improved learning, and literacy, numeracy and educational attainment for school students, through funding for quality teaching and learning environments, workplace learning and career advice.	2011-12 Estimated actual expenses $'000	2012-13 Estimated expenses $'000
Program 2.2: Non Government Schools National Support		
Administered expenses		
Special appropriations	7,738,681	8,313,066
Total for Program 2.2	**7,738,681**	**8,313,066**
Program 2.3: School Support		
Administered expenses		
Ordinary annual services (Appropriation Bill No. 1)	233,883	205,288
Total for Program 2.3	**233,883**	**205,288**
Program 2.4: Trade Training		
Administered expenses		
Other services (Appropriation Bill No. 2)	55,025	84,249
Total for Program 2.4	**55,025**	**84,249**
Program 2.5: Digital Education		
Administered expenses		
Ordinary annual services (Appropriation Bill No. 1)	9,242	6,000
Other services (Appropriation Bill No. 2)	74,000	74,000
Total for Program 2.5	**83,242**	**80,000**
Program 2.6: National Action Plan on Literacy and Numeracy		
Administered expenses		
Ordinary annual services (Appropriation Bill No. 1)	6,800	162,338
Total for Program 2.6	**6,800**	**162,338**
Program 2.7: Education Infrastructure		
Administered expenses		
Other services (Appropriation Bill No. 2)	93,419	-
Total for Program 2.7	**93,419**	**-**
Program 2.9: Smarter Schools - Improving Teacher Quality national partnership		
Administered expenses		
Ordinary annual services (Appropriation Bill No. 1)	15,640	13,401
Total for Program 2.9	**15,640**	**13,401**
Program 2.10: More Support for Students with Disabilities		
Administered expenses		
Ordinary annual services (Appropriation Bill No. 1)	554	554
Other services (Appropriation Bill No. 2)	17,066	17,066
Total for Program 2.10	**17,620**	**17,620**

Table 2.1A Budgeted expenses and resources for Outcome 2 (continued)

Outcome 2: Improved learning, and literacy, numeracy and educational attainment for school students, through funding for quality teaching and learning environments, workplace learning and career advice.	2011-12 Estimated actual expenses $'000	2012-13 Estimated expenses $'000
Program 2.11: Youth Support		
Administered expenses		
Ordinary annual services (Appropriation Bill No. 1)	123,071	125,779
Special Accounts	240	240
Total for Program 2.11	**123,311**	**126,019**
Program 2.12: Student Assistance		
Administered expenses		
Special appropriations	276,998	279,842
Special Accounts	5	5
Total for Program 2.12	**277,003**	**279,847**
Program 2.13: Empowering Local Schools		
Administered expenses		
Ordinary annual services (Appropriation Bill No. 1)	1,250	-
Other services (Appropriation Bill No. 2)	18,613	-
Total for Program 2.13	**19,863**	**-**
Program 2.14: Rewards for School Improvement		
Administered expenses		
Ordinary annual services (Appropriation Bill No. 1)	5,785	5,471
Total for Program 2.14	**5,785**	**5,471**
Program 2.15: National Rewards for Great Teachers		
Administered expenses		
Other services (Appropriation Bill No. 2)	8,717	1,743
Total for Program 2.15	**8,717**	**1,743**
Outcome 2 Totals by appropriation type		
Administered Expenses		
Ordinary annual services (Appropriation Bill No. 1)	396,225	518,831
Other services (Appropriation Bill No. 2)	266,840	177,058
Special appropriations	8,015,679	8,592,908
Special Accounts	245	245
Departmental expenses		
Departmental appropriation [1]	161,536	156,248
Expenses not requiring appropriation in the Budget year [2]	23,393	23,178
Total expenses for Outcome 2	**8,863,918**	**9,468,468**
	2011-12	2012-13
Average Staffing Level (number)	974	888

[1] Departmental Appropriation combines "Ordinary annual services (Appropriation Bills No. 1& 3)" and "Revenue from independent sources (s31)".

[2] Expenses not requiring appropriation in the Budget year is made up of Depreciation Expense, Amortisation Expense, Makegood Expense and Audit Fees .

Program 2.1 Government Schools National Support

Program objective

The objective of this program is to contribute to boosting participation and Australia's productivity by providing supplementary funding to states and territories to support government schools achieve the following five outcomes:

- all children are engaged in, and benefiting from, schooling
- young people are meeting basic literacy and numeracy standards, and overall levels of literacy and numeracy achievement are improving
- Australian students excel by international standards
- schooling promotes social inclusion and reduces the educational disadvantage of children, especially Aboriginal and Torres Strait Islander children
- young people make a successful transition from school to work and further study.

Government funding for schooling is delivered through the funding framework associated with the National Education Agreement (NEA) with states and territories. The NEA articulates the commitment of all Australian governments to ensure that all Australian school students acquire the knowledge and skills to participate effectively in society and employment in a globalised economy.

Under this framework, the Government provides supplementary funding for government schools through the National Schools Specific Purpose Payments to state and territory governments.

The NEA applies the reporting framework agreed to under the Intergovernmental Agreement on Federal Financial Relations and sets out ten performance indicators that allow reporting on national progress towards achieving the agreed outcomes. National progress reports include the:

- *National Report on Schooling in Australia* (published by ACARA)
- *Education 2010: Comparing performance across Australia* (published by the Council of Australian Governments' Reform Council)
- *Annual Report on Government Services* (published by the Productivity Commission).

These reports provide information on all Australian schools regardless of sector (government or non-government).

Linked to: Treasury's Specific Purpose Payments (SPPs)—refer to Budget Paper No. 3 (Australia's Federal Relations), Payments to support state education services, which includes SPP arrangements with the states and territories. See also The Treasury's Program 1.6: Assistance to the States for Government Schools.

Program 2.1 deliverables

	2011–12 Revised budget	2012–13 Budget	2013–14	2014–15	2015–16
Government Schools Specific Purpose Payment					
Number of full-time equivalent students funded (enrolment projections)	2 289 759	2 303 000	2 325 000	2 356 000	2 385 000

Program 2.2 Non-Government Schools National Support

Program objective

The Government will provide an estimated $37.0 billion for non-government schooling for 2009–2014 under the *Schools Assistance Act 2008* (the Act). Funding appropriated under the Act supports the capital and operating costs of non-government primary and secondary education schools and systems. Government funding to non-government schools supplements funding raised by the schools from other sources.

Administered items

The Act, which began on 1 January 2009, provides for:

- recurrent and capital funding for non-government schools
- continuation of indexation arrangements for recurrent and other specifically targeted funding
- maximum recurrent grant funding for non-government special schools, special assistance schools and schools with significant proportions of Aboriginal and Torres Strait Islander students
- Indigenous Supplementary Assistance (ISA) for Aboriginal and Torres Strait Islander students, generally comprising the non-government recurrent funding component for Aboriginal and Torres Strait Islander school students formerly provided under the *Indigenous Education (Targeted Assistance) Act 2000*. From 1 January 2011, non-remote non-government boarding schools with more than 50 Aboriginal and Torres Strait Islander boarding students from remote communities are eligible for the higher remote rate of ISA for these students.

Targeted programs

- School Languages Program—to help non-government schools improve the learning outcomes of students who are learning languages other than English.

- Country Areas Program—to assist geographically isolated children.

- English as a Second Language – New Arrivals Program—to assist newly arrived students of non-English speaking backgrounds.

- Literacy, Numeracy and Special Learning Needs Program—to assist the most disadvantaged students including students with disability.

- Short Term Emergency Assistance—to support the operation of schools that have been affected by unforseen, emergency circumstances.

The Government's Aboriginal and Torres Strait Islander education initiatives strategically target issues impacting on education outcomes of Aboriginal and Torres Strait Islander students with a particular focus on Closing the Gap targets. Funding is provided under the *Indigenous Education (Targeted Assistance) Act 2000* and provides assistance to organisations and government and non-government schools.

Initiatives include:

- Indigenous Youth Leadership Program—($57.3 million over four years 2009–2012) provides secondary and tertiary scholarships to support Aboriginal and Torres Strait Islander students from mainly very remote and remote areas across Australia to complete Year 12 and/or an undergraduate degree while developing leadership skills. Current contracts cease December 2012 and DEEWR will soon commence discussions with service providers on future arrangements.

- Indigenous Youth Mobility Program—($57.5 million over four years 2009–2012) supports young Aboriginal and Torres Strait Islander people aged 16-24 years, primarily from remote areas, who need to move away from home to gain the qualifications they need to have a greater chance of obtaining sustainable employment. This program is delivered in 16 host locations and participants are encouraged to pursue Australian Apprenticeships, VET and higher education. Current contracts cease December 2012 and DEEWR will soon commence discussions with service providers on future arrangements.

- Sporting Chance Program—a $43.4 million Australian Government initiative (2009-2012) that uses sport and recreation as a vehicle to increase the level of engagement of Aboriginal and Torres Strait Islander students in their schooling to improve their education, training and employment outcomes. The program has been implemented with providers working together with schools, education authorities, sporting bodies, businesses and community groups.

- An additional $4.8 million over three years will benefit up to 700 Aboriginal and Torres Strait Islander secondary school students at risk of otherwise not completing their schooling. The Clontarf Foundation will establish new academies in regional New South Wales to support some 350 Aboriginal and Torres Strait Islander male students. In addition, new funding will be provided to support school engagement strategies for up to 350 Indigenous female students.

- Additional 200 teachers in the Northern Territory initiative—($107.8 million over four years 2009–2012) to recruit, deploy and retain up to 200 teachers in schools in remote communities in the Northern Territory (170 teachers in the government sector and 30 teachers in the non-government sector). Both the government and non-government sectors are on track to have 200 additional teachers deployed by the end of 2012.

- Continuing Government funding for 200 teaching positions in remote Northern Territory schools under the Stronger Futures in the Northern Territory package to provide retention of existing teachers recruited under the Closing the Gap in the Northern Territory National Partnership. Funding will be tapered over the ten year lifetime of this proposal to allow the Northern Territory government to take full responsibility for funding teachers after 2021–22.

Table 2.2.2 Administered expenses for Program 2.2

	2011-12 Revised budget $'000	2012-13 Budget $'000	2013-14 Forward year 1 $'000	2014-15 Forward year 2 $'000	2015-16 Forward year 3 $'000
Annual administered expenses:					
Special Appropriations:					
Schools Assistance Act 2008	7,587,740	8,183,019	8,840,529	9,557,949	10,330,319
Indigenous Education (Targeted Assistance) Act 2000	150,941	130,047	136,689	133,391	126,928
Total program expenses	**7,738,681**	**8,313,066**	**8,977,218**	**9,691,340**	**10,457,247**

Program 2.2 deliverables[4]

	2011–12 Revised budget	2012–13 Budget	2013–14	2014–15	2015–16
Recurrent Grants—Non-government					
Number of full-time equivalent students funded (enrolment projections)	1 214 000	1 234 000	1 258 000	1 285 000	1 314 000
Capital Grants—Non-government					
Number of schools assisted with capital support	245	235	235	127	Ceases end 2014
English as a Second Language—New Arrivals—Non-government					
Number of new arrivals assisted	838	1000	1050	1100	1150
Indigenous Youth Mobility Program					
Number of participants in the Indigenous Youth Mobility Program	460	324	Arrangements being finalised		
Indigenous Youth Leadership Program					
Number of participants in the Indigenous Youth Leadership Program (secondary and tertiary)	871	871	Arrangements being finalised		
Sporting Chance Academies					
Number of students attending Sporting Chance Academies	5600	3496	Arrangements being finalised		

[4] Note that arrangements for forward years have not been finalised at this time for the Indigenous Youth Mobility Program, Indigenous Youth Leadership Program and Sporting Chance Academies.

Program 2.2 key performance indicators

	2011–12 Revised budget	2012–13 Budget	2013–14	2014–15	2015–16
Enrolment trends–Non-government					
Full-time student enrolments in Australian schools[5]					
Primary	633 725	646 000	662 000	679 000	681 000
Secondary	590 849	599 000	609 000	619 000	651 000
Number of Indigenous students at school[6]	24 864	26 000	28 000	29 000	31 000
Apparent retention rate of full-time students from Year 7/8 to Year 12	79%	80%	80%	80%	80%
Enrolment trends					
Student enrolments in Australian schools[7]:					
Primary	2 037 154	2 067 000	2 111 000	2 165 000	2 178 000
Secondary	1 482 405	1 486 000	1 490 000	1 494 000	1 550 000
Trend in the number of Indigenous students at school	167 547	173 000	178 000	184 000	189 000
Indigenous trends[8]					
Percentage of young people who commence on the Indigenous Youth Mobility Program who exit the program after achieving a vocational education and training or higher education qualification or to take up full-time employment	60%	60%	Arrangements being finalised		
Percentage of eligible Indigenous students in receipt of Indigenous Youth Leadership Program scholarships who complete Year 12	90%	90%	Arrangements being finalised		

[5] Note change to indicator wording, from 'Trend in full-time student enrolments in Australian schools' in 2011–12 PBS.
[6] Note change to indicator wording, from 'Trend in the number of Indigenous students at school' in 2011–12 PBS.
[7] Note change to indicator wording, from 'Trend in full-time student enrolments in Australian schools' in 2011–12 PBS.
[8] Arrangements for forward years have not been finalised at this time.

Program 2.3 Schools Support

Program objective

In its national leadership role, the Government funds initiatives including quality teaching and learning environments that aim to improve the quality outcomes for all Australian students.

Administered items

- The National Trade Cadetships (NTC)—an initiative that will deliver a school-based program that provides opportunities for students to undertake vocational learning and develop work readiness skills in preparation for a skilled occupation after leaving school. The NTC will be an industry endorsed course of study as an option under the Australian Curriculum. There will be two pathway options: Years 9 to 10, which will focus on work readiness and laying the foundation for further education and training; and Years 11 to 12, which will focus on a particular trade or industry. A work experience component will form an integral part of both pathways.

- Indigenous Ranger Cadetships—the Government will provide $4.1 million over 2011–12 to 2013–14 to assist Aboriginal and Torres Strait Islander young people complete school and build their capacity for further study, training, jobs and careers in land, water and resource management. The Indigenous Ranger Cadetships pilot will engage students in culturally relevant school-based programs involving natural resource management, heritage related activities and cultural studies. The program is designed to improve school capacity to retain Aboriginal and Torres Strait Islander students to Year 12 and to assist students with their transition from school to further education, training and work. This will contribute to lifting Year 12 attainment levels for Aboriginal and Torres Strait Islander secondary students and contribute to closing the gap in learning outcomes between Aboriginal and Torres Strait Islander peoples and other Australians.

- Teach Next—a new employment-based pathway into teaching has been established for up to 395 skilled and experienced professionals who are seeking a career change into the teaching profession. The program will play an important role in addressing areas of teacher shortages in regional and hard-to-staff schools and in reducing the number of teachers currently teaching outside their subject areas.

- Helping Children with Autism package: Positive Partnerships—this cross-portfolio package is delivering $220 million over 2007–2015 in targeted support for children with autism spectrum disorder, their parents, carers, teachers and other professionals. It provides early intervention funding, Medicare rebates, information and support for children with autism. The package is being delivered by the Departments of Families, Housing, Community Services and Indigenous Affairs (FaHCSIA); Health and Ageing (DoHA); and Education, Employment and Workplace Relations (DEEWR).

- The Government, through the department, is committing $40.5 million to Positive Partnerships over 2007–2015. The department is responsible for delivering two initiatives under the package which aim to foster positive partnerships between schools and families to improve the educational outcomes of children with an autism spectrum disorder. The initiatives provide:

  - professional development for teachers, school leaders and other school staff to build their understanding, skills and expertise in working with children with an autism spectrum disorder

  - workshops and information sessions for parents and carers to assist them to work with their child's teachers, school leaders and other staff.

- National School Chaplaincy and Student Welfare Program—a voluntary program that assists school communities to support the wellbeing of their students including strengthening values, providing pastoral care and enhancing engagement with the broader community. In the 2011-12 Budget, the Government provided an additional $222 million to extend the scheme to up to an extra 1000 schools from 2012, with priority given to schools service disadvantaged areas or in regional and remote locations.

- Parliament and Civics Education Rebate—provides a subsidy to schools for students who travel more than 150 kilometres to the national capital for a civics and citizenship excursion.

- National Asian Languages and Studies in Schools Program—aims to increase opportunities for school students to become proficient at learning the languages and understanding the cultures of our Asian neighbours, namely China, Indonesia, Japan and Korea. This program ceases December 2012.

- Quality Outcomes—provides funding for strategic projects that support the Government's key objective of improved student learning outcomes in schools and its national leadership role in school education.

- Grants and Awards—supports the Australian Students Prize; Recurrent Service Fees to support Education Services Australia; the Asia Education Foundation to deliver support services for the study of Asia in Australian schools and Grants-in-Aid which assist in maintaining the operations of key national education research organisations and national parents organisations.

- Online Diagnostic Tools—$46.9 million over five years from 2010–11 to deliver online assessment and learning tools for teachers and parents and to trial online delivery of the National Assessment Program including NAPLAN and sample population assessments in science, civics and ICT.

- As part of the Stronger Futures in the Northern Territory, the Improving School Enrolment and Attendance through Welfare Reform Measure (SEAM) will be aligned with the Northern Territory government's Every Child, Every Day strategy as a way to connect schools and families where children are not enrolled in school, or not regularly attending school. SEAM provides greater access for families to Department of Human Services social workers and other support, and attaches conditions to income support payments to encourage parents to ensure that their children of compulsory school age are enrolled in and attending school regularly. SEAM will also expand from the current six communities in the Northern Territory to a further 16 locations. Additional SEAM sites were chosen in the Northern Territory because attendance is poor in many of these sites and more is needed to be done to encourage and support parents to ensure their children attend school.

Linked to: Treasury's Specific Purpose Payments (SPPs)—refer to Budget Paper No. 3 (Australia's Federal Relations), Payments to support state education services, which includes SPP arrangements with the states and territories. See also The Treasury's Program 1.6: Assistance to the States for Government Schools.

Table 2.2.3 Administered expenses for Program 2.3

	2011-12 Revised budget $'000	2012-13 Budget $'000	2013-14 Forward year 1 $'000	2014-15 Forward year 2 $'000	2015-16 Forward year 3 $'000
Annual administered expenses:					
Teach Next	4,300	5,224	4,434	1,950	-
National Trade Cadetship	-	3,100	12,500	12,500	12,500
Online Diagnostic Tools	14,894	10,238	9,734	9,734	9,734
Australian Baccalaureate	-	-	-	-	2,706
Indigenous Ranger Cadetships	850	1,325	825	-	-
National Asian Languages in Schools	4,635	461	-	-	-
Grants and Awards	4,035	4,076	4,134	4,194	4,255
National School Chaplaincy Program	74,000	74,000	74,000	-	-
Helping Children with Autism	5,354	5,434	5,539	5,642	5,750
Quality Outcomes	50,539	58,498	47,970	40,137	37,029
Framework for Open Learning	2,875	2,984	3,643	3,722	3,805
Local Schools Working Together	10,000	-	-	-	-
Student Resilience and Wellbeing	1,911	1,234	1,117	1,738	6,245
Review of School Funding	-	4,793	557	-	-
One Laptop Per Child	11,700	-	-	-	-
Maths and Science Participation	-	3,100	4,650	4,700	4,450
Indigenous Education	48,790	30,821	30,893	30,967	31,049
Total program expenses	**233,883**	**205,288**	**199,996**	**115,284**	**117,523**

Program 2.3 deliverables

	2011–12 Revised budget	2012–13 Budget	2013–14	2014–15	2015–16
Helping Children with Autism Package					
Number of teachers and other school staff attending professional development courses	225	450	450	450	450
Number of parents and carers attending workshops and information sessions	725	1800	1800	1800	1800
Parliament and Civics Education Rebate					
Number of schools visiting Canberra under PACER	2130	2280	1630	1670	1710
Indigenous Ranger Cadetships					
Number of participant schools in the Indigenous Ranger Cadetship program	Up to 6 pilot schools	Up to an additional 6 pilot schools	Final pilot school commencement is January 2013. Program ceases June 2014		
Teach Next					
Number of Teach Next participants commencing	100	195	100	Final intake is November 2013. Program ceases December 2015	
National School Chaplaincy and Student Welfare Program					
Number of schools receiving support for chaplaincy or student welfare services	3650	3500	3500	Program ceases December 2014	

Program 2.4 Trade Training

Program objective

Trade training is an important element of the Government's agendas in relation to workforce development and Year 12 attainment in schools. Through the program, the Government aims to help:

- support the achievement of a national Year 12 or equivalent attainment rate of 90 per cent by 2015
- address skills shortages in traditional trades and other eligible occupations by
  - improving student access to trade training facilities that meet industry standards
  - improving the quality of schooling offered to secondary students undertaking trade related pathways

- assisting young people to make a successful transition from school to work or further education or training

- supporting the Closing the Gap initiative to halve the gap between Aboriginal and Torres Strait Islander and other students in Year 12 or equivalent attainment rates by 2020.

The program is one of several Government programs that seek to contribute to improved Year 12 retention rates. Trade Training Centres (TTCs) are already giving students access to trade training facilities and pathways, keeping students engaged in school and creating linkages between schools, communities, and local industry.

Since Round 4 opened in late 2011, the rollout of the program is based on the relative socioeconomic disadvantage of schools within each education authority sector, rather than the former competitive application process. In addition, education authorities and their schools now strategically forward plan to develop quality coordinated projects with buy-in from schools and local communities.

Linked to: Treasury's Specific Purpose Payments (SPPs)—refer to Budget Paper No. 3 (Australia's Federal Relations) Payments to support state education services—National Partnership payments: TTCs.

Administered items

The Trade Training Centres in Schools Program will provide $2.5 billion over the years 2008–2018, to enable secondary schools across Australia to seek funding for trade training centres, allowing secondary students from years 9 to 12 to access vocational education and training to give students a broader range of options, help improve Year 12 retention rates and enhance pathways into vocational careers. 376 TTC projects benefiting over 1070 schools have been announced so far.

Table 2.2.4 Administered expenses for Program 2.4

	2011-12 Revised budget $'000	2012-13 Budget $'000	2013-14 Forward year 1 $'000	2014-15 Forward year 2 $'000	2015-16 Forward year 3 $'000
Annual administered expenses:					
Trade Training Centres (Non-Government)	55,025	84,249	55,300	112,828	161,564
Total program expenses	**55,025**	**84,249**	**55,300**	**112,828**	**161,564**

Program 2.4 deliverables

	2011–12 Revised budget	2012–13 Budget	2013–14	2014–15	2015–16
Trade Training Centres in Schools Program[9]					
Total announced projects (cumulative)	376	376	549	722	969
New projects announced	89	0	173	173	247
New projects announced—number of schools benefiting[10]	176	0	341	341	487

Program 2.5 Digital Education Revolution

Program objective

The Government's reform agenda is supported and extended by the significant investment of over $2.1 billion through the Digital Education Revolution (DER) which supports the effective integration of information and communications technology (ICT) in Australian schools. The DER complements broader education policy initiatives to improve workforce capability and develop coherent national curriculum and assessment frameworks.

For more than a decade, governments and school communities around Australia have been working to harness the power of ICT to improve educational opportunities, boost outcomes and further enhance the learning experience. Through the DER, the Government is working with jurisdictions, government and non-government schools sectors to provide computers and software, reliable infrastructure, professional development and quality digital resources to prepare young people to live and work in a digital world. All state and territory governments agreed to a national, coordinated and collaborative partnership approach to develop and implement the DER.

The Australian Information and Communications Technology in Education Committee provides ongoing advice on the implementation of the DER to the Standing Council on School Education and Early Childhood.

Linked to: Treasury's Specific Purpose Payments (SPPs)—refer to Budget Paper No. 3 (Australia's Federal Relations) Payments to support state education services—National Partnership payments: Digital Education Revolution.

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[9] Indicators for this program have been revised and updated in order to provide more accurate reporting.

[10] The number of schools benefiting is subject to minor variations as a result of changes to cluster (groups of secondary schools working together to establish trade training centres) arrangements or other factors.

Administered items

The Digital Education Revolution is a suite of initiatives, including:

- the National Secondary Schools Computer Fund, which is helping schools to provide new computers and other ICT equipment for students in Years 9 to 12, as well as providing the necessary infrastructure to support the installation and maintenance of the additional ICT. A 1:1 computer to student ratio has been achieved nationally in Years 9 to 12 in Australian schools

- the $31.4 million Supporting the Australian Curriculum Online program that will significantly enhance the pool of national, state and territory digital curriculum resources to support all teachers in implementing the Australian Curriculum. It includes a focus on filling resource gaps identified for English, mathematics, science and history and providing extra resources to help teachers to teach geography, languages and the arts. Funding will also provide support for teachers developing flexible learning approaches and integrating resources into the classroom

- the $16.3 million Information and Communications Technology Innovation Fund which is supporting four projects that together will assist teachers and school leaders to embrace technology and encourage teachers to creatively and effectively integrate the use of ICT into the classroom

- the National Schools Interoperability Program which was established by the Australian Education, Early Childhood and Youth Senior Officials Committee to provide it with technical advice and support for national initiatives

- the Australian Curriculum Connect Project which is supporting implementation of the Australian Curriculum by enabling the use, sharing and discovery of digital resources aligned with the new curriculum.

Table 2.2.5 Administered expenses for Program 2.5

	2011-12 Revised budget $'000	2012-13 Budget $'000	2013-14 Forward year 1 $'000	2014-15 Forward year 2 $'000	2015-16 Forward year 3 $'000
Annual administered expenses:					
Digtal Education Revolution Project Pool	9,242	6,000	4,000	-	-
Digital Education Revolution (Non-Government)	74,000	74,000	nfp [1]	nfp	nfp
Total program expenses	**83,242**	**80,000**	**4,000**	**nfp**	**nfp**

[1] Funding not published past the expiry date of the agreement. Future funding is subject to the negotiation of a new agreement with the states.

Program 2.6 National Action Plan on Literacy and Numeracy

Program objective

This program focuses on the key areas of teaching, leadership and the effective use of student performance information to deliver sustained improvement in literacy and numeracy outcomes for all students, especially those who are falling behind. It contributes to the COAG target to halve the gap for Aboriginal and Torres Strait Islander students in reading, writing and numeracy within a decade. The key element of this program is the National Partnership Agreement on Literacy and Numeracy.

The department reports on the following program effectiveness indicators:

	Year 3		Year 5		Year 7		Year 9	
	R	N	R	N	R	N	R	N
Percentage of non-Indigenous students at or above the national minimum standard in reading and numeracy	94.9%	96.4%	92.9%	95.5%	95.7%	95.5%	93.5%	94.1%
Percentage of Indigenous students at or above the reading and numeracy national Minimum Standards	76.3%	83.6%	66.4%	75.2%	77.1%	76.5%	71.9%	72.0%

(R) Reading (N) Numeracy
Note: This table presents 2011 data.

2008–2011 Comparison of gap in Indigenous reading and numeracy

2011 NAPLAN	Indigenous Reading (%)	Gap (percentage points)	Change on 2008 Gap (percentage points)	Indigenous Numeracy (%)	Gap (percentage points)	Change on 2008 Gap (percentage points)
Yr 3	76.3	18.6	–6.6	83.6	12.8	–4.6
Yr 5	66.4	26.5	–2.7	75.2	20.3	–4.5
Yr 7	77.1	18.6	–4.9	76.5	19.0	+1.2
Yr 9	71.9	21.6	–1.9	72.0	22.1	–0.2

Source: 2008 and 2011 NAPLAN—proportion of Indigenous students at or above the national minimum standard.

Administered items

The $540 million National Partnership Agreement on Literacy and Numeracy (NP) commenced in 2009 and comprises:

- $150 million which has been paid to states and territories to facilitate the implementation of literacy and numeracy models or approaches that demonstrated evidence for accelerating improvement in students' results.
- Up to $350 million to reward states and territories for achievement of targets based on predetermined milestones or performance benchmarks.
- $40 million for strategic initiatives.

The NP is achieving significant reform at the national, state and local school level. The October 2011 state and territory progress reports provided many local examples of activity including widespread adoption of in-classroom support for teachers by specialist coaches; increased teacher skill and confidence in using data to better address individual student learning needs; and the use of targeted literacy and numeracy interventions for under-performing students.

A strategic initiative under the NP is the development of Teach, Learn, Share, a national evidence base of literacy and numeracy teaching strategies that have been proven to work to improve literacy and numeracy outcomes for students. Effective practice will be disseminated to support system-wide improvements.

Table 2.2.6 Administered expenses for Program 2.6

	2011-12 Revised budget $'000	2012-13 Budget $'000	2013-14 Forward year 1 $'000	2014-15 Forward year 2 $'000	2015-16 Forward year 3 $'000
Annual administered expenses:					
National Action Plan on Literacy and Numeracy	6,800	162,338	162,538	162,538	162,538
Total program expenses	**6,800**	**162,338**	**162,538**	**162,538**	**162,538**

Program 2.7 Education Infrastructure

Program objective

As part of the Government's $42 billion Nation Building—Economic Stimulus Plan, $16.2 billion was invested over four financial years (2008–09 to 2011–12) through Building the Education Revolution (BER). The BER aimed to provide economic stimulus through the rapid construction and refurbishment of school infrastructure and to build learning environments to help children, families and communities participate in activities that support achievement, develop learning potential and bring communities together. The BER is underpinned by a strong partnership approach between the Australian, state and territory governments and non-government education authorities.

Linked to: Treasury's Specific Purpose Payments (SPPs)—refer to Budget Paper No. 3 (Australia's Federal Relations) Payments to support state education services—National Partnership payments: Building the Education Revolution.

Administered items

- Primary Schools for the 21st Century—$14.1 billion for long-term investment to build or upgrade large scale infrastructure in all primary schools, special schools and Kindergarten to Year 12 (primary component) in government and non-government sectors. New buildings funded by this program include libraries, multipurpose halls, covered outdoor learning areas, classrooms or major refurbishment of existing facilities.

Table 2.2.7 Administered expenses for Program 2.7

	2011-12 Revised budget $'000	2012-13 Budget $'000	2013-14 Forward year 1 $'000	2014-15 Forward year 2 $'000	2015-16 Forward year 3 $'000
Annual administered expenses:					
Building the Education Revolution (Non-Government)	93,419	-	-	-	-
Total program expenses	**93,419**	**-**	**-**	**-**	**-**

Program 2.7 deliverables

	2011–12 Revised budget	2012–13 Budget	2013–14	2014–15	2015–16
Government					
Percentage of eligible schools receiving funding through Primary Schools for the 21st Century	70.07%	Ceases June 2012			
Non-government					
Percentage of eligible schools receiving funding through Primary Schools for the 21st Century	28.4%	Ceases June 2012			

Program 2.8 Smarter Schools—Low SES School Communities National Partnership

Program objective

The National Partnership Agreement on Low Socio-economic Status School Communities (NP) is providing $1.5 billion over seven years (2008–09 to 2014–15) to facilitate a range of initiatives within school and out-of-school to address the learning needs and wellbeing of students in low socioeconomic status (SES) school communities.

These reforms are focusing on teacher quality, principal leadership, school accountability and innovative learning opportunities to better equip students for further education, workforce participation and civic responsibilities. They contribute to COAG's social inclusion and Indigenous disadvantage agendas.

The performance indicators set out in the National Education Agreement will measure effectiveness. These include the proportion of Aboriginal and Torres Strait Islander and low SES children enrolled in and attending school and the literacy and numeracy achievement of Years 3, 5, 7 and 9 Aboriginal and Torres Strait Islander and low SES students in national testing.

Approximately 1734 schools (17 per cent of all schools) will benefit from the NP over the seven year period (2008–09 to 2014–15). These schools enrol around 464 000 students (13 per cent of all students), of whom around 65 000 identify as Aboriginal and/or Torres Strait Islander. This represents 42 per cent of all Aboriginal and Torres Strait Islander students enrolled in schools around the country.

The NP is creating cultural shifts in teaching and learning and improved attendance and engagement. Schools are implementing innovative approaches to support the holistic needs of students and their families. Some of these reforms include the extended school model linking students and families to other community services, individual student learning plans, student case management and extra support to help students to transition from school to work or further study.

Linked to: Treasury's Specific Purpose Payments (SPPs)—refer to Budget Paper No. 3 (Australia's Federal Relations), Payments to support state education services, which includes SPP arrangements with the states and territories. See also The Treasury's Program 1.6: Assistance to the States for Government Schools.

Administered items

The NP provides support for schools and systems to:

- offer incentives to attract high-performing principals and teachers to low SES schools

- adopt best-practice performance management and staffing arrangements that articulate a clear role for principals
- implement innovative and flexible school operational arrangements to meet the local needs of the school community
- provide innovative and tailored learning opportunities to address the learning needs and wellbeing of low SES students
- strengthen school accountability and provide better reporting of outcomes to parents and communities
- establish external partnerships with parents, other schools, businesses and communities to provide wrap around support for students and help them transition successfully to work or further education.

Program 2.8 deliverables

	2011–12 Revised budget	2012–13 Budget	2013–14	2014–15	2015–16
Number of schools assisted	1734 (over 2009 to 2015)				Ceases December 2015

Program 2.9 Smarter Schools—Improving Teacher Quality National Partnership

Program objective

The Smarter Schools—Improving Teacher Quality National Partnership (TQNP) supports ambitious, nationally significant and sustainable reforms to attract, train, place, develop and retain quality teachers and school leaders in classrooms and schools. These reforms provide a platform for raising student performance and support other schooling reforms targeting low socioeconomic status school communities and literacy and numeracy outcomes.

Bilateral agreements and implementation plans agreed to by the Commonwealth, states and territories set out strategies in each jurisdiction to implement reforms along with payments and state co-investments to be made in support of the TQNP. Summary versions of state and territory implementation plans are published on the department's Smarter Schools website www.smarterschools.gov.au.

The effectiveness of the NP will be measured by the achievement of reform milestones which are included in the bilateral agreements and implementation plans. States and territories have reported to the Commonwealth biannually on progress against the agreed facilitation reform milestones and will provide one report for each reward year on progress against their reward reform milestones.

Under the TQNP, facilitation funding was paid to states and territories to implement national reforms such as the National Professional Standards for Teachers, nationally consistent teacher registration, a national approach to the accreditation of initial teacher education, professional development for school leaders and improving the quality and availability of teaching workforce data.

States and territories are eligible to receive reward funding for the demonstration of achievement in reform areas that improve teacher remuneration structures, increase school-based decision making, improve in-school support, reward teachers in 'hard-to-staff' and disadvantaged schools and increase Aboriginal and Torres Strait Islander teachers' and schools leaders' engagement with community members. The COAG Reform Council will assess achievements against reward reforms and report performance information to COAG.

The Teach for Australia program was established to expand traditional pathways into teaching and attract high-calibre graduates (who may otherwise not have considered a career in teaching) by introducing an employment-based pathway into the profession. Participants have a reduced teaching load and receive a high level of ongoing support and training throughout their two-year placement period including a number of intensive residential training components. On completion of their two year placement, participants are awarded a Postgraduate Diploma of Teaching.

Linked to: Treasury's Specific Purpose Payments (SPPs)—refer to Budget Paper No. 3 (Australia's Federal Relations) Payments to support state education services—National Partnership payments: Improving teacher quality.

Administered items

The TQNP will provide $550 million in Commonwealth funding from 2008 to 2013, which includes:

- $94 million in facilitation funding to be paid to states and territories
- up to $350 million in reward funding to be paid to states and territories
- $38 million in special projects funding to be paid to states and territories for principal professional development
- $68 million to be retained by the Commonwealth to support joint national activity and the Australian Institute for Teaching and School Leadership (AITSL).

Table 2.2.9 Administered expenses for Program 2.9

	2011-12 Revised budget $'000	2012-13 Budget $'000	2013-14 Forward year 1 $'000	2014-15 Forward year 2 $'000	2015-16 Forward year 3 $'000
Annual administered expenses:					
Teacher Quality	15,640	13,401	-	-	-
Total program expenses	**15,640**	**13,401**	**-**	**-**	**-**

Program 2.9 deliverables

	2011–12 Revised budget	2012–13 Budget	2013–14	2014–15	2015–16
Number of Teach for Australia Associates commenced	41	50			-

Program 2.10 More Support for Students with Disabilities

Program objective

The More Support for Students with Disabilities initiative is providing $200 million in additional funding to government and non-government education authorities to support their work with students with disability and learning difficulties.

The initiative allows education authorities to use the funding to increase support for students with disability by building the capacity of schools and teachers to better meet students' individual needs. Education authorities have the flexibility to select a range of activities that will best meet the needs of students, teachers and schools in their jurisdiction. Education authority implementation plans for the initiative are available through the department's website. Services will be delivered in the 2012 and 2013 school years.

The major focus of this short-term initiative is to build the capacity of Australian schools and teachers to better support students with disability, contributing to improved student learning experiences, educational outcomes and transitions to further education or work.

Linked to: Treasury's Specific Purpose Payments (SPPs)—refer to Budget Paper No. 3 (Australia's Federal Relations), Payments to support state education services, which includes SPP arrangements with the states and territories. See also The Treasury's Program 1.6: Assistance to the States for Government Schools.

Administered items

The National Partnership for More Support for Students with Disabilities provides state and territory governments and non-government education authorities flexibility to select activities based on the needs of their jurisdiction. Examples of the supports that are being implemented include:

- the delivery of coordinated expert services within a school
- the development of support centres which serve as centres of expertise in the educational needs of students with disability
- the provision of specialised assistive technologies (eg computer software, low vision aids, communication tools for use in classrooms)
- the engagement of paraprofessionals to strengthen support students with disability
- schools coordinating with health and allied health professionals to assist students with disability
- the provision of additional support for students with disability to transition effectively between stages of schooling and/or from school into further education
- the provision of professional development and support for teachers to adjust the curriculum and the way they teach to better support students with disability.

A comprehensive evaluation will be undertaken to identify successful strategies in the education of students with disability. This information will then be made publicly available to teachers, schools, students, parents and communities.

Table 2.2.10 Administered expenses for Program 2.10

	2011-12 Revised budget $'000	2012-13 Budget $'000	2013-14 Forward year 1 $'000	2014-15 Forward year 2 $'000	2015-16 Forward year 3 $'000
Annual administered expenses:					
Students with Disabilities (COPE)	554	554	276	-	-
Students with Disabilities (Non-Government)	17,066	17,066	8,502	-	-
Total program expenses	**17,620**	**17,620**	**8,778**	**-**	**-**

Program 2.10 deliverables

	2011–12 Revised budget	2012–13 Budget	2013–14	2014–15	2015–16
Key performance indicators for this initiative have been developed at the jurisdictional level and vary according to activities being undertaken. Indicators are detailed in jurisdiction implementation plans that are approved by the Australian Government.					

Program 2.11 Youth Support

Program objective

The Government is committed to supporting all young people to make a successful transition from school to further education, training or work. Attaining a Year 12 qualification, or its vocational equivalent, is a key factor influencing young people's future economic opportunities and engagement in lifelong learning.

Evidence shows that current Year 12 or equivalent attainment rates have not increased significantly over the past decade and that improvement above the long-term trend will be required to meet the COAG target of 90 per cent Year 12 or equivalent attainment by 2015.

A small proportion of young people are not engaged in productive activities after leaving school and this time is characterised by protracted periods of reliance on income support. Another cohort do not make smooth transitions from school. For this group, transition support can reduce 'churn' through education or training courses, and lead to more sustainable employment. Government support has a particular focus on young people who are not fully engaged with education or work.

The National Partnership on Youth Attainment and Transitions aims to increase the educational engagement and attainment of young people to improve transitions. It clarifies roles and responsibilities between the Government and the states and territories, provides a safety net for young people who have disengaged from education, and drives longer-term reform to ensure that young people stay engaged in education and training and increase their skills and qualifications.

Linked to: Treasury's Specific Purpose Payments (SPPs)—refer to Budget Paper No. 3 (Australia's Federal Relations) Payments to support state education services—National Partnership payments: Youth attainment and transitions.

Administered items

- National Partnership on Youth Attainment and Transitions (NP)—aims to improve young Australians' educational participation and attainment, their engagement, and their transition to post-school education, training and employment. Under the NP, the Government is providing continued funding of $624 million over four calendar years from 2010–2013 for improved youth career and transition arrangements. The NP also provides $100 million in reward funding for states and territories for progress towards the COAG target of 90 per cent Year 12 or equivalent attainment for 20 to 24-year-olds by 2015.

  Under this NP the Government has worked together with state and territory governments to remove duplication and overlap in the support and transitions services for young people. This is evident in the two major programs by the Government which were tailored in each jurisdiction to complement state or territory programs and policies.

  - Youth Connections—($288.2 million over four years) to provide an improved safety net for youth at risk (delivered as a Commonwealth Own-Purpose Expense (COPE)). It offers flexible, individualised support to young people who have disengaged, or are at risk of disengaging from school. Support is tailored to each young person's personal situation and circumstances and assists them to overcome obstacles to engagement, including low SES or other disadvantage.

  - School Business Community Partnership Brokers (Partnership Brokers)—$139.3 million[11] over four years to build partnerships to foster a strategic, whole-of-community approach that supports young people's learning and development. Partnership Brokers support strengthened partnerships between schools, business and communities to extend learning beyond the classroom, encourage student engagement and improve educational outcomes (delivered as a COPE). In Victoria, this function is delivered through enhancement to the existing Local Learning and Employment Network (LLEN).

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[11] This figure is commonly reported as $183.3 million for Partnership Brokers under the NP on Youth Attainment and Transitions. Because of different arrangements for the Partnership Broker program in Victoria, $44 million in funds for Victoria is disbursed through their Maximising Engagement, Attainment and Successful Transitions (MEAST) funds, to be used to build partnerships through their LLEN network. MEAST funds are commonly reported as $106 million, which reflects the amount provided to the states and territories for reform.

These programs are tailored to the needs of local communities within each region and are designed to be flexible and responsive to the needs of young people. Youth Connections and Partnership Brokers work together to increase the community's capacity to assist young people to realise their full potential and keep their lives on track.

Other initiatives under the NP include

- Maximising Engagement, Attainment and Successful Transitions—$150 million over four years from 2010–2013 to the states and territories to support the development and implementation of state based initiatives that will improve education and transition outcomes for young people. Funding is available for the reform areas of multiple learning pathways; career development and mentoring.

- National Career Development—$30 million over four years from 2010–2013 administered by the Commonwealth for the development of resources at a national level for the benefit of all jurisdictions for example www.myfuture.edu.au.

- The Office for Youth—aims to ensure that young people reach their full potential; make effective transitions to adulthood as they continue to learn; start work and make decisions that support a healthy lifestyle. To this end, the office delivers a range of initiatives to help young Australians reach their full potential and engage with their families and the community that complement the goals of the NP.

  The Office for Youth manages the Australian Youth Forum which is a mechanism for young people to engage directly with the Government and have the opportunity to shape and influence policies on issues which matter to them.

  The Office for Youth also has a research focus through the Longitudinal Surveys of Australian Youth (LSAY) program, and works across government at all levels, and with the youth sector through the Australian Youth Affairs Coalition to identify gaps, emerging issues and areas of focus for the future.

- Youth Engagement—The Office for Youth administers the following government initiatives and programs which support young Australians to engage with government on decisions that impact on them, to transition to independent living, to celebrate their contribution to the community, to provide specific assistance to vulnerable young people and also by providing comprehensive and up-to-date information about key issues and practices in the youth field.

  - Australian Youth Forum—a formal communication channel between the Government, young people (15 to 24 years) and the youth sector. It provides young people the opportunity to have their voices heard and encourages all young people to get involved in public discussions so that their ideas can be considered in the development of Australian public policy, programs or projects.

- National Youth Week—the single largest celebration of and for young people, has been held annually as a joint Australian, state and territory and local Government initiative since 2000. It encourages young people to be engaged and active participants in their communities. The Government contributes in three key areas: support for local events (through funding agreements with the states and territories); implementation of a national communications strategy; and secretariat support for the National Planning Group.

- Australian Clearinghouse for Youth Studies—a central access point for information on youth issues in Australia. The Australian Clearinghouse for Youth Studies provides support to the youth sector and young people themselves, as well as policymakers, researchers and practitioners in other sectors working with youth by collecting and disseminating youth related research and best practice and building capacity within the youth sector.

- Transition to Independent Living Allowance—a program that provides a one-off allowance for young people aged 15 to 25 years who are about to, or have exited, formal state-based care and/or informal care such as juvenile justice, out-of-home care and Aboriginal and Torres Strait Islander kinship care arrangements and who are at risk of not making a successful transition to independent living. This allowance encourages a preventative and early intervention approach, which can help these young people avoid further welfare dependency and homelessness.

- Youth Development and Support Program—a program that provides small grants to community-based organisations to conduct small-scale projects that engage young people in activities that develop their personal skills to support their transition to independence and adulthood, as well as providing an avenue for greater community involvement.

Table 2.2.11 Administered expenses for Program 2.11

	2011-12 Revised budget $'000	2012-13 Budget $'000	2013-14 Forward year 1 $'000	2014-15 Forward year 2 $'000	2015-16 Forward year 3 $'000
Annual administered expenses:					
Youth Attainment and Transitions National Partnership	113,402	114,360	57,446	-	-
Youth Engagement	9,669	11,419	8,942	7,490	7,516
Special Account Expenses:					
National Youth Affairs Research Component	240	240	240	240	240
Total program expenses	**123,311**	**126,019**	**66,628**	**7,730**	**7,756**

Program 2.11 deliverables

National Partnership on Youth Attainment and Transitions					
Progress towards 2015 COAG target of 90 per cent Year 12 or equivalent attainment	86.73%	There are no targets set for between 2012–2014		90%	Ceases December 2013
Number of young people for whom outcomes are achieved through support provided by the Youth Connections program	15 000	15 000	15 000	Ceases December 2013	
Number of regions that School Business Community Partnership Brokers support (Delivered through 31 Local Learning and Employment Networks in Victoria)	107	107	107	Ceases December 2013	
Transition to Independent Living Allowance					
Number of young people accessing the Transition to Independent Living Allowance	2260	2260	2260	2260	2260

Program 2.12 Student Assistance

Program objective

The Government is committed to raising the Year 12 or equivalent attainment rate to 90 per cent by 2015 and to reduce the gap in Aboriginal and Torres Strait Islander peoples' education under its policy of giving all Australians an opportunity to gain a first class education.

Measures such as student support encourage and assist young people to remain in education and training. Government support is provided through programs such as ABSTUDY and funding through the Assistance for Isolated Children scheme.

Administered items

- ABSTUDY—addresses the particular educational disadvantages faced by Aboriginal and Torres Strait Islander peoples by providing support to students and Australian Apprentices to access and participate in secondary and tertiary education.

- From 1 July 2012, as part of the Government's student income reform package, the student personal income test limits will increase from $236 to $400 per fortnight. Also from 1 July 2012, the student income bank will increase from $6000 to $10000 per annum.

- As part of the Building Australia's Future Workforce package announced in the 2011-12 Budget, Youth Allowance will be extended to include 21 year old job seekers from 1 July 2012. In line with the longstanding principle that ABSTUDY payments reflect other general income support payments, the rate of payment for ABSTUDY 21 year olds will also be aligned with the rate for Youth Allowance from 1 July 2012.

- Student Start-up Scholarship—payable to eligible university students receiving ABSTUDY Living Allowance. The rate for 2012 is $2050, paid in two half yearly instalments. The Student Start-up Scholarship is indexed annually and is also available to eligible students assisted under Youth Allowance and veterans' schemes. Students who are in receipt of a Commonwealth Education Costs Scholarship (CECS) are not eligible to also receive the Student Start-up Scholarship.

- Relocation Scholarship—payable to eligible university students receiving ABSTUDY Living Allowance who, as dependent recipients, have to move away from home for study or as independent students who are disadvantaged by their personal circumstances and are unable to live in the family home. In 2012, the scholarship is $4000 for eligible students in their first year of living away from home to attend university. For students from major cities, the scholarship is $1000 for each subsequent year they need to live away from home to study. Students from regional areas may receive $2000 in each of the second and third years of their study and $1000 in the following years they live away from home to study. Students who are in receipt of a Commonwealth Accommodation Scholarship (CAS) or Indigenous CAS are not eligible to also receive the Relocation Scholarship.

- Assistance for Isolated Children scheme—provides support to ensure that all Australian children have access to a school education. If a student does not have reasonable daily access to an appropriate government school, parents may attract financial support to send the student to a school of their choice.

Table 2.2.12 Administered expenses Program 2.12

	2011-12 Revised budget $'000	2012-13 Budget $'000	2013-14 Forward year 1 $'000	2014-15 Forward year 2 $'000	2015-16 Forward year 3 $'000
Special Appropriations:					
Student Assistance Act 1973					
ABSTUDY - Secondary	141,235	133,511	129,205	129,956	129,974
ABSTUDY - Tertiary	78,162	83,261	86,401	86,732	87,706
Assistance for Isolated Children	57,601	63,070	69,661	71,686	73,769
Special Account Expenses:					
Superannuation payments for ATAS	5	5	5	5	5
Total program expenses	**277,003**	**279,847**	**285,272**	**288,379**	**291,454**

Program 2.12 deliverables

	2011–12 Revised budget	2012–13 Budget	2013–14	2014–15	2015–16
Assistance for Isolated Children Scheme					
Students in receipt of Assistance for Isolated Children funding	12 156	12 176	14 346	14 346	14 346

Program 2.12 key performance indicators

ABSTUDY—Secondary					
Average number of school students receiving ABSTUDY during the year	22 000	22 600	23 200	23 600	23 600
ABSTUDY—Tertiary					
Average number of higher education students receiving ABSTUDY during the year	3900	4200	4300	4400	4400
Average number of Australian Apprentices and students attending a TAFE college or private training institution in receipt of ABSTUDY during the year	5500	5500	5700	5800	5800
Average number of tertiary and VET students in receipt of ABSTUDY during the year (total)	9400	9700	10 000	10 200	10 200

Program 2.13 Empowering Local Schools

Program objective

The objective of the Empowering Local Schools initiative is to empower participating schools to make decisions at a local level, supporting them to better respond to the needs of students and the school community and provide services designed to assist their students to achieve their best educational outcomes.

Key elements of the initiative are:

- Phase One—will focus on supporting increased local decision-making in the areas of governance, funding and infrastructure, and workforce in up to 1000 government and non-government schools over 2012 and 2013 (the Western Australian government is not participating in the Empowering Local Schools initiative). Funding for Phase One comprises
  - start-up grants of $43.51 million (between $40 000 and $50 000 per participating school) to assist them to manage their increased decision-making responsibilities effectively
  - up-front, one-off transition funding to the government sector of $6.36 million ($909 000 per education authority) and the Catholic sector of $4.07 million ($509 000 per education authority) to support changes to centralised administrative arrangements required to assist participating schools to assume greater levels of local decision-making
  - $3.22 million in funding to support the provision of training and professional development for principals and school communities.
- Phase Two—will be informed by an independent evaluation of Phase One and is expected to commence from 2015.

Linked to: Treasury's Specific Purpose Payments (SPPs)—refer to Budget Paper No. 3 (Australia's Federal Relations) Payments to support state education services—National Partnership payments: Empowering Local Schools.

Administered items

- A further amount of $1.25 million will be provided to the Australian Institute for Teaching and School Leadership to support research, communities of practice and professional development for principals and school leaders participating in Phase One of the initiative.
- The total funding commitment comprises $475.5 million over seven years from 2010–2017.

Table 2.2.13 Administered expenses for Program 2.13

	2011-12 Revised budget $'000	2012-13 Budget $'000	2013-14 Forward year 1 $'000	2014-15 Forward year 2 $'000	2015-16 Forward year 3 $'000
Annual administered expenses:					
Empowering Local Schools	1,250	-	-	-	-
Empowering Local Schools (Non-Government)	18,613	-	-	-	115,453
Total program expenses	**19,863**	**-**	**-**	**-**	**115,453**

Program 2.14 Rewards for School Improvement

Program objective

The Rewards for School Improvement program aims to encourage a nationally consistent and rigorous approach to school self-evaluation and improvement planning through implementation of a National School Improvement Framework and reward payments to schools showing the most improvement.

Key elements of the initiative are:

- development of a National School Improvement Framework (NSIF), to be implemented nationally from 2014
- annual assessments from 2015 of school improvement to identify most improved schools
- reward payments to schools showing greatest improvement from the previous year commencing in 2015.

Linked to: Treasury's Specific Purpose Payments (SPPs)—refer to Budget Paper No. 3 (Australia's Federal Relations) Payments to support state education services—National Partnership payments: Reward for School Improvement.

Administered items

- Funding of $40.9 million from 2011–2019 for the development of the NSIF and operation of the program.
- A total budget of $19 million over 2012–2014, to be paid to states and territories to facilitate implementation of the NSIF.
- $275.6 million in reward funding from 2014–15, to be made to schools demonstrating the greatest improvement.

Table 2.2.14 Administered expenses for Program 2.14

	2011-12 Revised budget $'000	2012-13 Budget $'000	2013-14 Forward year 1 $'000	2014-15 Forward year 2 $'000	2015-16 Forward year 3 $'000
Annual administered expenses:					
Rewards for School Improvement	5,785	5,471	5,610	5,610	5,610
Rewards for School Improvement (Non-Government)	-	-	-	10,900	21,700
Total program expenses	**5,785**	**5,471**	**5,610**	**16,510**	**27,310**

Program 2.15 National Rewards for Great Teachers

Program objective

The Rewards for Great Teachers initiative will provide $1.1 billion over eight years from 2011–2019 to recognise and reward quality teachers in Australia who achieve certification at the highest levels of the National Professional Standards for Teachers. Over the next four years the Government will invest $225 million in the Rewards for Great Teachers initiative. Of this, $60 million will be available to implement a new Australian Teacher Performance and Development Framework and a nationally consistent certification process for Highly Accomplished and Lead Teachers with $165 million available to reward teachers.

Through the Rewards for Great Teachers initiative, teachers who become certified at the highest levels of the National Professional Standards for Teachers will be rewarded with a one-off payment of $7500 for Highly Accomplished teachers and $10 000 for teachers who achieve the Lead teacher level.

Linked to: Treasury's Specific Purpose Payments (SPPs)—refer to Budget Paper No. 3 (Australia's Federal Relations) Payments to support state education services—National Partnership payments: National Rewards for Great Teachers.

Table 2.2.15 Administered expenses for Program 2.15

	2011-12 Revised budget $'000	2012-13 Budget $'000	2013-14 Forward year 1 $'000	2014-15 Forward year 2 $'000	2015-16 Forward year 3 $'000
Annual administered expenses:					
National Rewards for Great Teachers	8,717	1,743	13,965	43,616	87,232
Total program expenses	**8,717**	**1,743**	**13,965**	**43,616**	**87,232**

Outcome 3: Enhanced employability and acquisition of labour market skills and knowledge and participation in society through direct financial support and funding of employment and training services

Outcome 3 strategy

Increasing productivity and workforce participation is essential for maintaining Australia's economic growth and lifting our long-term prosperity. The long-term challenges of an ageing population combined with the need for a more highly skilled workforce, and ongoing structural changes across many industries mean it is increasingly important that people of working age are participating in the labour market and that their skills are regularly updated and where necessary, upgraded. This will ensure skills shortages are not a capacity constraint, and workers take advantage of opportunities in new industries and markets.

While the unemployment rate in Australia remains low by international standards there remain areas of ongoing relative disadvantage in Australia. The Government's employment services and related programs provide disadvantaged Australians—those who have difficulty finding and maintaining work—with opportunities and support to develop their skills and capabilities so they can be financially self-sufficient and have positive levels of wellbeing throughout their life. The Outcome leads the department's contribution to population, participation and productivity policy development through strategies that build workforce capability, flexibility and participation incentives through:

- place-based and sectoral solutions to labour supply
- policies and programs that boost social, economic and workforce participation, particularly for disadvantaged job seekers
- policies that promote the wellbeing of working age Australians
- policies and programs that increase Aboriginal and Torres Strait Islander people's employment outcomes and participation, contributing to the Government's commitment to Closing the Gap in employment outcomes between Aboriginal and Torres Strait Islander peoples and other Australians within the decade.

Underpinning these strategies is a rich evidence base supported by collaborative relationships with key international research organisations including the OECD, as well as the department's own research and statistics.

Contributions to Outcome 3

Employment Services Arrangements in Non-Remote Areas

Job Services Australia

The Employment Services Deeds for Job Services Australia (JSA), which expire on 30 June 2012, provided extension clauses. The procurement methodology for JSA 2012-2015 chosen by Government was a mix of contract extensions, business reallocation for underperforming contracts, and an open tender process. The outcomes of the Request for Tender for JSA which was released in November 2011 were published in March 2012. New deeds will commence on 1 July 2012.

Disability Employment Services–Employment Support Service

On 20 February 2012, the Disability Employment Services–Employment Support Service (DES-ESS) Exposure Draft of proposed purchasing arrangements was released. Consultation sessions were held in capital cities and selected regional centres to support the release of the Exposure Draft and allow the community to provide comments and feedback. This feedback was considered in finalising the Request for Tender (RFT), which will be released in May 2012. The outcomes of the RFT are due for release in late October 2012. The new deeds will commence on 4 March 2013.

Employment Services Arrangements in Remote Australia—the new Remote Jobs and Communities Program

The Remote Jobs and Communities Program (RJCP) is the culmination of a comprehensive review of remote participation and employment servicing arrangements.

During 2012–13 the Government will continue to consult with remote communities on the implementation of the new integrated RJCP. The RJCP is funded at $1.5 billion over five years and will commence on 1 July 2013. It replaces JSA, Disability Employment Services (DES), Indigenous Employment Program (IEP) and the Community Development Employment Projects program in remote Australia. The RJCP is designed to ensure remote job seekers, especially Aboriginal and Torres Strait Islander job seekers, participate in meaningful community activities and get the skills they need to find and keep a job.

Indigenous Economic Development Strategy

In October 2011 the Indigenous Economic Development Strategy was released following extensive consultation with Aboriginal and Torres Strait Islander peoples across Australia. The strategy focuses on increasing the personal and economic wellbeing of Aboriginal and Torres Strait Islander peoples through greater participation in the economy.

The strategy sets out a long-term agenda for Indigenous economic participation that will guide government decision-making and program development through to 2018. It identifies five priority areas, each with specific actions, which are key to improving the

prosperity of Aboriginal and Torres Strait Islander peoples: strengthening foundations; education; skills development and jobs; business and entrepreneurship; and financial security and independence.

Mature age strategy

The department is working with employers to encourage the employment of mature-age people, including through the Investing in Experience Employment Charter and Tool Kit. A number of large employers (Corporate Champions) have been appointed to demonstrate leadership in recruiting and retaining mature-age staff. These employers are receiving one-on-one assistance to establish and achieve their recruitment and retention goals, including access to the new Jobs Bonus of $1000 (from 1 July 2012) for employers who recruit and retain a mature age job seeker for 13 weeks. From 1 January 2013, additional assistance will also be provided for peer-based support, intensive job preparation and training (including IT training) to eligible mature-age job seekers in targeted areas and industries, to help them find and keep a job.

The Charter, Tool Kit and Corporate Champions form part of the work of the Consultative Forum on Mature Age Participation. The forum has presented an interim report to Government identifying the barriers to employment faced by mature-age people and will present a final report by 30 June 2012, following Australia's first national survey on those barriers. Consultation with members and other key stakeholders will continue, with a view to increasing the recruitment and retention of mature-age people.

Job seeker compliance

The job seeker compliance measures announced in the 2011–12 Budget under Building Australia's Future Workforce (BAFW), to be introduced from 1 July 2012, will strengthen job seeker participation arrangements by improving the interaction between employment services providers and Centrelink. There will be better communication of job seekers' circumstances which will contribute to individualised servicing strategies and improved job seeker engagement. Wherever possible, Comprehensive Compliance Assessments for vulnerable job seekers will be conducted face-to-face and providers will be given the opportunity to provide input into Comprehensive Compliance Assessments in certain circumstances. Job seekers who are having difficulty in meeting their participation requirements will also benefit from targeted interviews jointly held with their employment services provider and Department of Human Services staff. Simplification of the IT user interface will assist provider staff to correctly report on job seeker participation and to understand the reasons for Centrelink compliance decisions. Alignment of penalty rate calculations is also being introduced to simplify the framework and streamline compliance arrangements for job seekers and providers.

Job seekers and skill development

In order to address the need for adequately skilled job seekers to fill current vacancies, and to enable employers to recruit the workers they will require in the future, it is important to increase awareness and access to the employment and training programs and services in place for job seekers to obtain the necessary skills to meet the needs of employers. The department is working with state and territory agencies to develop strategies to strengthen the interaction and information sharing between the employment services and training sectors, including at the local level.

Building Australia's Future Workforce

Building Australia's Future Workforce (BAFW) was announced in the 2011–12 Budget as a whole-of-government response to address the challenges of Australia's transitioning labour market by building an educated and skilled workforce and maximising opportunities for all to experience the benefits of work. The package contains 39 measures across the department and the Departments of Human Services; Families, Housing, Community Services and Indigenous Affairs; and Industry, Innovation, Science, Research and Tertiary Education. Around half of the BAFW measures are now in place, with 15 commencing on 1 July 2012 and one remaining measure starting on 1 January 2013.

BAFW measures implemented by the department in 2011–12 include:

- the Helping Young Parents program (Teenage Parents Trial) to support around 4000 young parents over 3.5 years across ten identified locations of disadvantage, at a cost of $47 million, to obtain Year 12 or equivalent qualifications and support the development of their children.

- the extension of the Priority Employment Area strategy, including Local Employment Coordinators and Jobs and Skills Expos, through to June 2013 to support areas identified as vulnerable against around 70 indicators of labour market disadvantage. Local Employment Coordinators in 20 designated priority employment areas identify opportunities and connect stakeholders across governments to deliver local solutions to local labour market problems and have access to a Flexible Funding Pool to support their work. Local Employment Coordinators work with their Advisory Committee in their respective regions to implement a regional employment plan, taking account of the broader Regional Development Australia Plans and Regional Education, Skills and Jobs Plans where these align.

- initiatives to increase the workforce participation of disadvantaged people including 20 Job Services Australia demonstration pilots to test enhancements to current service delivery arrangements and Wage Connect, a new wage subsidy to encourage employers to take on very long-term unemployed people.

- the Compulsory Participation Requirements for Jobless Families—Targeted Locations measure is being implemented on 1 July 2012 at a cost of $71.1 million over three financial years and will support around 22 000 parents per year across ten identified locations of disadvantage, with a focus on child health, development and wellbeing and on helping the parents to take steps to participate in work.

In consultation with other participating departments, the department is undertaking an overarching evaluation of the BAFW package. The interim report is due in December 2013 and the final report in October 2014.

Migration and seasonal workers

The department provides labour market and related advice on temporary and permanent migration programs to ensure the programs contribute to the supply of skilled labour necessary to improve productivity in the labour market and the economy. The department is the lead agency for the Seasonal Worker Program which commences on 1 July 2012 and will supersede the Pacific Seasonal Worker Pilot Scheme. Under the Seasonal Worker Program, workers from the Pacific and East Timor will be able to work in the horticulture industry for between 14 weeks and seven months. The program also includes a small scale trial for the tourism industry, cotton and cane industries and the aquaculture industry.

Table 2.3A Budgeted expenses and resources for Outcome 3

Outcome 3: Enhanced employability and acquisition of labour market skills and knowledge and participation in society through direct financial support and funding of employment training services.	2011-12 Estimated actual expenses $'000	2012-13 Estimated expenses $'000
Program 3.1: Employment Services		
Administered expenses		
Ordinary annual services (Appropriation Bill No. 1)	1,563,229	1,562,519
Total for Program 3.1	**1,563,229**	**1,562,519**
Program 3.2: Indigenous Employment		
Administered expenses		
Ordinary annual services (Appropriation Bill No. 1)	157,713	172,576
Total for Program 3.2	**157,713**	**172,576**
Program 3.3: Disability Employment Services		
Administered expenses		
Ordinary annual services (Appropriation Bill No. 1)	861,708	855,356
Total for Program 3.3	**861,708**	**855,356**
Program 3.4: Remote Jobs and Communities Program		
Administered expenses		
Ordinary annual services (Appropriation Bill No. 1)	-	168
Total for Program 3.4	**-**	**168**
Program 3.5: Working Age Payments		
Administered expenses		
Ordinary annual services (Appropriation Bill No. 1)	198	198
Special appropriations	14,050,967	14,761,161
Total for Program 3.5	**14,051,165**	**14,761,359**
Outcome 3 Totals by appropriation type		
Administered Expenses		
Ordinary annual services (Appropriation Bill No. 1)	2,582,848	2,590,817
Special appropriations	14,050,967	14,761,161
Departmental expenses		
Departmental appropriation [1]	322,387	332,507
Expenses not requiring appropriation in the Budget year [2]	49,179	48,757
Total expenses for Outcome 3	**17,005,381**	**17,733,242**
	2011-12	2012-13
Average Staffing Level (number)	2,016	1,924

[1] Departmental Appropriation combines "Ordinary annual services (Appropriation Bill No. 1)" and "Revenue from independent sources (s31)".

[2] Expenses not requiring appropriation in the Budget year is made up of Depreciation Expense, Amortisation Expense, Makegood Expense, Audit Fees.

Program 3.1 Employment Services

Program objective

Job Services Australia (JSA) is a streamlined and personalised service for job seekers enabling providers to more effectively respond to changing economic conditions. JSA provides job seekers with tailored services to equip them with the skills and attributes to meet employers' needs.

The 2012–13 Budget will invest more than $6 billion over the next four years in JSA. A number of additional strategies will build on the current JSA service model and procurement arrangements to continue to lift performance when current contracts cease on 30 June 2012.

Under Building Australia's Future Workforce (BAFW) and other government initiatives a strong focus on measures to support young people, very long-term unemployed people and highly disadvantaged job seekers include:

- DHS–Centrelink Job Seeker Workshops for Stream 1 job seekers in their first 13 weeks of unemployment. This measure is expected to reduce Stream 1 job seekers' time in unemployment and increase the rate at which they participate in the workforce, allowing greater assistance to be focused on highly disadvantaged job seekers

- Removal of Stream Services Reviews (SSR)—from 1 July 2012, job seekers will automatically enter the Work Experience Phase after 52 weeks of service or where appropriate, 78 weeks for Stream 4 job seekers

- Wage Connect—a wage subsidy to encourage employers to take on, and retain, eligible people who have been unemployed for at least two years, was successfully implemented on 1 January 2012. Wage Connect helps employers to offset the costs of wages and training of new employees for the first six months they are in a job. Wage Connect provides job seekers with the opportunity to gain paid work and to transition to greater financial independence. At the same time, employers will get help to offset the costs of wages and training for the first six months a person is employed. Wage Connect is also available to participants in Program 3.3 Disability Employment Services

- increased participation obligations for very long-term unemployed job seekers to undertake job training, Work for the Dole and other activity requirements for 11 months of the year

- transition support for early school leavers (aged 15 to 21 years) which will fund JSA providers to deliver targeted assistance in the form of a structured activity of up to 25 hours per week to help young people build life, study and employment skills

- assistance to Parenting Payment recipients by supporting eligible unemployed parents to access professional career counselling to build motivation and confidence

- place-based demonstration pilots for highly disadvantaged job seekers in JSA through approximately 20 pilot projects of up to $200 000 each, in identified areas of high disadvantage, to model potential enhancements to Stream 4 service delivery including demonstrating partnerships with complementary service providers to improve employment and education outcomes

- immediate access to JSA services for workers who are made redundant from eligible companies in the live cattle export industry, Tasmanian forestry industry and companies affected by restructuring at BlueScope Steel is provided at the Stream 2 and Stream 3 levels. Redundant workers from eligible companies in the automotive manufacturing and textile, clothing and footwear industries continue to receive immediate access to Stream 3 support.

There are three elements designed to improve the employment outcomes for Aboriginal and Torres Strait Islander job seekers to commence from 1 July 2012:

- a pilot program to trial intensive mentoring support for Aboriginal and Torres Strait Islander job seekers

- online training to improve the cultural capability of JSA and DES providers

- refreshed JSA and DES service guarantees to ensure culturally appropriate services are provided to Aboriginal and Torres Strait Islander job seekers.

From 1 July 2012, JSA providers will be paid a single outcome payment for placing a job seeker in employment for 13 and 26 weeks. This replaces the former system where a provider could claim a higher payment for making direct contact with an employer to identify a vacancy before the job seeker secures the position and a lower payment for when the provider has upskilled and supported a job seeker to undertake a job search activity and secure an ongoing job themselves.

The Government in this Budget has maintained the focus on the most disadvantaged by reducing the length of the Intensive Activity a job seeker in Stream 1 (that is the most job ready) must undertake from a minimum of 40 hours to a minimum of 25 hours. The Intensive Activity will also be delivered after 26 weeks, rather than 13 weeks. Reducing the Service Fee associated with Intensive Activities and moving the requirement for the activity to be delivered at 26 weeks minimises the costs associated with servicing job seekers who have the lowest level of disadvantage, the greatest level of job-readiness and are more likely to find a job on their own.

From 1 September 2012, this Budget will also enable JSA providers to respond to the needs of employers by providing a financial reward to providers for the placement of Stream 1 job seekers into employment where the provider has sourced the position from an employer. Previously a job seeker had to have completed 3 months of servicing before the provider was eligible for a Job Placement Fee.

The effectiveness of the employment services is measured by monitoring the proportion of job seekers in employment, education and training and off benefits following assistance by the service, and conversely, the proportion of job seekers found to be failing to comply with their participation obligations without good reason.

Linked to: Department of Families, Housing, Community Services and Indigenous Affairs – Economic Development and Participation.

Administered items

- Job Services Australia ($6 billion over the next four years)—assists unemployed individuals to obtain the skills they need to ensure sustainable employment. Employment services providers help all eligible job seekers build linkages with employers, connect job seekers to appropriate training and skills development opportunities and build linkages with other key stakeholders.
- Disability Employment Services (more than $3.2 billion)—see Program 3.3.
- The Productive Ageing Package ($43.3 million from 2010–11 to 2014–15)—designed to assist mature-age Australians, who want to work, to remain engaged in the labour market by providing vital training and support and to encourage job retention and the transfer of their skills to younger generations.

Table 2.3.1 Administered expenses for Program 3.1

	2011-12 Revised budget $'000	2012-13 Budget $'000	2013-14 Forward year 1 $'000	2014-15 Forward year 2 $'000	2015-16 Forward year 3 $'000
Annual administered expenses:					
Job Services Australia	1,490,135	1,544,929	1,480,393	1,463,215	1,409,465
Jobs Fund	38,800	-	-	-	-
National Green Jobs Corps	18,750	-	-	-	-
Pacific Seasonal Workers Program	-	1,148	935	1,265	1,693
Productivity Education and Training Fund	10,000	10,000	-	-	-
Regional Education, Skills and Jobs Plans	442	442	442	-	-
Mature Age Participation - job seeker assistance	-	1,545	5,117	7,409	10,407
Productive Ageing Package	5,102	4,455	3,045	-	-
Total program expenses	**1,563,229**	**1,562,519**	**1,489,932**	**1,471,889**	**1,421,565**

Program 3.1 deliverables

	2011–12 Revised budget	2012–13 Budget	2013–14	2014–15	2015–16
Job Services Australia					
Total job placements achieved	450 000	450 000	450 000	450 000	450 000

Program 3.1 key performance indicators

	2011–12 Revised budget	2012–13 Budget	2013–14	2014–15	2015–16
Cost per employment outcome for Employment Services delivered by Job Services Australia:					
• Stream 1-3	$4000	$3000	$3000	$3000	$3000
• Stream 4	$12 000	$12 000	$12 000	$12 000	$12 000
Proportion of job seekers in employment three months following participation in Employment Services:					
• Stream 1	55%	55%	55%	55%	55%
• Stream 2	45%	50%	50%	50%	50%
• Stream 3	30%	30%	30%	30%	30%
• Stream 4	18%	25%	25%	25%	25%
Proportion of job seekers in education/training three months following participation in Employment Services:					
• Stream 1	15%	15%	15%	15%	15%
• Stream 2	15%	15%	15%	15%	15%
• Stream 3	15%	15%	15%	15%	15%
• Stream 4	15%	15%	15%	15%	15%
Proportion of job seekers off benefit three months following participation in Employment Services:					
• Stream 1	55%	55%	55%	55%	55%
• Stream 2	45%	50%	50%	50%	50%
• Stream 3	35%	35%	35%	35%	35%
• Stream 4	25%	30%	30%	30%	30%
Proportion of job seekers off benefit 12 months following participation in Employment Services:					
• Stream 1	65%	65%	65%	65%	65%
• Stream 2	55%	60%	60%	60%	60%
• Stream 3	40%	40%	40%	40%	40%
• Stream 4	30%	35%	35%	35%	35%

Program 3.2 Indigenous Employment

Program objective

To increase Aboriginal and Torres Strait Islander peoples' employment outcomes and participation in economic activities, contributing to the Government's commitment to halve the gap in employment outcomes for Aboriginal and Torres Strait Islander peoples and other Australians within the decade.

Achieving the Closing the Gap target of halving the gap in employment outcomes remains a challenge. An additional 100 000 Aboriginal and Torres Strait Islander peoples will need to be employed in the coming years in order to achieve the target. This means that the number of Aboriginal and Torres Strait Islander peoples with a job will need to increase from around 168 000 in 2008 to about 267 000 in 2018.

The target will be achieved not only by building the skills of unemployed Aboriginal and Torres Strait Islander peoples and assisting them into sustainable jobs, but also by increasing participation of Aboriginal and Torres Strait Islander peoples not in the labour force. This will ensure Aboriginal and Torres Strait Islander young people achieve well at school and transition effectively to further education, training or employment and promote higher skill development and career progression.

The IEP offers funding for a range of activities focused on employment, training, aspiration building, and business support. The IEP complements employment services available under JSA and DES, which are the largest provider of employment services for Aboriginal and Torres Strait Islander peoples.

The services provide customised and flexible assistance for Aboriginal and Torres Strait Islander job seekers, including pre-employment and job-specific training; employment placement, support and mentoring to help Aboriginal and Torres Strait Islander peoples stay in work; and support for employers such as wage subsidies and cross-cultural training.

Linked to: Department of Families, Housing, Community Services and Indigenous Affairs – Economic Development and Participation.

Administered items

Assistance under the IEP includes:

- Tailored assistance is delivered by directly funding employers, Aboriginal and Torres Strait Islander businesses or individuals, or purchasing services from organisations on the Employment Panel and the Economic Development and Business Support Panel.

- Pre-designed assistance includes streamlined access to wage subsidies and Indigenous cadetship support.

- The Indigenous Youth Career Pathways Program commenced in 2012 and provides support to Aboriginal and Torres Strait Islander secondary students to stay in school and undertake school-based traineeships. The program provides funding for one-on-one support to students participating in the program, along with school based aspiration building events and activities and some support for employers. $50.7 million has been allocated over four years to 2014–15.

Table 2.3.2 Administered expenses Program 3.2

	2011-12 Revised budget $'000	2012-13 Budget $'000	2013-14 Forward year 1 $'000	2014-15 Forward year 2 $'000	2015-16 Forward year 3 $'000
Annual administered expenses:					
Indigenous Employment Program	157,713	172,576	159,610	161,951	164,503
Total program expenses	**157,713**	**172,576**	**159,610**	**161,951**	**164,503**

Program 3.2 deliverables

	2011–12 Revised budget	2012–13 Budget	2013–14	2014–15	2015–16
Indigenous Employment					
Number of total commencements (includes commencements in employment, training and other assistance)	28 350	25 800	23 500	23 800	24 200
Number of employment commencements	15 600	14 200	12 900	13 100	13 300

Program 3.2 key performance indicators

	2011–12 Revised budget	2012–13 Budget	2013–14	2014–15	2015–16
Proportion of job seekers in employment and/or education/training (positive outcomes) three months following participation in Indigenous Employment Program	65%	65%	65%	65%	65%

Program 3.3 Disability Employment Services

Program objective

Disability Employment Services (DES) has been in operation since 1 March 2010. The objective of the program is to help individuals with injury, disability or a health condition to secure and maintain sustainable employment. The DES program operates under the terms of the *Disability Services Act 1986*.

The services focus on the needs of job seekers, with an increased emphasis on employment, skills development and education and training. Service providers consider the impact that a participant's injury, disability or health condition has on their ability to find and retain a job, and provide appropriate tailored assistance to job seekers so that they can achieve sustainable outcomes. Where required, DES offers ongoing support in the workplace to help participants retain their employment. The DES comprises:

- Disability Management Service (DES-DMS)—for job seekers with disability, injury or health condition who require the assistance of a disability employment service, but are not expected to need long-term support in the workplace

- Employment Support Service (DES-ESS)—for job seekers with permanent disability and with an assessed need for more long-term, regular support in the workplace.

The Senate Inquiry Report into the administration and purchasing of DES in Australia, tabled on 25 November 2011, made a number of recommendations about the purchasing arrangements for DES-ESS. The Government responded to these recommendations on 17 February 2012.

The 2012–13 Budget, over the next four years, will invest more than $3.2 billion in DES. This includes the following measures to support participation for people with disability:

- Contracts for DES providers were extended from 1 July 2012, as announced in the 2011–12 Budget. This includes extension of DES-DMS for three years in non-remote areas and extension of DES-ESS for eight months in non-remote areas. DES-DMS and DES-ESS contracts in remote areas were extended for 12 months.

- The Government announced that DES-ESS would be the subject of a competitive tender in 2012.

- Four and five star DES-ESS providers will be offered a contract extension from 4 March 2013. The remaining business will be put to open tender in late May 2012. The competitive tender process for DES-ESS business provides certainty that the best providers are delivering services to people with disability. New contracts will begin on 4 March 2013.

Linked to: Department of Families, Housing, Community Services and Indigenous Affairs - Services and Support for People with Disability.

Administered items

DES offers two demand-driven programs to help people with injury, disability or health condition to find employment:

- Disability Management Service provides services to eligible job seekers with temporary or permanent injury, disability or health condition who require the assistance of a disability employment service and who may require flexible ongoing support but are not expected to need regular, long-term support in the workplace.

- Employment Support Service is available to those eligible job seekers with permanent disability who are assessed as needing regular long-term ongoing support in the workplace.

Employment assistance and other services are targeted to support employers employ people with disability and are comprised of the: Employment Assistance Fund; Supported Wage System; Wage Subsidy Scheme and National Disability Recruitment Coordinator.

Table 2.3.3 Administered expenses for Program 3.3

	2011-12 Revised budget $'000	2012-13 Budget $'000	2013-14 Forward year 1 $'000	2014-15 Forward year 2 $'000	2015-16 Forward year 3 $'000
Annual administered expenses:					
Disability Employment Services	824,310	817,393	838,683	799,795	765,807
Employment Assistance and Other Services	37,398	37,963	35,642	40,254	38,057
Total program expenses	**861,708**	**855,356**	**874,325**	**840,049**	**803,864**

Program 3.3 deliverables

	2011–12 Revised budget	2012–13 Budget	2013–14	2014–15	2015–16
Employment assistance and other services—Disability Employment Services					
Number of commencements					
• Disability Management Service	50 000	50 000	50 000	50 000	50 000
• Employment Support Service	50 000	45 000	45 000	45 000	45 000
Total job placements achieved					
• Disability Management Service	23 000	31 000	31 000	31 000	31 000
• Employment Support Service	24 000	34 000	34 000	34 000	34 000
Employment assistance and other Services—employer Incentives and other services					
• Other Disability Employment including assistance and services—Employer Incentives Scheme incorporating Wage Subsidy Scheme, Supported Wage System and Employment Assistance Fund	15 000	16 500	16 500	16 500	16 500
• National Disability Recruitment Coordinator	1000	1000	1000	1000	Program ceases 2015

Program 3.3 key performance indicators

	2011–12 Revised budget	2012–13 Budget	2013–14	2014–15	2015–16
Proportion of job seekers in employment three months following participation in Employment Services:					
• Disability Management Service	22%	45%	45%	45%	45%
• Employment Support Service	17%	40%	40%	40%	40%

Program 3.4 Remote Jobs and Communities Program

Program objective

The new Remote Jobs and Communities Program (RJCP) objective is to build jobs and create sustainable communities in Remote Australia. The RJCP will be jointly administered by the department and FaHCSIA. RJCP providers will work in partnership with communities to develop Action Plans, which set out the framework to meet employment, economic and community development goals.

The RJCP will provide people living in remote communities with access to improved services that will help drive structural improvements in communities to develop the opportunities and social norms that encourage and support employment, particularly for the young. Central to the new integrated RJCP will be demand-driven 'jobs first' employment and participation services. A key component of this will be a Participation Account which will provide funding to assist participants overcome vocational and non-vocational barriers in the context of community participation activities that are 'work like' and of benefit to the community. In addition the new Remote Youth Leadership and Development Corps will see young job seekers undertake a structured program of up to 12 months to get them job ready, with a specific focus on providing work experience in jobs that are available in or near their community.

Funding will also be provided to support employer engagement and economic development in communities, including through the appointment of remote employment and economic development coordinators. Providers will work in close partnership with communities to determine collective and individual goals. A Community Development Fund managed by FaHCSIA is also part of the RJCP package. Projects under the fund will support larger community development projects, which lead to sustained economic growth and positive change in the community. These will be developed by the community and will provide employment and participation opportunities for local people.

The key features of the RJCP will be:

- a single provider servicing one of 65 remote servicing regions with a permanent presence in that region
- the provider delivering services in partnership with the community underpinned by a mutually developed Community Action Plan
- all communities and job seekers engaged in meaningful activities in line with their participation requirements and work capacity.

Further development of the Performance Management Framework will be undertaken in the 2012–13 financial year. The framework will feature a set of three key performance indicators (KPIs) set out in the table below.

Key Performance Indicator	Possible points of measurement
KPI 1: Community engagement and participation	Sign-on to community activities, referrals and commencements, participation and engagement outcomes identified in community plans
KPI 2: Employment and education	Employment and education outcomes
KPI 3: Quality	Provider capability, service delivery outcomes, stakeholder engagement, governance

Table 2.3.4 Administered expenses for Program 3.4

	2011-12 Revised budget $'000	2012-13 Budget $'000	2013-14 Forward year 1 $'000	2014-15 Forward year 2 $'000	2015-16 Forward year 3 $'000
Annual administered expenses:					
Remote Participation and Employment Services	-	168	201,016	187,200	233,629
Remote Youth Leadership and Development Corp	-	-	7,000	14,000	21,000
Total program expenses	**-**	**168**	**208,016**	**201,200**	**254,629**

Program 3.5 Working Age Payments

Program objective

Working age payments support people to improve their prospects of gaining employment, acquire labour market skills and knowledge and participate in society.

Financial assistance is provided to people who are: unemployed; looking for work; undertaking employment preparation programs; have parenting responsibilities; have a partial capacity to work due to disability or young people studying towards a Year 12 or equivalent education attainment. The 2012-13 Budget includes measures that will provide additional support for payment recipients to help them manage unanticipated financial pressures:

- Job seekers, Parenting Payment and ABSTUDY (Living Allowance) recipients will receive a new income support supplement from 20 March 2013 of $210 per year for singles and $175 per year for each member of a couple. The supplement will be indexed and paid in two instalments in March and September each year.

- From 1 July 2013, new claimants for Newstart Allowance, Sickness Allowance and Youth Allowance will be able to keep more of their savings. The Liquid Assets Waiting Period thresholds will be doubled from $2500 to $5000 for a single person and from $5000 to $10 000 for a person who is partnered or has dependent children.

Workforce participation will be encouraged and there will be greater equity in income support eligibility for parents with the cessation of grandfathering arrangements introduced in 2006. From 1 January 2013 grandfathered parents will be subject to the same income support eligibility rules as other parents and will cease to be eligible for Parenting Payment when their youngest child is 6 (for partnered parents) and 8 (for single parents). Parenting Payment recipients may then transfer to Newstart Allowance, if eligible. This measure brings forward the gradual withdrawal of grandfathering announced in the 2011-12 Budget.

Measures announced as part of the Building Australia's Future Workforce package in the 2011–12 Budget to support participation by young people and jobless families will be implemented in 2012–13 (subject to the passage of legislation) and include:

- improving work incentives for unemployed young people through increasing the income test free area of Youth Allowance (other) from $62 a fortnight to $143 a fortnight, complemented by an increase in the Working Credit from $1000 to $3500 from 1 July 2012

- improving study incentives and strengthening participation requirements from 1 July 2012 for 21-year-old job seekers by closing Newstart Allowance to all new applicants aged 21 (they will instead be eligible for Youth Allowance (other)) and extending the Learn or Earn requirements to 21-year-old Youth Allowance (other) recipients who do not have a Year 12 or equivalent qualification

- improving incentives to work from 1 January 2013 by relaxing the income test taper rate for single principal carers on Newstart Allowance

Linked to: Department of Human Services is responsible for the delivery of income support payments.

Administered items

- Compensation and debt relief—provides access for eligible recipients to discretionary payments in special circumstances or financial relief from amounts owing to the Commonwealth.

- Mobility Allowance—a non-means tested income supplement for people with disability who are unable to use public transport without substantial assistance.

- Newstart Allowance—provides income support for eligible job seekers aged between 21 years (22 years from 1 July 2012, subject to the passage of legislation) and Age Pension age. Recipients must satisfy an activity test by seeking and accepting suitable work and participating in activities designed to improve their employment prospects.

- Parenting Payment—provides income support for the principal carer of a child aged under six years if the carer is partnered or under eight years if the carer is single.

- Partner Allowance—provides assistance to mature-age people who are partners of income support recipients and who face difficulty gaining employment due to a lack of recent workforce experience. This allowance was closed to new claimants on 20 September 2003.

- Pensioner Education Supplement—a fortnightly payment to certain income support recipients who are participating in approved full-time or part-time study.

- Sickness Allowance—an income support payment for people aged 21 years and over (22 years and over from 1 July 2012, subject to the passage of legislation) but under Age Pension age who are temporarily incapacitated for work or study as a result of illness or injury, are unable to work or study, and have a job or course of study to return to.

- Utilities Allowance—a supplement paid to eligible income support recipients of Widow Allowance and Partner Allowance to assist with their household bills.

- Widow Allowance—provides income support for older working age women who no longer have a partner and have no recent workforce experience. This allowance is being phased out and eligibility is limited to women born on or before 1 July 1955.

- Youth Allowance (other)—an income support payment available to eligible young people aged 16 to 20 years (16 to 21 years from 1 July 2012, subject to the passage of legislation) who may be required to seek or prepare for paid employment or, until they attain a Year 12 or an equivalent Certificate II qualification, undertake study or training in combination with other approved activities.

Table 2.3.5 Administered expenses for Program 3.5

	2011-12 Revised budget $'000	2012-13 Budget $'000	2013-14 Forward year 1 $'000	2014-15 Forward year 2 $'000	2015-16 Forward year 3 $'000
Annual administered expenses:					
Compensation and Debt Relief	198	198	198	198	198
Special Appropriations:					
Social Security (Administration) Act 1999					
Mobility Allowance	139,686	143,501	147,255	151,241	156,820
New start Allowance	6,590,474	7,766,968	8,585,907	7,875,716	8,529,865
Parenting Payment Single	4,737,198	4,247,628	4,046,953	4,176,937	4,040,668
Parenting Payment Partnered	1,062,116	1,017,422	1,001,902	1,017,453	1,008,604
Partner Allowance Benefit	17,704	10,995	4,682	503	412
Partner Allowance Pension	157,831	99,661	55,720	4,443	-
Pensioner Education Supplement	81,095	73,112	68,307	64,693	74,189
Sickness Allowance	91,288	92,485	95,708	96,132	103,395
Utilities Allowance	20,400	19,176	18,459	15,662	15,197
Widow Allowance	401,691	367,536	361,127	330,279	308,218
Youth Allowance (Other)	751,484	922,677	1,118,558	1,026,967	1,098,008
Total program expenses	**14,051,165**	**14,761,359**	**15,504,776**	**14,760,224**	**15,335,574**

Program 3.5 key performance indicators*

	2011–12 Revised budget	**2012–13 Budget**	**2013–14**	**2014–15**	**2015–16**
Average (mean) duration on income support by current income support payment (weeks):					
Newstart Allowance	178	187	197	205	213
• Youth Allowance (Other)	86	89	90	89	88
• Parenting Payment Single	361	351	345	340	340
Percentage of income support recipients who exit income support within three months of grant:					
• Newstart Allowance	32	32	31	31	31
• Youth Allowance (Other)	33	36	38	41	41
Percentage of income support recipients who exit income support within 12 months of grant:					
• Newstart Allowance	72	75	77	79	79
• Youth Allowance (Other)	71	71	71	71	71

*Indicators to be reviewed to take into account legislative changes

Outcome 3 Departmental outputs

Table 2.4B Performance information for Outcome 3 departmental outputs

Performance indicator	2012–13 estimate
Program management	
Employment IT applications: defect density for important defect types is measured by the mean defect from the International Software Benchmarking Standards Group (ISBSG) repository of major defects	Benchmark: Mean defect density (major severity) = 15 defects per 1000 function points (to be measured four weeks after software release)
Employment IT applications services—construction and redevelopment of internally developed software	Cost benchmark is $1250 per function point. Target is $1250 or less
Employment IT applications availability	Target is 99.5%
Services provided by DHS on behalf of DEEWR programs satisfy jointly agreed performance requirements including detailed Key Performance Measures with specific targets.	DHS met majority of DEEWR requirements and departments worked collaboratively to address performance issues where targets were not met
Client satisfaction	
Level of satisfaction of service providers with contracted information and support	Target is 80%
High quality advice as measured by the level of satisfaction by Commonwealth public sector agencies and organisations	Qualitative evaluation of satisfaction using feedback from Commonwealth public sector agencies and organisations

Outcome 4: Safer, fairer and more productive workplaces for employers and employees by promoting and supporting the adoption of fair and flexible workplace arrangements and safer working arrangements

Outcome 4 strategy

One of the Australian Government's core economic policy objectives is improving Australia's productive capacity.

Maintaining the successful operation of the national workplace relations system contributes to improving Australia's productivity. The national system's focus is on collective bargaining at the enterprise level, underpinned by a safety net of minimum employment standards and a suite of simplified modern awards that give employers and employees the capacity to create more flexible and innovative ways of working together.

To that end, the department's focus is on ensuring the system's effective operation, primarily through the provision of policy advice to government on the operation of the system and assisting employers and employees to understand their rights and obligations under that system. A key focus in that regard will be the provision of policy advice to Government concerning its response to any recommendations which might be made by the panel undertaking the post-implementation review of the *Fair Work Act 2009*. Similarly, the review of modern awards by Fair Work Australia will also be an area of continuing focus. The department will continue to work cooperatively with state and territory governments to ensure the ongoing effectiveness of the national system.

The department also has a strong focus on other measures that are potentially significant in improving productivity, such as the development and support of high performing workplaces.

The Government's skills agenda also contributes to improving Australia's productive capacity. In this regard, the department will focus on ensuring that the workplace relations system supports the development of a training system that is responsive to the needs of industry and better encourages the take-up and completion of apprenticeships and traineeships. The implementation of national approaches to Occupational Health and Safety (OHS) will assist to increase productivity. Harmonising OHS laws will cut red tape, boost business efficiency and provide greater certainty and protection for all workplace parties. The Australian Government will continue to work closely with state and territory governments yet to harmonise OHS legislation.

The department supports the Minister for Employment and Workplace Relations in progressing OHS reform with policy advice on the development of model OHS legislation and regulations and represents the Commonwealth's interests in the development of the model laws by Safe Work Australia.

Strategies to achieve the intended result of Outcome 4 focus on the provision of policy advice to the Minister, program management, policy implementation activities and involvement in relevant court and tribunal proceedings. The department will work closely with existing workplace relations agencies including Fair Work Australia, the Fair Work Ombudsman, the Australian Building and Construction Commission (and its replacement the Fair Work Building Industry Inspectorate when it is established) and Safe Work Australia.

Other work includes: the establishment of the Road Safety Remuneration Tribunal for the road transport industry; responding to the recommendations of the Asbestos Management Review; international labour developments; maintaining the Workplace Agreements Database and analysing data about coverage, wage increases and employment conditions in federal enterprise agreements; and legislating the Fair Entitlements Guarantee to replace the General Employee Entitlements and Redundancy Scheme (GEERS).

Table 2.4A Budgeted expenses and resources for Outcome 4

Outcome 4: Safer, fairer and more productive workplaces for employers and employees by promoting and supporting the adoption of fair and flexible workplace arrangements and safer working arrangements.	2011-12 Estimated actual expenses $'000	2012-13 Estimated expenses $'000
Program 4.1: Employee Assistance		
Administered expenses		
Ordinary annual services (Appropriation Bill No. 1)	199,386	202,975
Special appropriations	152,423	152,423
Total for Program 4.1	**351,809**	**355,398**
Program 4.2: Workplace Assistance		
Administered expenses		
Ordinary annual services (Appropriation Bill No. 1)	11,153	10,662
Total for Program 4.2	**11,153**	**10,662**
Program 4.3: Workers Compensation Payments		
Administered expenses		
Ordinary annual services (Appropriation Bill No. 1)	14,403	6,300
Special appropriations	58,060	67,551
Total for Program 4.3	**72,463**	**73,851**
Outcome 4 Totals by appropriation type		
Administered Expenses		
Ordinary annual services (Appropriation Bill No. 1)	224,942	219,937
Special appropriations	210,483	219,974
Departmental expenses		
Departmental appropriation [1]	49,242	50,228
Expenses not requiring appropriation in the Budget year [2]	8,041	7,739
Total expenses for Outcome 4	**492,708**	**497,878**
	2011-12	2012-13
Average Staffing Level (number)	378	360

[1] Departmental Appropriation combines "Ordinary annual services (Appropriation Bill No. 1)" and "Revenue from independent sources (s31)".

[2] Expenses not requiring appropriation in the Budget year is made up of Depreciation Expense, Amortisation Expense, Makegood Expense, Audit Fees.

Outcome 4 objective

To provide high-quality advice and services relating to the Government's workplace relations policies and programs to:

- maintain a workplace relations system that is fair, modern and flexible
- promote productivity through good faith collective bargaining at the enterprise level
- maintain a clear and enforceable safety net comprised of modern awards and the legislated National Employment Standards
- encourage fair National Minimum Wage outcomes through the Fair Work Australia Annual Wage Review
- build awareness of workplace rights and obligations
- support ongoing harmonisation of the OHS legislation.

The effectiveness of Outcome 4 activities in achieving the Government's policy and program commitments can be measured using a number of indicators:

- Labour productivity trends as measured by the most common measure of productivity, which is Gross Domestic Product (GDP) per hour, worked in the market sector (annual trend terms).
- Wages growth, which is assessed in terms of the ABS Wage Price Index.
- Low incidence of industrial action. Working days lost per thousand employees (WDL/000E) for Australia as a whole and the number of working days lost in federal bargaining disputes, in recognition of variations in the number of agreements being renegotiated.
- Collective bargaining is widely used by employers and employees to negotiate pay and conditions.
- Harmonised OHS legislation supports improvements in workplace safety (the effectiveness indicators for this are located in the Safe Work Australia section of this document).

Most data for these indicators are available from official statistical agencies and are affected by a range of factors. Data is collected some time after an intervention has occurred. Current data together with relevant comparison to determine effectiveness is provided in Table 2.4B.

Program 4.1 Employee Assistance

Program objective

This program is directed at either providing safety net support for employees in certain circumstances or, alternatively, supporting long standing industry arrangements which deliver employee benefits.

Administered items

- *Coal Mining Industry (Long Service Leave) Administration Act 1992* financing arrangements—under this Act the cost of portable long service leave entitlements is managed through a central fund administered by the Coal Mining Industry (Long Service Leave Funding) Corporation. Monthly levy collection transfers are made from the consolidated revenue fund to the central fund.

- General Employee Entitlements and Redundancy Scheme (GEERS)—a safety net payment scheme established to assist employees who have lost their employment due to the liquidation or bankruptcy of their employer and who are owed certain employee entitlements.

Table 2.4.1 Administered expenses for Program 4.1

	2011-12 Revised budget $'000	2012-13 Budget $'000	2013-14 Forward year 1 $'000	2014-15 Forward year 2 $'000	2015-16 Forward year 3 $'000
Annual administered expenses:					
General Employee Entitlements and Redundancy Scheme	199,386	202,975	206,628	210,142	214,135
Special Appropriations:					
Coal Mining Industry (LSL) Funding Act 1992					
Coal Mining Industry Commission	152,423	152,423	152,423	152,423	152,423
Total program expenses	**351,809**	**355,398**	**359,051**	**362,565**	**366,558**

Program 4.2 Workplace Assistance

Program objective

To ensure the successful operation of the workplace relations system, in particular through initiatives designed to demonstrate the benefit of cooperative workplace relations and/or to assist employers and employees understand their rights and obligations under the system.

Administered items

- International Labour Organization (ILO) membership subscription—covers the Government's membership of the ILO. This enables the Government to participate fully in the development of international labour standards, progress ratification of standards at the national level, report to the ILO on Conventions and workplace relations reforms and participate as a member of the ILO Governing Body.

- Protected Action Ballots Scheme—pays the costs incurred by the Australian Electoral Commission in relation to protected action ballots.

Table 2.4.2 Administered expenses for Program 4.2

	2011-12 Revised budget $'000	2012-13 Budget $'000	2013-14 Forward year 1 $'000	2014-15 Forward year 2 $'000	2015-16 Forward year 3 $'000
Annual administered expenses:					
Protected Action Ballots Scheme	1,600	1,600	1,600	1,600	1,600
Home Workers Code of Practice Program	250	-	-	-	-
International Labour Organisation Subscription	8,903	8,262	8,262	8,336	8,410
Social and Community Workers Education and Information Program	400	800	-	-	-
Total program expenses	**11,153**	**10,662**	**9,862**	**9,936**	**10,010**

Program 4.3 Workers Compensation Payments

Program objective

The *Safety Rehabilitation and Compensation Act 1988*—s90D is appropriated for the purposes of Comcare's Outcome 2. 'An early and safe return to work and access to compensation for injured workers covered by the Comcare scheme through working in partnership with employers to create best practice in rehabilitation and quick and accurate management of workers' compensation claims'.

The *Asbestos related claims Act 2005*—s8(2) is appropriated for the purposes of Comcare's Outcome 3. 'Access to compensation for people with asbestos-related diseases where the Commonwealth has a liability through management of claims'.

Agency Resources and Planned Performance information can be found in the Comcare section of this document.

Program expenses

- The Special Appropriation under s90D of the *Safety, Rehabilitation and Compensation Act 1988* (Grants received from Portfolio Departments) relates to workers' compensation claims that were accepted prior to the establishment of the Comcare premium scheme on 1 July 1989. The costs of these claims are funded from the Consolidated Revenue Fund.

- *Asbestos related claims Act 2005 – s8(2)* special appropriation is used for claims administration and claims settlements costs which are expected to remain relatively stable in the budget and forward years. The movement (non-cash) in outstanding claims liabilities is expected to reduce over the forward estimates.

Table 2.4.3 Administered expenses for Program 4.3

	2011-12 Revised budget $'000	2012-13 Budget $'000	2013-14 Forward year 1 $'000	2014-15 Forward year 2 $'000	2015-16 Forward year 3 $'000
Annual administered expenses:					
Comcare	14,403	6,300	6,354	6,283	6,340
Special Appropriations:					
Asbestos related claims Act 2005					
Asbestos Compensation Payments	23,270	27,890	31,332	32,877	34,005
Safety, Rehabilitation & Compensation Act 1998					
Workers Compensation Payments	34,790	39,661	24,454	28,599	32,505
Total program expenses	**72,463**	**73,851**	**62,140**	**67,759**	**72,850**

Program components

- Comcare Outcome 2 Management of premium claims.
- Comcare Outcome 3 Management of common law asbestos claims.

Program deliverables

- Compensation decisions that are consistent, prompt and fair.
- Better support for Comcare decision makers through improved insight and business process reforms in response to trends identified through accurate and accessible data.
- Expectations of employers' roles and responsibilities as rehabilitation authorities are clear and are supported by targeted audits and regulatory activity.
- Manage asbestos-related claims liabilities consistently and in accordance with relevant legislation or Australian Government policies.
- Support Safe Work Australia to harmonise approaches to safety, statutory and common law compensation for workplace dust diseases.
- Maintain accurate data and other information about asbestos-related liabilities to ensure accurate valuation of future projected liabilities.
- Delivery of practical programs and research which raise awareness of asbestos, improve its management and removal and provide better treatment and support for asbestos-related disease sufferers and their families.

Program key performance indicators[12]

Comcare Outcome 3 Management of premium claims

Key performance indicators are:

- employers' and injured workers' satisfaction with recovery and support services
- other key performance indicators described in the table below.

	2011–12 Revised budget	2012–13 Budget	2013–14	2014–15	2015–16
Durable return to work rate (ie the percentage of injured workers with two weeks lost time who were working in a paid job 7 to 9 months after lodging their claim)	79	89	90	90	90
Funding ratio (ie percentage of premium-related total assets to premium-related total liabilities)	71%	74%	78%	82%	86%
Percentage of licensees compliant with licensing obligations	100	100	100	100	100
Commonwealth average premium rate	1.41	1.80	1.80	1.80	1.80

12 Note the inclusion of new performance indicators to reflect the two components of this program. In previous years only indicators for Comcare Outcome 3 (Management of common law asbestos claims) have been included.

Comcare Outcome 4 Management of common law asbestos claims

Key performance indicators are:

- the extent to which Comcare complies with the Commonwealth Legal Service Directions, the management objectives contained in the Asbestos Litigation Policy Statement and any court/tribunal rules/orders in respect of all asbestos-related disease claims
- the accuracy and completeness of data given to the external actuaries for the purpose of the annual actuarial valuation of asbestos-related liabilities
- other performance measures described in the table below.

	2011–12 Revised budget	2012–13 Budget	2013–14	2014–15	2015–16
The percentage of primary asbestos claims settled by Comcare within 180 calendar days	67	65	65	65	65
Percentage of the value of asbestos claims settlements recovered from third parties	8	5	5	5	5

Outcome 4 Deliverables and key performance indicators

Data is not provided for deliverables because the administered items address legal or administrative issues rather than advancing major government initiatives.

Table 2.4B Key performance indicators for Outcome 4

	December quarter 2010	December quarter 2011	Comments
The federal workplace relationship system supports improved productivity outcomes			
Productivity as measured by output per hour worked in the market sector (annual, trend terms)	-0.9%	2.2%	Short term changes in productivity growth should be interpreted with caution because quarterly and annual rates of labour productivity are prone to volatile and cyclical effects and data are often revised by the ABS with updated information.
ABS Wage Price Index (annual, seasonal adjusted terms)	3.9%	3.6%	The annual WPI reflects the solid economic growth in the Australian economy as the demand for skilled labour continues to grow. Wages growth, nevertheless, remains contained.
Low incidence of industrial action (allowing for variations in the bargaining cycle)			

	December quarter 2010	December quarter 2011	Comments
Working days lost per thousand employees (annual WDL/000E)	12.8	23.9	Nil.
Working days lost in federal bargaining disputes (annual, WDL)	94 200	Not Available	The ABS did not publish data on working days lost in federal bargaining disputes for the September quarter 2011 and the March quarter 2011. As a result the annual December quarter 2011 figure is not available.
Collective bargaining is widely used by employers and employees to negotiate pay and conditions			
Number of agencies whose employees had their pay determined by an enterprise agreement made under the *Fair Work Act 2009*[13]	8000 agency Fair Work Act agreements approved (as at 31 Dec 2010)	14 282 agency Fair Work Act agreements approved (as at 30 Sept 2011)	Nil.

Outcome 4 Departmental outputs

The bulk of the effort supporting Outcome 4 is funded through departmental appropriations. The department works to encourage employers and employees to adopt fair and flexible workplace arrangements. In 2012–13 the department will:

- promote work/life balance including options for flexible working arrangements
- work with Safe Work Australia and the Select Council on Workplace Relations to maintain model OHS laws and encourage those jurisdictions that are yet to do so to implement harmonised arrangements
- continue to work with the building and construction industry to improve workplace relations and OHS in the building and construction industry
- develop a website that links with the National Workers' Memorial to honour and pay tribute to all working Australians who have died as a result of work-related accidents, incidents and disease

[13] This indicator previously measured the number of employees covered under enterprise agreements made under the *Fair Work Act 2009* (2.7 million as at May 2010). It has been amended to now measure the number of agencies represented.

- administer a safety net scheme for the protection of employee entitlements in cases of business insolvency
- administer the HomeWorkers Code of Practice program that supports the development and promotion of the HomeWorkers Code of Practice and the 'Ethical Clothing Australia' label
- encourage the implementation of international labour standards at the national level through work towards ratification of priority ILO conventions
- support research to provide an evidence base for workplace relations policy leading to fairer and more productive workplaces
- pursue options for promoting the development of collaborative, flexible and sustainable workplaces
- develop Australian Government submissions to the Fair Work Australia Annual Wage Review 2012–13.

In 2012–13 the major priorities for the department will be the provision of policy advice on: the operation of the Fair Work Act, ensuring the workplace relations system supports the Government's skills reforms and assists in encouraging the take-up and completion of apprenticeships and traineeships; building and construction industry workplace relations matters; the new Road Safety Remuneration system: the Asbestos Management Review; legislating the Fair Entitlements Guarantee to replace the General Employee Entitlements and Redundancy Scheme (GEERS); and harmonisation of OHS laws.

Table 2.4C Performance information for Outcome 4 departmental outputs

Performance indicator	2012–13 estimate
Program management	
Timeliness of processing claims for the General Employee Entitlements and Redundancy Scheme	80% processed within 16 weeks of receipt 98% processed within 4 weeks of receipt of verified entitlement data
Accuracy of processing claims for the General Employee Entitlements and Redundancy Scheme	Over 98% of payments not varied after appeal
Satisfaction of stakeholders (insolvency practitioners) with the management of the General Employee Entitlements and Redundancy Scheme	Satisfied or above
Timeliness of departmental responses to client requests for assessment of industrial instruments against the code and guidelines	95% completed within 10 working days
Client satisfaction with Fresh Ideas for Work and Family	80% of clients surveyed satisfied

Performance indicator	**2012–13 estimate**
Level of satisfaction of clients with the provision of advice, information, education and promotion of safer workplaces on Australian Government construction sites by the Office of the Federal Safety Commissioner	Effective or above

Outcome 5: A growth in skills, qualifications and productivity through funding to improve teaching quality, learning, and tertiary sector infrastructure, international promotion of Australia's education and training sectors, and partnerships with industry

The department's responsibilities changed during the 2011-12 financial year as a result of the Administrative Arrangements Order (AAO) that took effect on 14 December 2011. The responsibility for Tertiary Education, Skills and International functions and policy has been transferred from the department, to the Department of Industry, Innovation, Science, Research and Tertiary Education.

To record the part-year effect of those functions that have transferred, the 2012-13 Portfolio Budget Statements include Outcome 5 (formerly Outcome 3 as published in the 2011-12 Education, Employment and Workplace Relations Portfolio Budget Statements), which details administered program estimates that have transferred to the Industry, Innovation, Science, Research and Tertiary Education portfolio during 2011-12.

The departmental resourcing impacts for both agencies are included in this publication on an interim basis pending final agreement. It is expected that following the finalisation of the 2011-12 Final Budget Outcome, the Department of Education, Employment and Workplace Relations will no longer publish estimates or performance information for Outcome 5.

All key performance information for the administered programs reported below will be available in the 2012-13 Industry, Innovation, Science, Research and Tertiary Education Portfolio Budget Statements.

Table 2.1 Budgeted Expenses for Outcome 5

Outcome 5: A growth in skills, qualifications and productivity through funding to improve teaching quality, learning, and tertiary sector infrastructure, international promotion of Australia's education and training sectors, and partnerships with industry	2011-12 Estimated actual expenses $'000	2012-13 Estimated expenses $'000
Program 5.1: Higher Education Support		
Administered expenses		
Ordinary annual services (Appropriation Bill No. 1)	1,490	-
Special appropriations	2,810,515	-
Special Accounts	91,141	-
Total for Program 5.1	**2,903,146**	-
Program 5.2: Higher Education Loan Program		
Administered expenses		
Special appropriations	756,831	-
Total for Program 5.2	**756,831**	-
Program 5.3: Tertiary Student Assistance		
Administered expenses		
Ordinary annual services (Appropriation Bill No. 1)	700	-
Special appropriations	1,587,839	-
Total for Program 5.3	**1,588,539**	-
Program 5.5: VET National Support		
Administered expenses		
Ordinary annual services (Appropriation Bill No. 1)	969,881	-
Special Accounts	16,190	-
Total for Program 5.5	**986,071**	-
Program 5.6: International Education Support		
Administered expenses		
Ordinary annual services (Appropriation Bill No. 1)	26,127	-
Total for Program 5.6	**26,127**	-
Outcome 5 Totals by appropriation type		
Administered Expenses		
Ordinary annual services (Appropriation Bill No. 1)	998,198	-
Special appropriations	5,155,185	-
Special Accounts	107,331	-
Departmental expenses		
Departmental appropriation [1]	142,680	-
Expenses not requiring appropriation in the Budget year [2]	29,370	-
Total expenses for Outcome 5	**6,432,764**	-
	2011-12	2012-13
Average Staffing Level (number)	909	-

[1] Departmental Appropriation combines "Ordinary annual services (Appropriation Bill No. 1)" and "Revenue from independent sources (s31)".

[2] Expenses not requiring appropriation in the Budget year is made up of Depreciation Expense, Amortisation Expense, Makegood Expense, Audit Fees.

Program 5.1 Higher Education Support

Table 2.5.1 Administered expenses for Program 5.1

	2011-12 Revised budget $'000	2012-13 Budget $'000	2013-14 Forward year 1 $'000	2014-15 Forward year 2 $'000	2015-16 Forward year 3 $'000
Annual administered expenses:					
Tertiary Education Quality and Standards Agency	1,125	-	-	-	-
Indigenous Higher Education Advisory Council	283	-	-	-	-
Higher Education Special Projects	82	-	-	-	-
Special Appropriations:					
Higher Education Support Act 2003		-	-	-	-
Commonwealth Grants Scheme	2,576,886	-	-	-	-
Higher Education Participation and Partnerships Program	49,007	-	-	-	-
Disability Support Program	6,008	-	-	-	-
Indigenous Support Program	18,321	-	-	-	-
Diversity and Structural Adjustment	23,602	-	-	-	-
Quality Initiatives	13,078	-	-	-	-
Open Learning Initiatives	245	-	-	-	-
National Institutes	91,404	-	-	-	-
Commonwealth Scholarships	7,017	-	-	-	-
Higher Education Special Projects (Capital Development Pool)	24,947	-	-	-	-
Special Account Expenses:					
Education Investment Fund	91,141	-	-	-	-
Total program expenses	2,903,146	-	-	-	-

Program 5.2 Higher Education Loan Program

Table 2.5.2 Administered expenses for Program 5.2

	2011-12 Revised budget $'000	2012-13 Budget $'000	2013-14 Forward year 1 $'000	2014-15 Forward year 2 $'000	2015-16 Forward year 3 $'000
Special Appropriations:					
Higher Education Support Act 2003					
Higher Education Loan Program	756,831	-	-	-	-
Total program expenses	**756,831**	-	-	-	-

Program 5.3 Tertiary Student Assistance

Table 2.5.3 Administered expenses for Program 5.3

	2011-12 Revised budget $'000	2012-13 Budget $'000	2013-14 Forward year 1 $'000	2014-15 Forward year 2 $'000	2015-16 Forward year 3 $'000
Annual administered expenses:					
Youth Allowance Communication	700	-	-	-	-
Special Appropriations:					
Social Security Act 1991					
Austudy	248,936	-	-	-	-
Youth Allowance	1,338,524	-	-	-	-
Fares Allowance	379	-	-	-	-
Total program expenses	**1,588,539**	-	-	-	-

Program 5.5 VET National Support

Table 2.5.5 Administered expenses for Program 5.5

	2011-12 Revised budget $'000	2012-13 Budget $'000	2013-14 Forward year 1 $'000	2014-15 Forward year 2 $'000	2015-16 Forward year 3 $'000
Annual administered expenses:					
National Centre for Vocational Education Research	513	-	-	-	-
Australian Apprenticeship Centres	116,633	-	-	-	-
Support for Australian Apprenticeships	602,910	-	-	-	-
Australian Apprenticeship Workforce Skills Development	117,497	-	-	-	-
Australian Apprenticeship Access Program	38,009	-	-	-	-
Workplace English Language and Literacy	9,319	-	-	-	-
Language, Literacy and Numeracy	47,115	-	-	-	-
Critical Skills Investment Fund	10,973	-	-	-	-
National Foundation Skills Strategy	836	-	-	-	-
Trade Apprentice Mentoring Initiative	4,708	-	-	-	-
Support for Competency Based Progression	2,920	-	-	-	-
The Right Trade for You	1,152	-	-	-	-
More Help for Mature Age Workers	10,000	-	-	-	-
National Workforce Development Fund	7,296	-	-	-	-
Special Account Expenses:					
Education Investment Fund	16,190	-	-	-	-
Total program expenses	**986,071**	-	-	-	-

Program 5.6 International Education Support

Table 2.5.6 Administered expenses for Program 5.6

	2011-12 Revised budget $'000	2012-13 Budget $'000	2013-14 Forward year 1 $'000	2014-15 Forward year 2 $'000	2015-16 Forward year 3 $'000
Annual administered expenses:					
International Education and Training	23,383	-	-	-	-
Assessment Subsidy for Overseas Trained Professionals	419	-	-	-	-
Education Services for Overseas Student Assurance Fund	2,325	-	-	-	-
Total program expenses	**26,127**	-	-	-	-

Section 3: Explanatory tables and budgeted financial statements

Section 3 presents explanatory tables and budgeted financial statements which provide a comprehensive snapshot of agency finances for the 2012-13 budget year. It explains how budget plans are incorporated into the financial statements and provides further details of the reconciliation between appropriations and program expenses, movements in administered funds, special accounts and government indigenous expenditure.

3.1 EXPLANATORY TABLES

3.1.1 Movement of administered funds between years

Administered funds can be provided for a specified period, for example under annual Appropriation Acts. Funds not used in the specified period with the agreement of the Finance Minister may be moved to a future year. Table 3.1.1 shows the movement of administered funds approved between years.

Table 3.1.1: Movement of Administered Funds between years[1]

	2011-12 $'000	2012-13 $'000	2013-14 $'000	2014-15 $'000	2015-16 $'000
Outcome 2:					
Program 2.4					
Trade Training Centres in Schools Program		**(32,522)**	**(45,369)**	**-**	**-**
Outcome 3:					
Program 3.1					
Connecting People with Jobs	**(1,200)**	**1,200**	**-**	**-**	**-**
Total Movement of Administered Funds	**(1,200)**	**(31,322)**	**(45,369)**	-	-

[1] Figures displayed as a negative (-) represent a decrease in funds and a positive reflect an increase in funds.

3.1.2 Special Accounts

Special Accounts provide a means to set aside and record amounts used for specified purposes. Special Accounts can be created by a Finance Minister's Determination under the FMA Act or under separate enabling legislation. Table 3.1.2 shows the expected additions (receipts) and reductions (payments) for each account used by the department.

Table 3.1.2: Estimates of Special Account Flows and Balances

	Outcome	Opening balance **2012-13** *2011-12* $'000	Receipts **2012-13** *2011-12* $'000	Payments **2012-13** *2011-12* $'000	Adjustments **2012-13** *2011-12* $'000	Closing balance **2012-13** *2011-12* $'000
Aboriginal Tutorial Assistance Superannuation Special Account - s20 FMA Act Det 2003/05 (A)	2	**909** *879*	**35** *35*	**(5)** *(5)*	**-** -	**939** *909*
National Youth Affairs Research Scheme Special Account - s20 FMA Act Det 2006/45 (A)	2	**400** *400*	**240** *240*	**(240)** *(240)*	**-** -	**400** *400*
Department of Education, Employment and Workplace Relations Services for Other Entities and Trust Moneys Special Account - s20 FMA Act Det 2008/14 (A)	5	**5,202** *5,202*	**-** -	**-** -	**-** -	**5,202** *5,202*
EIF Education Portfolio Special Account - s21 FMA Act [*National-builidng Funds Act 2008]* (A)	5	**-** -	**-** *107,331*	**-** *(107,331)*	**-** -	**-** -
Australian International Marketing of Education (D)		**-** -	**-** *8,000*	**-** *(8,000)*	**-** -	**-** -
Total Special Accounts 2012-13 Budget estimate		**6,511**	**275**	**(245)**	**-**	**6,541**
Total Special Accounts 2011-12 estimate actual		*6,481*	*115,606*	*(115,576)*	-	*6,511*

(A) = Administered
(D) = Departmental

3.1.3 Australian Government Indigenous Expenditure

Table 3.1.3: Australian Government Indigenous Expenditure

Outcome	Appropriations				Other	Total	Program
	Bill No. 1 $'000	Bill No. 2 $'000	Special approp $'000	Total approp $'000	$'000	$'000	
Department of Education, Employment and Workplace Relations							
Outcome 1							
Administered 2012-13	72,358	-	-	72,358		72,358	1.1
Administered 2011-12	*65,300*	-	-	*65,300*		*65,300*	
Departmental 2012-13	13,781	-	-	13,781		13,781	
Departmental 2011-12	*13,423*	-	-	*13,423*		*13,423*	
Total outcome 2012-13	86,139	-	-	86,139		86,139	
Total outcome 2011-12	*78,723*	-	-	*78,723*		*78,723*	
Outcome 2							
Administered 2012-13	39,479	-	418,762	458,241	5	458,246	
Administered 2011-12	*48,790*	-	*449,623*	*498,413*	*5*	*498,418*	2.2, 2.3, 2.12
Departmental 2012-13	7,736	-	-	7,736	-	7,736	
Departmental 2011-12	*8,306*	-	-	*8,306*	-	*8,306*	
Total outcome 2012-13	47,215	-	418,762	465,977	5	465,982	
Total outcome 2011-12	*57,096*	-	*449,623*	*506,719*	*5*	*506,724*	
Outcome 3							
Administered 2012-13	172,576	-	-	172,576	-	172,576	3.2
Administered 2011-12	*157,713*	-	-	*157,713*	-	*157,713*	
Departmental 2012-13	10,457	-	-	10,457	-	10,457	
Departmental 2011-12	*10,078*	-	-	*10,078*	-	*10,078*	
Total outcome 2012-13	183,033	-	-	183,033	-	183,033	
Total outcome 2011-12	167,791	-	-	167,791	-	167,791	
Total administered 2012-13	284,413	-	418,762	703,175	5	703,180	
Total administered 2011-12	*271,803*	-	*449,623*	*721,426*	*5*	*721,431*	
Total departmental 2012-13	31,974	-	-	31,974	-	31,974	
Total departmental 2011-12	*31,807*	-	-	*31,807*	-	*31,807*	
Total AGIE 2012-13	316,387	-	418,762	735,149	5	735,154	
Total AGIE 2011-12	*303,610*	-	*449,623*	*753,233*	*5*	*753,238*	

3.2 BUDGETED FINANCIAL STATEMENTS

3.2.2 Analysis of budgeted financial statements

An analysis of the department's budgeted financial statements, which consists of the budgeted departmental financial statements and administered schedules, is provided below. The 2011-12 estimated actual is used as the comparative year for the analysis although some comments on broader trends in the forward estimates are provided.

Departmental financial statements

Income Statement

The department's income statement reflects a deficit in 2011-12. This deficit is attributable to the depreciation expense for the year and an approved operating loss.

Expenses for 2012-13 are estimated to be $715 million. This reflects a reduction of $171 million from the estimated actual expense for 2011-12 and is predominantly due to the impact of budget measures, the application of efficiency dividend, and the Administrative Arrangements Orders (AAO) that took effect on 14 December 2011 which transferred the responsibility for Tertiary Education, Skills and International functions and policy to the Department of Industry, Innovation, Science, Research and Tertiary Education.

Balance Sheet

The budgeted net asset position of $135.5 million for 2012-13 represents a decrease of $39 million from the 2011-12 estimated actual. This is partially due to the AAO referred to above. The accumulated deficit apparent in the balance sheet 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 infrastructure, 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.

Administered Statements

Income Statement

Administered revenue for the 2012-13 budget year will be $179 million, a reduction of $503 million from the 2011-12 estimated actual. This relates to the transfer of both the HECS-HELP program and the Education and Investment Fund program to the Department of Industry, Innovation, Science, Research and Tertiary Education as referred to above.

Administered expenses in 2012-13 are estimated to be $31.9 billion, a decrease of $4.7 billion from the 2011-12 estimated actual. Of this decrease $6.2 billion is attributable to AAO, which is offset by increases related to a number of budget measures and program parameters.

Balance Sheet

The major variations apparent in the balance sheet are as a result of changes in payables, which reflect the timing of payments of personal benefits, grants and income support programs from year to year.

3.2.3 Budgeted financial statements tables

Table 3.2.1 Comprehensive Income Statement (Showing Net Cost of Services) (for the period ended 30 June)

	Estimated actual 2011-12 $'000	Budget estimate 2012-13 $'000	Forward estimate 2013-14 $'000	Forward estimate 2014-15 $'000	Forward estimate 2015-16 $'000
EXPENSES					
Employee benefits	564,468	491,509	507,800	499,124	498,386
Suppliers	234,471	134,045	111,198	111,983	119,432
Depreciation and amortisation	86,964	90,704	90,864	92,321	92,321
Total expenses	**885,903**	**716,258**	**709,862**	**703,428**	**710,139**
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	23,200	52,914	52,705	52,194	53,198
Total own-source revenue	**23,200**	**52,914**	**52,705**	**52,194**	**53,198**
Gains					
Other	17,460	1,700	1,700	1,700	1,700
Total gains	**17,460**	**1,700**	**1,700**	**1,700**	**1,700**
Total own-source income	**40,660**	**54,614**	**54,405**	**53,894**	**54,898**
Net cost of (contribution by) services	(845,243)	**(661,644)**	(655,457)	(649,534)	(655,241)
Revenue from Government	740,365	571,026	564,593	557,213	563,042
Surplus (Deficit) attributable to the Australian Government	**(104,878)**	**(90,618)**	**(90,864)**	**(92,321)**	**(92,199)**
Total comprehensive income (loss)	**(104,878)**	**(90,618)**	**(90,864)**	**(92,321)**	**(92,199)**
Total comprehensive income (loss) attributable to the Australian Government	**(104,878)**	**(90,618)**	**(90,864)**	**(92,321)**	**(92,199)**

Note: Impact of Net Cash Apppropriation Arrangements	2011-12 $'000	2012-13 $'000	2013-14 $'000	2014-15 $'000	2015-16 $'000
Total Comprehensive Income (loss) less depreciation/amortisation expenses previously funded through revenue appropriations.	**(17,914)**	**86**	**-**	**-**	**122**
plus depreciation/amortisation expenses previously funded through revenue appropriations[1]	(86,964)	(90,704)	(90,864)	(92,321)	(92,321)
Total Comprehensive Income (loss) - as per the Statement of Comprehensive Income	**(104,878)**	**(90,618)**	**(90,864)**	**(92,321)**	**(92,199)**

[1] From 2010-11, the Government introduced net cash appropriation arrangements where Bill 1revenue appropriations for the depreciation/amortisation expenses of FMA Act agencies were replaced with a separate capital budget (the Departmental Capital Budget, or DCB) provided through Bill 1equity appropriations. For information regarding DCBs, please refer to Table 3.2.5 Departmental Capital Budget Statement.

Prepared on Australian Accounting Standards basis

Table 3.2.2: Budgeted Departmental Balance Sheet (as at 30 June)

	Estimated actual 2011-12 $'000	Budget estimate 2012-13 $'000	Forward estimate 2013-14 $'000	Forward estimate 2014-15 $'000	Forward estimate 2015-16 $'000
ASSETS					
Financial assets					
Cash and cash equivalents	3,990	3,990	3,990	3,990	3,990
Trade and other receivables	142,656	141,065	141,231	141,594	141,741
Other financial assets	476	476	476	476	476
Total financial assets	**147,122**	**145,531**	**145,697**	**146,060**	**146,207**
Non-financial assets					
Land and buildings	94,604	78,665	61,110	46,858	32,631
Property, plant and equipment	49,939	32,101	9,623	5,045	1,463
Intangibles	128,507	125,766	122,271	98,330	74,479
Other non-financial assets	28,482	28,482	28,482	28,482	28,482
Total non-financial assets	**301,532**	**265,014**	**221,486**	**178,715**	**137,055**
Total assets	**448,654**	**410,545**	**367,183**	**324,775**	**283,262**
LIABILITIES					
Payables					
Suppliers	39,086	39,086	39,086	39,086	39,086
Other payables	52,367	52,367	52,367	52,367	52,367
Total payables	**91,453**	**91,453**	**91,453**	**91,453**	**91,453**
Provisions					
Employee provisions	174,386	175,281	175,447	175,811	175,958
Other provisions	8,310	8,310	8,310	8,310	8,310
Total provisions	**182,696**	**183,591**	**183,757**	**184,121**	**184,268**
Total liabilities	**274,149**	**275,044**	**275,210**	**275,574**	**275,721**
Net assets	**174,505**	**135,501**	**91,973**	**49,201**	**7,541**
EQUITY*					
Parent entity interest					
Contributed equity	341,084	392,698	440,034	489,583	540,122
Reserves	47,331	47,331	47,331	47,331	47,331
Retained surplus (accumulated deficit)	(213,910)	(304,528)	(395,392)	(487,713)	(579,912)
Total parent entity interest	**174,505**	**135,501**	**91,973**	**49,201**	**7,541**
Total Equity	**174,505**	**135,501**	**91,973**	**49,201**	**7,541**

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

Table 3.2.3: Departmental Statement of Changes in Equity — summary of movement (Budget year 2012-13)

	Retained earnings $'000	Asset revaluation reserve $'000	Other reserves $'000	Contributed equity/ capital $'000	Total equity $'000
Opening balance as at 1 July 2012					
Balance carried forward from previous period	(213,910)	47,331	-	341,084	174,505
Adjustment for changes in accounting policies	-	-	-	-	-
Adjusted opening balance	**(213,910)**	**47,331**	**-**	**341,084**	**174,505**
Comprehensive income					
Surplus (deficit) for the period	(90,618)	-	-	-	(90,618)
Total comprehensive income	**(90,618)**	**-**	**-**	**-**	**(90,618)**
of which:					
Attributable to the Australian Government	-	-	-	-	-
Attributable to non-controlling interest*	-	-	-	-	-
Transactions with owners					
Distributions to owners					
Returns on capital:					
Dividends	-	-	-	-	-
Returns of capital:					
Other	-	-	-	-	-
Contributions by owners					
Equity Injection					
Equity Injection - Appropriation	-	-	-	6,520	6,520
Departmental Capital Budget (DCBs)	-	-	-	45,094	45,094
Sub-total transactions with owners	-	-	-	**51,614**	**51,614**
Transfers between equity components	-	-	-	-	-
Estimated closing balance as at 30 June 2013	**(304,528)**	**47,331**	**-**	**392,698**	**135,501**
Less: non-controlling interests	-	-	-	-	-
Closing balance attributable to the Australian Government	**(304,528)**	**47,331**	**-**	**392,698**	**135,501**

Prepared on Australian Accounting Standards basis.

Table 3.2.4: Budgeted Departmental Statement of Cash Flows (for the period ended 30 June)

	Estimated actual 2011-12 $'000	Budget estimate 2012-13 $'000	Forward estimate 2013-14 $'000	Forward estimate 2014-15 $'000	Forward estimate 2015-16 $'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	767,380	572,576	564,390	556,691	562,895
Sale of goods and rendering of services	23,200	52,914	52,705	52,194	53,198
Total cash received	**790,580**	**625,490**	**617,095**	**608,885**	**616,093**
Cash used					
Employees	566,928	493,280	510,296	498,601	498,239
Suppliers	215,703	129,638	106,799	110,283	117,732
Total cash used	**782,631**	**622,918**	**617,095**	**608,884**	**615,971**
Net cash from (used by) operating activities	**7,949**	**2,572**	**-**	**1**	**122**
INVESTING ACTIVITIES					
Cash received					
Other	-	-	-	-	-
Total cash received	-	-	-	-	-
Cash used					
Purchase of property, plant and equipment	88,996	54,186	47,336	49,550	50,661
Total cash used	**88,996**	**54,186**	**47,336**	**49,550**	**50,661**
Net cash from (used by) investing activities	**(88,996)**	**(54,186)**	**(47,336)**	**(49,550)**	**(50,661)**
FINANCING ACTIVITIES					
Cash received					
Contributed equity	81,047	51,614	47,336	49,549	50,539
Total cash received	**81,047**	**51,614**	**47,336**	**49,549**	**50,539**
Cash used					
Other	-	-	-	-	-
Total cash used	-	-	-	-	-
Net cash from (used by) financing activities	**81,047**	**51,614**	**47,336**	**49,549**	**50,539**
Net increase (decrease) in cash held	-	-	-	-	-
Cash and cash equivalents at the beginning of the reporting period	3,990	3,990	3,990	3,990	3,990
Effect of exchange rate movements on cash and cash equivalents at the beginning of reporting period	-	-	-	-	-
Cash and cash equivalents at the end of the reporting period	**3,990**	**3,990**	**3,990**	**3,990**	**3,990**

Prepared on Australian Accounting Standards basis.

Table 3.2.5: Departmental Capital Budget Statement

	Estimated actual 2011-12 $'000	Budget estimate 2012-13 $'000	Forward estimate 2013-14 $'000	Forward estimate 2014-15 $'000	Forward estimate 2015-16 $'000
NEW CAPITAL APPROPRIATIONS					
Capital budget - Bill 1 (DCB)	68,915	45,094	45,635	47,733	48,442
Equity injections - Bill 2	12,132	6,520	1,701	1,816	2,097
Departmental capital - special appropriation (Dept only)	-	-	-	-	-
Total new capital appropriations	**81,047**	**51,614**	**47,336**	**49,549**	**50,539**
Provided for:					
Purchase of non-financial assets	81,047	51,614	47,336	49,549	50,539
Other Items	-	-	-	-	-
Total Items	**81,047**	**51,614**	**47,336**	**49,549**	**50,539**
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriations [1]	12,132	6,520	1,701	1,816	2,097
Funded by capital appropriation - DCB [2]	73,914	45,094	45,635	47,733	48,442
Funded internally from departmental resources [3]	2,950	2,572	-	1	122
TOTAL	**88,996**	**54,186**	**47,336**	**49,550**	**50,661**
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	88,996	54,186	47,336	49,550	50,661
less additions by finance lease	-	-	-	-	-
less additions by creditors / borrowings	-	-	-	-	-
plus borrowing / finance costs	-	-	-	-	-
plus Annual finance lease costs	-	-	-	-	-
less Gifted assets	-	-	-	-	-
less s32 / restructuring	-	-	-	-	-
Total cash used to acquire assets	**88,996**	**54,186**	**47,336**	**49,550**	**50,661**

Prepared on Australian Accounting Standards basis.

[1] Includes both current and prior Bill 2/4/6 appropriations and special capital appropriations

[2] Does not include annual finance lease costs. Include purchase from current and previous years' Departmental Capital Budgets (DCBs).

[3] Includes the following sources of funding:
- current and prior year Bill 1/3/5 appropriations (excluding amounts from the DCB).
- internally developed assets
- s31 relevant agency receipts (for FMA agencies only)

Table 3.2.6: Statement of Asset Movements (2012-13)

	Land	Buildings	Other property, plant and equipment	Computer software and intangibles	Total
	$'000	$'000	$'000	$'000	$'000
As at 1 July 2012					
Gross book value	1,123	120,598	169,181	310,544	601,446
Accumulated depreciation/amortisation and impairment	-	(27,117)	(119,242)	(182,037)	(328,396)
Opening net book balance	**1,123**	**93,481**	**49,939**	**128,507**	**273,050**
CAPITAL ASSET ADDITIONS					
Estimated expenditure on new or replacement assets					
By purchase - appropriation equity [1]	-	-	-	-	-
By purchase - appropriation ordinary annual services [2]	-	10,626	6,945	36,615	54,186
By purchase - other	-	-	-	-	-
By finance lease	-	-	-	-	-
Total additions	**-**	**10,626**	**6,945**	**36,615**	**54,186**
Other movements					
Assets held for sale or in a disposal group held for sale	-	-	-	-	-
Depreciation/amortisation expense	-	(26,565)	(24,783)	(39,356)	(90,704)
Disposals [3]					
From disposal of entities or operations (including restructuring)	-	-	-	-	-
Other	-	-	-	-	-
Total other movements	**-**	**(26,565)**	**(24,783)**	**(39,356)**	**(90,704)**
As at 30 June 2013					
Gross book value	1,123	131,224	176,126	347,159	655,632
Accumulated depreciation/amortisation and impairment	-	(53,682)	(144,025)	(221,393)	(419,100)
Closing net book balance	**1,123**	**77,542**	**32,101**	**125,766**	**236,532**

Prepared on Australian Accounting Standards basis.

[1] "Appropriation equity" refers to equity injections or Administered Assets and Liabilities appropriations provided through Appropriation Bill (No.2) 2012-13, including CDABs.

[2] "Appropriation ordinary annual services" refers to funding provided through Appropriation Bill (No.1) 2012-13 for depreciation / amortisation expenses, DCBs or other operational expenses.

[3] Net proceeds may be returned to the OPA.

Table 3.2.7: Schedule of Budgeted Income and Expenses Administered on behalf of Government (for the period ended 30 June)

	Estimated actual 2011-12 $'000	Budget estimate 2012-13 $'000	Forward estimate 2013-14 $'000	Forward estimate 2014-15 $'000	Forward estimate 2015-16 $'000
EXPENSES ADMINISTERED ON BEHALF OF GOVERNMENT					
Suppliers	2,797,969	2,572,845	2,734,105	2,676,957	2,647,662
Subsidies	719,603	226,738	228,008	229,444	230,907
Personal benefits	20,505,961	19,732,459	20,845,886	20,512,755	21,456,262
Grants	11,871,656	9,384,484	9,827,454	10,509,834	11,490,327
Write-down and impairment of assets	354,328	31,974	32,974	25,095	26,990
Other expenses	355,542	-	-	-	-
Total expenses administered on behalf of Government	36,605,059	31,948,500	33,668,427	33,954,085	35,852,148
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Taxation revenue					
Other taxes	152,423	152,423	152,423	152,423	152,423
Total taxation revenue	**152,423**	**152,423**	**152,423**	**152,423**	**152,423**
Non-taxation revenue					
Interest	389,536	2,908	2,601	2,272	1,860
Other revenue	140,453	23,735	22,225	22,225	22,223
Total non-taxation revenue	**529,989**	**26,643**	**24,826**	**24,497**	**24,083**
Total own-source revenues administered on behalf of Government	**682,412**	**179,066**	**177,249**	**176,920**	**176,506**
Net Cost of (contribution by) services					
Surplus (Deficit)	(35,922,647)	(31,769,434)	(33,491,178)	(33,777,165)	(35,675,642)
OTHER COMPREHENSIVE INCOME					
Changes in asset revaluation surplus	-	-	-	-	-
Total other comprehensive income	-	-	-	-	-
Total comprehensive income (loss)	(35,922,647)	(31,769,434)	(33,491,178)	(33,777,165)	(35,675,642)

Prepared on Australian Accounting Standards basis.

Table 3.2.8: Schedule of Budgeted Assets and Liabilities Administered on behalf of Government (as at 30 June)

	Estimated actual 2011-12 $'000	Budget estimate 2012-13 $'000	Forward estimate 2013-14 $'000	Forward estimate 2014-15 $'000	Forward estimate 2015-16 $'000
ASSETS					
Financial assets					
Cash and cash equivalents	200	200	200	200	200
Trade and other receivables	897,698	833,770	749,245	726,435	759,843
Other investments	21,812	21,812	21,812	21,812	21,812
Total financial assets	**919,710**	**855,782**	**771,257**	**748,447**	**781,855**
Non-financial assets					
Inventories	1	1	1	1	1
Other non-financial assets	3,917	3,626	3,626	3,657	3,690
Total non-financial assets	**3,918**	**3,627**	**3,627**	**3,658**	**3,691**
Total assets administered on behalf of Government	**923,628**	**859,409**	**774,884**	**752,105**	**785,546**
LIABILITIES					
Payables					
Suppliers	97,599	97,599	97,599	97,599	97,599
Subsidies	21,756	21,756	21,756	21,756	21,756
Personal benefits	990,713	1,106,003	1,149,696	1,179,866	1,289,886
Grants	59,795	59,795	59,795	59,795	59,795
Other payables	2,262,210	2,287,980	2,299,019	2,320,072	2,305,336
Total payables	3,432,073	3,573,133	3,627,865	3,679,088	3,774,372
Interest bearing liabilities					
Loans	57,409	57,409	57,409	57,409	57,409
Total interest bearing liabilities	**57,409**	**57,409**	**57,409**	**57,409**	**57,409**
Total liabilities administered on behalf of Government	3,489,482	3,630,542	3,685,274	3,736,497	3,831,781
Net assets/(liabilities)	(2,565,854)	(2,771,133)	(2,910,390)	(2,984,392)	(3,046,235)

Prepared on Australian Accounting Standards basis.

Table 3.2.9: Schedule of Budgeted Administered Cash Flows (for the period ended 30 June)

	Estimated actual 2011-12 $'000	Budget estimate 2012-13 $'000	Forward estimate 2013-14 $'000	Forward estimate 2014-15 $'000	Forward estimate 2015-16 $'000
OPERATING ACTIVITIES					
Cash received					
Interest	465,596	2,233	2,178	2,067	1,978
Taxes	152,423	152,423	152,423	152,423	152,423
Other	333,936	202,742	204,186	203,962	204,765
Total cash received	**951,955**	**357,398**	**358,787**	**358,452**	**359,166**
Cash used					
Grant	11,928,454	9,384,484	9,827,454	10,509,834	11,490,327
Subsidies paid	719,603	226,738	228,008	229,444	230,907
Personal benefits	20,368,153	19,636,039	20,794,361	20,445,849	21,363,468
Suppliers	2,837,070	2,671,389	2,833,766	2,778,916	2,752,105
Total cash used	35,853,280	31,918,650	33,683,589	33,964,043	35,836,807
Net cash from (used by) operating activities	(34,901,325)	(31,561,252)	(33,324,802)	(33,605,591)	(35,477,641)
INVESTING ACTIVITIES					
Cash received					
Investments associated with loan programs	1,196,103	4,744	5,744	5,744	7,722
Total cash received	**1,196,103**	**4,744**	**5,744**	**5,744**	**7,722**
Cash used					
Investments associated with loan programs	1,793,749	-	-	-	-
Total cash used	1,793,749	-	-	-	-
Net cash from (used by) investing activities	**(597,646)**	**4,744**	**5,744**	**5,744**	**7,722**
Net increase (decrease) in cash held	(35,498,971)	(31,556,508)	(33,319,058)	(33,599,847)	(35,469,919)
Cash and cash equivalents at beginning of reporting period	**200**	**200**	**200**	**200**	**200**
Cash from Official Public Account for:					
- Appropriations	37,486,150	31,881,858	33,646,133	33,927,428	35,801,507
Cash to Official Public Account for:					
- Appropriations	(1,987,179)	(325,350)	(327,075)	(327,581)	(331,588)
Cash and cash equivalents at end of reporting period	**200**	**200**	**200**	**200**	**200**

Prepared on Australian Accounting Standards basis.

3.2.4 Notes to the financial statements

Accounting Policy

The budgeted financial statements have been prepared in accordance with the requirements of the Finance Minister's Orders issued by the Minister for Finance and Deregulation.

The statements have been prepared:

- on an accrual accounting basis
- in compliance with Australian Accounting Standards and Australian Equivalents to International Financial Reporting Standards (AEIFRS) and other authoritative pronouncements of the Australian Accounting Standards Board and the Consensus Views of the Urgent Issues Group
- having regard to Statements of Accounting Concepts.

Departmental appropriation revenue

Revenue from Government represents the purchase of outputs from the department by the Government. The changes reflected in the ordinary annual appropriations are a result of those new measures and variations that are explained in Section 1: Agency overview and resources.

Departmental own source revenue

Revenue from the sale of goods and services is recognised upon the delivery of the goods or services to the customers.

Departmental gains

Services received free of charge are recognised as gains when a fair value can be reliably determined and the services would have been purchased if they had not been donated. Use of those resources is recognised as an expense.

Departmental expenses – employee benefits

This item represents payments made and net increases or decreases in entitlements owed to employees for their services provided in the financial year.

Departmental expenses – suppliers

This item represents payments to suppliers for goods and services. It includes contracted payments made to Centrelink for services received.

Departmental expenses – depreciation and amortisation

Property, plant and equipment assets are written-off to their estimated residual value over their estimated useful lives to the department using the straight-line method of depreciation. Forward estimates of depreciation expense are made using forecasts of net capital acquisitions over the forward years.

Departmental assets – financial assets – receivables

Receivables represent amounts owing to the department for goods and services it has provided to external parties, cash reserves held in the Official Public Account which are recorded as receivable and prepayments.

Departmental assets – non-financial assets

These items represent future economic benefits that the department will consume in producing outputs. Following initial recognition at cost, Land and Buildings, Infrastructure, Plant and Equipment are carried at fair value less accumulated depreciation. Valuations are conducted with sufficient frequency to ensure that the carrying amount does not differ materially from the assets' fair values at reporting date.

Computer software, disclosed in the Departmental Balance Sheet as Intangibles, are expensed in the year of acquisition except for purchases of internally developed software costing more than the appropriate threshold which are capitalised at cost.

Departmental liabilities – provisions – employees

Provision has been made for the department's liability for employee entitlements arising from services rendered by employees to balance date. This liability encompasses wages and salaries that are yet to be paid, annual and long service leave. No provision is made for sick leave.

Employee entitlements payable are measured as the present value of the estimated future cash outflows to be made in respect of services provided by employees up to the reporting date. Liabilities expected to be settled within 12 months are measured at the nominal amount.

Departmental liabilities – payables – suppliers

Suppliers and other payables are recognised at amortised cost. Liabilities are recognised to the extent that the goods or services have been received (and irrespective of having been invoiced).

Administered revenue – taxation revenue

Black Coal Mining Industry Levy: Since 1993, employers have been required to pay a levy of payroll into a central fund managed by the Coal Mining Industry (Long Service Leave) Corporation.

Administered revenue – interest

This amount comprises of the fair value accounting treatment of HECS receivable. It consists of indexation on HECS receivable from student loans.

Administered revenue – Other Sources of non Taxation Revenue

This amount comprises of the Education Investment Fund Special account funds received by the department and the revenue received from HECS-HELP loan fees.

Administered expenses – grants

The Grants expenses include funding provided to the schools, vocational education and training and higher education (multi-jurisdictional) sectors.

Administered expenses – subsidies

Subsidies reflect the amount of funding estimated to be provided to employers under the Vocational Education and Training program and payments under the Indigenous Employment Program and the *Coal Mining Industry (Long Service Leave) Payroll Levy Act 1992*.

Administered expenses – personal benefits

These include payments made in respect of the Child Care Tax Rebate, Child Care Benefit, School Students Assistance, General Employee Entitlements and Redundancy Scheme payments, Parenting Payments, Newstart Allowance, Pensioner Education Supplement, Partner Allowance, Widow Allowance, Mature Age Allowance, Ex Gratia Payment, Utilities Allowance, Asbestos, Act of Grace and Modified Compliance Framework.

Administered expenses – suppliers

These comprise a range of administered programs the most significant being Job Services Australia, Disability Employment Services, Indigenous Employment, New Apprenticeship Centres, Workforce Skills Development, New Apprenticeship Access Program and the Language, Literacy and Numeracy Program.

Administered expenses – write down and impairment of assets

This relates to loans provided to students under HELP and reflects those amounts not expected to be repaid, partially offset by the amounts owed by students increasing due to the application of CPI.

Administered expenses – finance costs

This component reflects the deferral costs on loans provided to students under HELP. Deferral costs arise due to the income contingent nature of the repayment arrangement and is the cost resulting from payments being received over an extended period.

Administered assets – financial assets – receivables

The main component of the receivables is loans provided to students under HECS-HELP. The value of these loans are based on a 'fair value' which accounts for an estimate of those amounts that are not expected to be repaid as well as the cost of repayments being deferred due to the income contingent nature of the repayment arrangements. The other significant component is receivables relating to personal benefit overpayments.

Administered liabilities

This primarily comprises a grants provision for the Government share of unfunded superannuation liability in respect of university employees.

AUSTRALIAN CURRICULUM, ASSESSMENT AND REPORTING AUTHORITY

(positional only)

AUSTRALIAN CURRICULUM, ASSESSMENT AND REPORTING AUTHORITY

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AUSTRALIAN CURRICULUM, ASSESSMENT AND REPORTING AUTHORITY

Section 1: Agency 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* (ACARA Act) of the Parliament of the Commonwealth of Australia. The legislation was assented to on 8th December, 2008.

ACARA is tasked to execute the policy directions that are determined by the Standing Council on School Education and Early Childhood (SCSEEC) regarding curriculum, assessment, data collection and reporting at a national level.

ACARA is responsible for delivering:

- An Australian Curriculum from Foundation[14] to Year 12 in specified learning areas.
- A national assessment program aligned to the national curriculum that measures students' progress.
- A national data collection and reporting program that supports:
  - analysis, evaluation, research and resource allocation; and
  - accountability and reporting on schools and broader national achievement.

ACARA's work in developing the Australian Curriculum is guided by the 2008 *Melbourne Declaration on Educational Goals for Young Australians*. The Melbourne Declaration commits 'to supporting all young Australians to become successful learners, confident and creative individuals, and active and informed citizens', and to promoting equity and excellence in education. The Australian Curriculum will 'equip all young Australians with the essential skills, knowledge and capabilities to thrive and compete in a globalised world and information rich workplaces of the current century.' The curriculum will be accessible to all young Australians, regardless of their social or economic background or the school they attend.

[14] The term Foundation Year is used as a nationally consistent term for the year of schooling prior to Year 1 for the purpose of the Australian Curriculum. It does not replace the equivalent terms used in states and territories – Kindergarten (NSW/ACT), Prep (QLD/VIC/TAS), Pre-primary (WA), Reception (SA) and Transition (NT).

The Australian Curriculum for English, mathematics, science and history for Foundation to Year 10 was published in December 2010. Following a validation process, the *Achievement Standards for English, mathematics, science and history* were revised and endorsed in October 2011. Development continues in relation to the senior secondary curriculum in these learning areas, with publication planned for December 2012.

A second phase of curriculum development relates to the Australian Curriculum for geography, languages and the arts. Geography F-12 curriculum writing began in February 2011 and consultation on the draft curriculum took place between October 2011 and February 2012. The shape papers for the arts and languages were released in August and November 2011 respectively, and writing of detailed curriculum for these two areas commenced soon after.

The third phase of Australian Curriculum development applies to Technologies, Health and Physical Education, Economics and Business and Civics and Citizenship. The draft *Shape of the Australian Curriculum* papers for Technologies and Health and Physical Education were released for public consultation in March 2012, with consultation on shape papers for Economics and Business and Civics and Citizenship to occur in mid-2012. ACARA is working towards completion of the F-10 curriculum, across all learning areas, by the end of 2013.

The National Assessment Program (NAP) encompasses a suite of assessments endorsed by SCSEEC including the National Assessment Program – Literacy and Numeracy (NAPLAN) and three-yearly sample assessments in Science Literacy, Civics and Citizenship, and ICT Literacy. ACARA took up responsibility for managing the development and overseeing the delivery of tests for NAPLAN and NAP in 2010 along with associated reporting requirements. ACARA is responsible for collecting, managing, analysing, evaluating and reporting statistical and related information about educational outcomes. This includes the development and publication of national performance measures, performance standards and national definitions.

ACARA publishes a *National Report on Schooling in Australia* for each calendar year and will publish the report for 2010 in the first half of 2012 and the report for 2011 in early 2013. This report informs the Australian public on progress against the national goals for schooling and agreed national performance measures.

ACARA is also responsible for collecting data from schools for the purposes of accountability and reporting, research and analysis, and resource allocation. Information on individual schools is published on the *My School* website, which was launched in early 2010 and is updated annually. The third release of *My School* occurred in February 2012 and provided an additional year of information for all schools, with four years of student assessment data now available. The 2012 release of *My School* also included enhanced representations of student gain and more detailed information on student participation in vocational education and training in schools.

1.2 AGENCY RESOURCE STATEMENT

Table 1.1 shows the total resources from all sources. The table summarises how resources will be applied by outcome and by administered and departmental classification.

Table 1.1: Australian Curriculum, Assessment and Reporting Authority Resource Statement — Budget Estimates for 2012-13 as at Budget May 2012

Source	Estimate of prior + year amounts available in 2012-13 $'000	Proposed at Budget = 2012-13 $'000	Total estimate 2012-13 $'000	Actual available appropriation 2011-12 $'000
Opening balance/Reserves at bank				
REVENUE FROM GOVERNMENT				
Total ordinary annual services	-	-	-	-
Total other services	-	-	-	-
Total annual appropriations	-	-	-	-
Payments from related entities [3]				
Amounts from the portfolio department	-	15,450	15,450	-
Amounts from other agencies	-	-	-	-
Total	-	**15,450**	**15,450**	-
Special Accounts *(portfolio agency)*				
Name of Special Account[4]	-	-	-	-
Total Special Account	-	-	-	-
Total funds from Government	-	**15,450**	**15,450**	-
FUNDS FROM OTHER SOURCES				
Interest	-	250	250	-
Royalties	-	-	-	-
Sale of goods and services	-	-	-	-
Other	-	15,450	15,450	-
Total	-	**15,700**	**15,700**	-
Total net resourcing for agency	-	**31,150**	**31,150**	-

All figures are GST exclusive
CRF - Consolidated Revenue Fund
ACARA is not directly appropriated as it is a CAC Act body. Appropriations are made to DEEWR which are then paid to ACARA and are considered 'departmental' for all purposes.
[3] Funding provided by a Government body that is not specified within the annual appropriation bills as a payment to the CAC Act body (for example, a fee for service from an FMA Act agency paid to a CAC Act body would appear here and may be explained within this footnote, as would a payment from a third agency's special appropriation).
[4] A CAC Act body may receive payment from a special account held by an FMA Act agency. The CAC Act body does not hold the special account itself and therefore does not have a balance carried forward from earlier years.

1.3 BUDGET MEASURES

ACARA does not have any new measures since the 2011-12 Budget. For this reason Table 1.2 is not presented

Section 2: Outcomes and planned performance

2.1 OUTCOMES AND PERFORMANCE INFORMATION

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 agencies achieve the intended results of their outcome statements. Agencies 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, specifying the performance indicators and targets used to assess and monitor the performance of the Australian Curriculum, Assessment and Reporting Authority in achieving Government outcomes.

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

Outcome 1 Strategy

ACARA will continue to work collaboratively with a wide range of stakeholders including teachers, principals, government, state and territory education authorities, professional education associations, business/industry, community groups and the broader public.

Curriculum

- To establish the F-12 Australian Curriculum including development of content, content elaborations, achievement standards and annotated work samples for all learning areas listed in the *Melbourne Declaration on Educational Goals for Young Australians*.

- To ensure that the Australian Curriculum caters for and engages all learners, including students with disabilities and those for whom English is an additional language/dialect.

- To ensure that the Australian Curriculum gives due emphasis to general capabilities and to the cross-curricular dimensions of Aboriginal and Torres Strait Islander histories and cultures, Asia and Australia's engagement with Asia and sustainability.

- To develop and implement a rigorous approach to benchmarking the Australian Curriculum with curricula of leading nations.

- To enhance public understanding and awareness of the Australian Curriculum.

Assessment and reporting

- To align national assessments with the Australian Curriculum and ensure that they validly, reliably and fairly capture achievement across a wide range of learning areas and valued outcomes, particularly those capabilities of special importance in the 21st century.

- To develop with key stakeholders and strategic partners options for national consistency in senior secondary assessment and certification.

- To ensure that national assessments enable accurate monitoring of student and school performance and progress while promoting good pedagogical practices.

- To provide a richer array of information on Australian schools and on student achievement, progress and participation.

- To extend and improve ways of enabling schools to benchmark their performance against other schools with similar characteristics and similar student backgrounds and academic starting points.

- To further develop national key performance measures, including measures of student engagement and stakeholder satisfaction.

Supporting improvement

- To establish productive partnerships with jurisdictions, agencies and professional associations to provide tools and resources to support schools, teachers and the public in understanding, implementing and interacting with the Australian Curriculum.

- To coordinate a cooperative, national approach to supporting teachers in using assessments and standards to obtain feedback to improve teaching and learning.

- To provide analyses and reports on performance to facilitate more informed curriculum and teaching decision-making.

Building capacity

- To align governance and operations within ACARA and create a high performance organisation that can fully meet client expectations.

- To strengthen connections between ACARA's stakeholders and strategic partners.

- To leverage international knowledge and practice in curriculum, assessment and reporting to ensure leading edge practice.

- To work with the Australian Institute for Teaching and School Leadership, Education Services Australia and jurisdictions in developing and delivering professional learning and training in curriculum and assessment.

Outcome Expense and Resource Statement

Table 2.1 provides an overview of the total expenses for Outcome 1 by program.

Table 2.1: Budgeted Expenses and Resources for Outcome 1

Outcome 1: Imporved quality and consistency of school education in Australia through a national curriculum, national assessment, data collection and performance reporting system.	2011-12 Estimated actual expenses $'000	2012-13 Estimated expenses $'000
Program 1.1: National Curriculum		
Revenue from Government		
Payment from related entities	5,462	6,126
Revenues from other independent sources	6,741	6,377
Total for Program 1.1	**12,203**	**12,503**
Program 1.2: National Data Collection and Reporting		
Revenue from Government		
Payment from related entities	1,928	3,330
Revenues from other independent sources	3,076	3,330
Total for Program 1.2	**5,004**	**6,660**
Program 1.3: National Assessment		
Revenue from Government		
Payment from related entities	5,385	5,994
Revenues from other independent sources	6,659	5,993
Total for Program 1.3	**12,044**	**11,987**
Outcome 1 Totals by resource type		
Revenue from Government		
Payment from related entities	12,775	15,450
Revenues from other independent sources	16,476	15,700
Total expenses for Outcome 1	**29,251**	**31,150**
	2011-12	2012-13
Average Staffing Level (number)	**96**	**97**

Contributions to Outcome 1

Program 1.1: National Curriculum

Program 1.1 objectives

- To establish the F-12 Australian Curriculum including development of content, content elaborations, achievement standards and annotated work samples for all learning areas listed in the *Melbourne Declaration on Educational Goals for Young Australians.*
- To ensure that the Australian Curriculum caters for and engages all learners, including students with disabilities and those for whom English is an additional language/dialect.
- To ensure that the Australian Curriculum gives due emphasis to general capabilities and to the cross-curricular dimensions of Indigenous history and culture, Asia and sustainability.
- To develop and implement a rigorous approach to benchmarking the Australian Curriculum with curricula of leading nations.
- To enhance public understanding and awareness of the Australian Curriculum.

Program 1.1 expenses

ACARA has not identified any significant trends, changes or variances in program expenses over the forward years.

	2011-12 Revised budget $'000	2012-13 Budget $'000	2013-14 Forward year 1 $'000	2014-15 Forward year 2 $'000	2015-16 Forward year 3 $'000
1.1.1 - National Curriculum					
Annual departmental expenses:					
Payment from related entities	5,462	6,126	5,173	4,174	3,852
Revenues from Independent Resource	6,741	6,377	5,424	4,424	4,103
Total component expenses	**12,203**	**12,503**	**10,597**	**8,598**	**7,955**
1.1.2 - National Data Collection and Reporting					
Annual departmental expenses:					
Payment from related entities	1,928	3,330	3,336	3,598	3,782
Revenues from Independent Resource	3,076	3,330	3,336	3,599	3,781
Total component expenses	**5,004**	**6,660**	**6,672**	**7,197**	**7,563**
1.1.3 - National Assessment					
Annual departmental expenses:					
Payment from related entities	5,385	5,994	5,991	4,678	4,566
Revenues from Independent Resource	6,659	5,993	5,990	4,677	4,566
Total component expenses	**12,044**	**11,987**	**11,981**	**9,355**	**9,132**
Total program expenses	**29,251**	**31,150**	**29,250**	**25,150**	**24,650**

Program 1.1 Deliverables

- Shape of the Australian Curriculum v4.0, including articulation of the place of all learning areas, general capabilities and cross–curriculum priorities within the context of the overall school curriculum approved.
- Nationally agreed and consistent approaches for assessment and reporting in relation to the F–10 Australian Curriculum further developed.
- Senior secondary curriculum for the Phase 1 learning areas English, mathematics, science and history finalised and submitted to Ministers for approval.
- Articulation of how the Australian Curriculum meets the learning needs of students with special education needs and of students for whom English is another language or dialect (EAL/D) completed.
- Publication of F-10 Australian Curriculum for geography, languages (Chinese, Italian and an Aboriginal and Torres Strait Islander Languages Framework) and the arts.
- Writing of the Australian Curriculum to be well advanced in the Phase 3 learning areas of health and physical education and technologies, and shape papers for the civics and citizenship and economics and business studies learning areas published.
- Process for monitoring and evaluation of implemented Australian Curriculum reviewed and endorsed by states and territories.

Program 1.1 Key Performance Indicators

- Each phase of the Australian Curriculum is delivered within the timeframes agreed by SCSEEC.
- The Australian Curriculum caters for and engages all learners, including students with disabilities and those for whom English is an additional language/dialect.
- The Australian Curriculum gives due emphasis to general capabilities and to the cross-curricular priorities of Aboriginal and Torres Strait Islander histories and cultures, Asia and Australia's engagement with Asia and sustainability.

Program 1.2: National Data Collection and Reporting

Program 1.2 objectives

- To provide a richer array of information on Australian schools and on student achievement, progress and participation.
- To extend and improve ways of enabling schools to benchmark their performance against other schools with similar characteristics and similar student backgrounds and academic starting points.
- To further develop national key performance measures, including measures of student engagement and stakeholder satisfaction.

Program 1.2 expenses

ACARA has not identified any significant trends, changes or variances in program expenses over the forward years.

Program 1.2 deliverables

- New release of information on the My School website.
- Integrated platform for delivery of national school opinion surveys developed.
- National Report on Schooling in Australia 2011 published.
- NAP Sample Public Report, and NAPLAN Summary and National Reports 2012 published.

Program 1.2 Key Performance Indicators

- The data reported in the *National Report on Schooling in Australia*, the NAPLAN reports and on the *My School* website are materially accurate.
- The *National Report on Schooling*, *NAPLAN Summary Report*, *NAPLAN National Report*, and *NAP Sample Public Report* are published annually.
- An additional year's data on the *My School* website is provided, including any specific new measures requested by Ministers.

Program 1.3: National Assessment

Program 1.3 objectives

- To align national assessments with the Australian Curriculum and ensure that they validly, reliably and fairly capture achievement across a wide range of learning areas and valued outcomes, particularly those capabilities of special importance in the 21st century.
- To develop with key stakeholders and strategic partners options for national consistency in senior secondary assessment and certification.
- To ensure that national assessments enable accurate monitoring of student and school performance and progress while promoting good pedagogical practices.

Program 1.3 expenses

ACARA has not identified any significant trends, changes or variances in program expenses over the forward years.

Program 1.3 deliverables

- Delivery and analysis of National Assessment Program – Literacy & Numeracy (NAPLAN) tests.
- Delivery and analysis of National Assessment Program – Sample Assessment (triennial cycle) tests.
- Phase one investigation report for online delivery of NAP tests.
- Draft national assessment frameworks aligned with the Australian Curriculum.
- Revised architecture and Key Performance Measures for NAP Sample program.
- Enhanced protocols to provide an agreed framework for nationally consistent test administration.

Program 1.3 Key Performance Indicators

- NAPLAN and NAP Sample tests are conducted annually.
- NAPLAN and NAP Sample results are analysed accurately and meaningfully for reporting against common scales.
- Greater consistency is achieved in national test administration and ensuring test integrity.
- Investigation report for online delivery of NAP tests is provided to SCSEEC.
- Draft assessment frameworks aligned with the Australian Curriculum are finalised.
- Revised architecture and Key Performance Measures for the NAP Sample program are approved by SCSEEC.

Section 3: Explanatory tables and budgeted financial statements

Section 3 presents explanatory tables and budgeted financial statements which provide a comprehensive snapshot of agency finances for the 2012-13 to 2015-16 budget years. It explains how budget plans are incorporated into the financial statements and provides further details of the reconciliation between appropriations and program expenses, movements in administered funds, special accounts and government indigenous expenditure.

3.1 EXPLANATORY TABLES

3.1.1 Movement of administered funds between years

ACARA has no administered funds. For this reason Table 3.1.1 is not presented.

3.1.2 Special Accounts

ACARA has no special accounts. For this reason Table 3.1.2 is not presented.

3.1.3 Australian Government Indigenous Expenditure

The 2012-13 Australian Government Indigenous Statement is not applicable because ACARA has no Indigenous specific expenses. For this reason Table 3.1.3 is not presented.

3.2 BUDGETED FINANCIAL STATEMENTS

3.2.1 Differences in agency resourcing and financial statements

There are no differences in agency resourcing and the financial statements.

3.2.2 Analysis of budgeted financial statements

The Commonwealth has allocated funding for ACARA of up to $54.6 million from 2012-13 to 2015–16.

In October 2011 Ministers agreed to ACARA's total budget of $109.2 million over four years, 2012-13 to 2015-16 being equally shared between the Commonwealth and the States and based on the current Territories SCSEEC funding formula.

3.2.3 Budgeted financial statements tables

Table 3.2.1 Comprehensive Income Statement (Showing Net Cost of Services) (for the period ended 30 June)

	Estimated actual 2011-12 $'000	Budget estimate 2012-13 $'000	Forward estimate 2013-14 $'000	Forward estimate 2014-15 $'000	Forward estimate 2015-16 $'000
EXPENSES					
Employee benefits	13,750	13,893	13,730	13,621	13,738
Supplier expenses	14,616	16,463	14,702	10,687	10,044
Depreciation and amortisation	885	794*	818*	842*	868*
Other	-	-	-	-	-
Total expenses	**29,251**	**31,150**	**29,250**	**25,150**	**24,650**
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Interest	300	250	250	250	250
Other	26,251	30,900	29,000	24,900	24,400
Total own-source revenue	**26,551**	**31,150**	**29,250**	**25,150**	**24,650**
Gains					
Other	-	-	-	-	-
Total gains	-	-	-	-	-
Total own-source income	**26,551**	**31,150**	**29,250**	**25,150**	**24,650**
Net cost of (contribution by) services	**2,700**	**-**	**-**	**-**	**-**
Revenue from Government	-	-	-	-	-
Surplus (Deficit)	**(2,700)**	**-**	-	-	-
Surplus (Deficit) attributable to the Australian Government	**(2,700)**	**-**	-	-	-
OTHER COMPREHENSIVE INCOME					
Changes in asset revaluation reserves	-	-	-	-	-
Total other comprehensive	-	-	-	-	-
Total comprehensive income	**(2,700)**	**-**	-	-	-
Total comprehensive income attributable to the Australian Government	**(2,700)**	**-***	-*	-*	-*

Table 3.2.1 Comprehensive Income Statement (Showing Net Cost of Services) (for the period ended 30 June) (continued)

Note: Reconciliation of comprehensive income attributable to the agency	2011-12 $'000	2012-13 $'000	2013-14 $'000	2014-15 $'000	2015-16 $'000
Total Comprehensive Income (loss) Attributable to the Australian Government	**(2,700)**	**-**	-	-	-
plus non-appropriated expenses heritage and cultural depreciation and amortisation expenses	-	**-**	-	-	-
Total Comprehensive Income (loss) Attributable to the agency	**(2,700)**	**-**	-	-	-

[1] From 2009-10, the Government replaced Bill 1 revenue appropriations for the heritage and cultural depreciation expenses of designated Collection Institutions, with a separate capital budget (the Collection Development Acquisition Budget, or CDAB) provided through Bill 2 equity appropriations. For information regarding CDABs, please refer to Table 3.2.5 Departmental Capital Budget Statement.

Prepared on Australian Accounting Standards basis.

Table 3.2.2 Budgeted Departmental Balance Sheet (as at 30 June)

	Estimated actual 2011-12 $'000	Budget estimate 2012-13 $'000	Forward estimate 2013-14 $'000	Forward estimate 2014-15 $'000	Forward estimate 2015-16 $'000
ASSETS					
Financial assets					
Cash and cash equivalents	3,683	4,008	4,317	4,050	3,475
Trade and other receivables	210	215	220	175	110
Total financial assets	**3,893**	**4,223**	**4,537**	**4,225**	**3,585**
Non-financial assets					
Property, plant and equipment	2,530	1,986	1,418	826	208
Other	95	100	105	95	75
Total non-financial assets	**2,625**	**2,086**	**1,523**	**921**	**283**
Assets held for sale	-	-	-	-	-
Total assets	**6,518**	**6,309**	**6,060**	**5,146**	**3,868**
LIABILITIES					
Payables					
Suppliers	2,300	2,400	2,450	1,900	1,200
Other	1,540	1,156	772	388	-
Total payables	**3,840**	**3,556**	**3,222**	**2,288**	**1,200**
Interest bearing liabilities					
Other	-	-	-	-	-
Total interest bearing liabilities	-	-	-	-	-
Provisions					
Employee provisions	700	775	860	880	690
Total provisions	**700**	**775**	**860**	**880**	**690**
Liabilities included in disposal groups held for sale	-	-	-	-	-
Total liabilities	**4,540**	**4,331**	**4,082**	**3,168**	**1,890**
Net assets	**1,978**	**1,978**	**1,978**	**1,978**	**1,978**
EQUITY*					
Parent entity interest					
Contributed equity	-	-	-	-	-
Reserves	-	-	-	-	-
Retained surplus (accumulated deficit)	1,978	1,978	1,978	1,978	1,978
Total parent entity interest	**1,978**	**1,978**	**1,978**	**1,978**	**1,978**
Total Equity	**1,978**	**1,978**	**1,978**	**1,978**	**1,978**

Prepared on Australian Accounting Standards basis.

Table 3.2.3: Departmental Statement of Changes in Equity – summary of movement (Budget year 2012-13)

	Retained earnings $'000	Asset revaluation reserve $'000	Other reserves $'000	Contributed equity/ capital $'000	Total equity $'000
Opening balance as at 1 July 2012					
Balance carried forward from previous period	1,978	-	-	-	1,978
Adjustment for changes in accounting policies	-	-	-	-	-
Adjusted opening balance	**1,978**	**-**	**-**	**-**	**1,978**
Comprehensive income					
Surplus (deficit) for the period	-	-	-	-	-
Total comprehensive income	-	-	-	-	-
Transactions with owners					
Distributions by owners					
Other	-	-	-	-	-
Contributions by owners					
Other	-	-	-	-	-
Sub-total transactions with owners	-	-	-	-	-
Transfers between equity components	-	-	-	-	-
Estimated closing balance as at 30 June 2013	**1,978**	**-**	**-**	**-**	**1,978**
Less: non-controlling interests *	-	-	-	-	-
Closing balance attributable to the Australian Government	**1,978**	**-**	**-**	**-**	**1,978**

Prepared on Australian Accounting Standards basis.

Table 3.2.4: Budgeted Departmental Statement of Cash Flows (for the period ended 30 June)

	Estimated actual 2011-12 $'000	Budget estimate 2012-13 $'000	Forward estimate 2013-14 $'000	Forward estimate 2014-15 $'000	Forward estimate 2015-16 $'000
OPERATING ACTIVITIES					
Cash received					
Goods and services	25,307	30,900	29,000	24,900	24,400
Interest	300	250	250	250	250
Total cash received	**25,607**	**31,150**	**29,250**	**25,150**	**24,650**
Cash used					
Employees	13,375	13,520	13,680	13,510	14,250
Suppliers	18,967	17,055	15,011	11,657	10,725
Total cash used	**32,342**	**30,575**	**28,691**	**25,167**	**24,975**
Net cash from (used by) operating activities	**(6,735)**	**575**	**559**	**(17)**	**(325)**
INVESTING ACTIVITIES					
Cash received					
Other	-	-	-	-	-
Total cash received	-	-	-	-	-
Cash used					
Purchase of property, plant and equipment	440	250	250	250	250
Total cash used	**440**	**250**	**250**	**250**	**250**
Net cash from (used by) investing activities	**(440)**	**(250)**	**(250)**	**(250)**	**(250)**
FINANCING ACTIVITIES					
Cash received					
Other	-	-	-	-	-
Total cash received	-	-	-	-	-
Cash used					
Other	-	-	-	-	-
Total cash used	-	-	-	-	-
Net cash from (used by) financing activities	-	-	-	-	-
Net increase (decrease) in cash held	**(7,175)**	**325**	**309**	**(267)**	**(575)**
Cash and cash equivalents at the beginning of the reporting period	10,858	3,683	4,008	4,317	4,050
Effect of exchange rate movements on cash and cash equivalents at the beginning of reporting period	-	-	-	-	-
Cash and cash equivalents at the end of the reporting period	**10,858**	**3,683**	**4,008**	**4,317**	**4,050**

Table 3.2.5: Capital Budget Statement

ACARA does not have a departmental capital budget. For this reason Table 3.2.5 is not presented.

Table 3.2.6: Statement of Asset Movements (2012-13)

	Land	Buildings	Other property, plant and equipment	Intangibles	Total
	$'000	$'000	$'000	$'000	$'000
As at 1 July 2012					
Gross book value	-	-	4,372	-	4,372
Accumulated depreciation/amortisation and impairment	-	-	(1,842)	-	(1,842)
Opening net book balance	-	-	**2,530**	**-**	**2,530**
CAPITAL ASSET ADDITIONS					
Estimated expenditure on new or replacement assets					
By purchase - appropriation equity [1]	-	-	-	-	-
By purchase - appropriation ordinary annual services [2]	-	-	-	-	-
By purchase - donated funds	-	-	-	-	-
By purchase - other	-	-	250	-	250
By finance lease	-	-	-	-	-
Assets received as gifts/donations	-	-	-	-	-
Total additions	-	-	**250**	**-**	**250**
Other movements					
Assets held for sale or in a disposal group held for sale	-	-	-	-	-
Depreciation/amortisation expense	-	-	(794)	-	(794)
Disposals [3]					
Other	-	-	-	-	-
As at 30 June 2013					
Gross book value	-	-	4,622	-	4,622
Accumulated depreciation/amortisation and impairment	-	-	(2,636)	-	(2,636)
Closing net book balance	-	-	**1,986**	**-**	**1,986**

[1] "Appropriation equity" refers to equity injections or Administered Assets and Liabilities appropriations provided through Appropriation Bill (No.2) 2012-13, including CDABs.
[2] "Appropriation ordinary annual services" refers to funding provided through Appropriation Bill (No.1) 2012-13 for depreciation / amortisation expenses, DCBs / ACBs or other operational expenses.
[3] Proceeds may be returned to the OPA.

Table 3.2.7: 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. For this reason Table 3.2.7 is not presented.

Table 3.2.8: 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. For this reason Table 3.2.8 is not presented.

Table 3.2.9: Schedule of Budgeted Administered Cash Flows (for the period ended 30 June)

ACARA has no administered cash flows. For this reason Table 3.2.9 is not presented.

Table 3.2.10: Schedule Administered Capital Budget

ACARA has no administered capital budget. For this reason Table 3.2.10 is not presented.

Table 3.2.11 Schedule of Asset Movements - Administered

ACARA has no administered asset movements. For this reason Table 3.2.11 is not presented.

3.2.4 Notes to the financial statements

The budgeted financial statements for ACARA are prepared for the current year and the 2012-13 budget year. The accounting policies used in preparing these financial statements are consistent with those used in the 2010-11 Annual Report.

AUSTRALIAN INSTITUTE FOR TEACHING AND SCHOOL LEADERSHIP

(POSITIONAL ONLY)

AUSTRALIAN INSTITUTE FOR TEACHING AND SCHOOL LEADERSHIP

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AUSTRALIAN INSTITUTE FOR TEACHING AND SCHOOL LEADERSHIP LIMITED

Section 1: Agency overview and resources

1.1 STRATEGIC DIRECTION

The Australian Institute for Teaching and School Leadership (AITSL) came into being on 1 January 2010.

AITSL is a public company limited by guarantee under the *Corporations Act 2001* and is subject to the *Commonwealth Authorities and Companies Act 1997*. The Minister for Education is the sole member of the company. AITSL operates under its own constitution, with priorities set by the Ministerial Council for Education, Early Childhood Development and Youth Affairs through a Letter of Expectation dated 14 December 2009 and by the Standing Council on School Education and Early Childhood (SCSEEC) through a Letter of Expectation dated 23 March 2012.

The number of Directors on the Board decreased from 17 to nine from 1 April 2012. Previously, the Board included nominees from jurisdictions, the Australian Government, the Catholic and independent school sectors, teacher unions, professional associations, principals' associations and the Deans of Education.

The current Board, appointed by the Australian Government Minister for School Education, includes a Chair and Deputy Chair nominated by the Australian Government and individuals from the Catholic and independent school sectors, teacher unions, principals' associations, state and territory regulatory authorities and AEEYSOC.

AITSL's primary purpose is to provide national leadership for the Commonwealth, state and territory governments in promoting excellence in the profession of teaching and school leadership.

AITSL has a significant role in delivering the reforms agreed to through the Council of Australian Governments (COAG) National Partnership on Improving Teacher Quality, which targets critical points in the teacher lifecycle to attract, train, place, develop and retain quality teachers and leaders in schools and classrooms.

AITSL has responsibility for rigorous national professional standards and fostering and driving high quality professional development for teachers and school leaders by working collaboratively across jurisdictions and engaging with key professional bodies.

Building on national professional standards for teachers and school leaders, AITSL will pursue reform in the areas of professional learning for teachers and school leaders, teacher registration, accreditation of initial teacher education programs, certification of teachers at the highly accomplished and lead teacher levels and a national teacher performance and development framework, and will administer prestigious national awards for teachers and school leaders.

1.2 AGENCY RESOURCE STATEMENT

Table 1.1 shows the total resources from all sources. The table summarises how resources will be applied by outcome and by administered and departmental classification.

Table 1.1: Australian Institute for Teaching and School Leadership Resource Statement for 2012-13 as at Budget May 2012

Source	Estimate of prior + year amounts available in 2012-13 $'000	Proposed at Budget = 2012-13 $'000	Total estimate 2012-13 $'000	Actual available appropriation 2011-12 $'000
Opening balance/Reserves at bank	**8,511**	-	**8,511**	-
REVENUE FROM GOVERNMENT				
Ordinary annual services[1]				
Outcome 1	-	14,000	14,000	-
Total ordinary annual services	**8,511**	**14,000**	**22,511**	**-**
Other services[2]				
Non-operating	-	-	-	-
Total other services	**-**	**-**	**-**	**-**
Total annual appropriations	**8,511**	**14,000**	**22,511**	**-**
Total funds from Government	**8,511**	**14,000**	**22,511**	**-**
FUNDS FROM INDUSTRY SOURCES				
FUNDS FROM OTHER SOURCES				
Interest	-	300	300	-
Royalties	-	-	-	-
Sale of goods and services	-	600	600	-
Other	-	0	0	-
Total	-	**900**	**900**	-
Total net resourcing for agency	**8,511**	**14,900**	**23,411**	-

All figures are GST exclusive
CRF - Consolidated Revenue Fund
[2] Appropriation Bill (No.2) 2012-13

Section 2: Outcomes and planned performance

2.1 OUTCOMES AND PERFORMANCE INFORMATION

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 agencies achieve the intended results of their outcome statements. Agencies 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, specifying the performance indicators and targets used to assess and monitor the performance of the Australian Institute for Teaching and School Leadership in achieving Government outcomes.

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

Outcome 1 Strategy

AITSL is working with education authorities, teacher unions, professional associations, teachers, principals and teacher educators to strengthen the profession. It will undertake a range of targeted activities, complementing the work of other education agencies, to enhance the quality of teaching and school leadership and to support the professionalism of teachers and school leaders.

Through the strategies adopted to achieve Outcome 1, AITSL is contributing to the objectives of the COAG National Partnership on Improving Teacher Quality leading to improved educational outcomes.

Key strategies in 2012-13 will be to:

- Support the implementation of the national professional standards for teachers.
- Support the implementation of the agreed national approach to accrediting initial teacher education programs.
- Monitor and support the implementation of elements of policy endorsed by Ministers for the nationally consistent registration of teachers, including renewal of registration.

- Develop, consult on and gain Ministerial endorsement for a proposal for a national approach to certification of teachers at the Highly Accomplished and Lead teacher levels.

- Develop a proposal for a national teacher performance and development framework.

- Promulgate the national professional standard for principals.

- Develop and consult on a national professional learning framework.

- Develop, launch and maintain an online Clearinghouse repository of latest research and best-practice in the field of school leadership development.

- Develop two Professional Learning Flagship Programs: Leading Curriculum Change and Empowering Local Schools.

- Administer the annual national awards for teachers and school leaders.

- Undertake and engage with leading national and international research and innovative developments to support its work through a strong evidence base.

- Undertake the role of assessing authority under the Migration Regulations 1994 for the purposes of skilled migration to Australia as a pre-primary, primary, secondary, or special education school teacher.

- Effectively implement and maintain high standards of corporate governance.

AITSL's target group is the 250,000 teachers and school leaders across all educational jurisdictions and sectors. AITSL's strategic approach is to work collaboratively with jurisdictions and other key stakeholders including the profession itself and to complement the significant investment of school authorities in quality teaching and school leadership through targeted national activities.

Table 2.1: Budgeted Expenses and Resources 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.	2011-12 Estimated actual expenses $'000	2012-13 Estimated expenses $'000
Program 1: Assistance for quality teaching and learning		
Revenue from Government		
Payment from related entities	22,201	14,000
Revenues from other independent sources	778	900
Total for Program 1	**22,979**	**14,900**
Outcome 1 Totals by resource type		
Revenue from Government		
Payment from related entities	22,201	14,000
Revenues from other independent sources	778	900
Total expenses for Outcome 1	**22,979**	**14,900**
	2011-12	2012-13
Average Staffing Level (number)	**34**	**50**

Contributions to Outcome 1

Program 1.1 Assistance for Quality Teaching and Learning

Program 1.1 objective

- Support the implementation of the national professional standards for teachers.
- Support the implementation of the agreed national approach to accrediting initial teacher education programs.
- Monitor and support the implementation of elements of policy endorsed by Ministers for the nationally consistent registration of teachers, including renewal of registration.
- Develop, consult on and gain Ministerial endorsement for a proposal for a national approach to certification of teachers at the Highly Accomplished and Lead teacher levels.
- Develop a proposal for a national teacher performance and development framework.
- Promulgate the national professional standard for principals.
- Develop and consult on a national professional learning framework.
- Develop, launch and maintain an online Clearinghouse repository of latest research and best-practice in the field of school leadership development.
- Develop two Professional Learning Flagship Programs: Leading Curriculum Change and Empowering Local Schools.
- Administer the annual national awards for teachers and school leaders.
- Undertake and engage with leading national and international research and innovative developments to support its work through a strong evidence base.
- Undertake the role of assessing authority under the *Migration Regulations 1994* for the purposes of skilled migration to Australia as a pre-primary, primary, secondary, or special education school teacher.
- Effectively implement and maintain high standards of corporate governance.

Program 1.1 expenses

	2011-12 Revised budget $'000	2012-13 Budget $'000	2013-14 Forward year 1 $'000	2014-15 Forward year 2 $'000	2015-16 Forward year 3 $'000
Annual departmental expenses:					
Departmental item	18,896	14,900	-	-	-
Expenses not requiring appropriation in the Budget year [1]	-	-	-	-	-
Total program expenses	**18,896**	**14,900**	-	-	-

[1] Expenses not requiring appropriation in the Budget year is made up of Depreciation Expense, Amortisation Expense, Makegood Expense, Audit Fees.

Program 1.1 Deliverables	
Deliverable	**2012–13 Target**
National Professional Standards for Teachers	Materials developed to support the implementation of the National Professional Standards for Teachers
Teacher registration	Endorsement by Ministers of proposal for nationally consistent registration.
Certification of teachers at the Highly Accomplished and Lead teacher levels	Endorsement by Ministers of proposal for a national approach to certification of teachers at Highly Accomplished and Lead.
Teacher performance and development	Proposal developed for national teacher performance and development framework.
National Professional Standard for Principals	Endorsement and promulgation of Standard.
National approach to the Accreditation of Initial Teacher Education	Accreditation Guide developed and assessment panels trained to undertake first round of accreditation activities.
National Professional Learning Framework	Endorsement of exposure draft for consultation.
Online Clearinghouse on school leadership development	Clearinghouse developed, launched, promoted and maintained

Program 1.1 Deliverables (continued)	
Deliverable	**2012-13 Target**
Professional Learning Flagship Programs: Leading Curriculum Change and Empowering Local Schools	Online Leading Curriculum Change program developed and delivered; Empowering Local Schools program designed.
National awards for teachers and school leaders	Administer the annual national awards for teachers and school leaders and develop sabbatical programs for award recipients.
Fulfilling the role of assessing authority under the *Migration Regulations 1994* for the purposes of skilled migration to Australia as a pre-primary, primary or secondary, or special education school teacher.	Processing of applications undertaken to the satisfaction of relevant authorities.
Undertaking and engaging with national and international research and innovative developments in best practice.	Evidence base for AITSL's work enhanced by research undertaken, with national and international agencies and international experts.
Implementation of measures to ensure high standards of corporate governance.	Audit, risk management and financial advisory structures established and operating with transparency and rigour.

Program 1.1 Key performance indicators

AITSL provides national leadership for the Commonwealth, state and territory governments in promoting excellence in the profession of teaching and school leadership.

Section 3: Explanatory tables and budgeted financial statements

Section 3 presents explanatory tables and budgeted financial statements which provide a comprehensive snapshot of agency finances for the budget year 2012-13. It explains how budget plans are incorporated into the financial statements and provides further details of the reconciliation between appropriations and program expenses, movements in administered funds, special accounts and government Indigenous expenditure.

3.1 EXPLANATORY TABLES

3.1.1 Movement of administered funds between years

AITSL has no administered funds. For this reason Table 3.1.1 is not presented.

3.1.2 Special Accounts

AITSL has no special accounts. For this reason Table 3.1.2 is not presented.

3.1.3 Australian Government Indigenous Expenditure

AITSL has no Indigenous specific expenses. For this reason Table 3.1.3 is not presented.

3.2 BUDGETED FINANCIAL STATEMENTS

3.2.1 Differences in agency resourcing and financial statements

There are no differences in agency resourcing and the financial statements.

3.2.2 Analysis of budgeted financial statements

In April 2010 MCEECDYA agreed to a total budget of $41.8 million for the period 2009-10 to 2012-13. Over the same period, income from Overseas Skills Assessment is estimated to be $2.3 million. Further funding variations have been agreed for subsequent years to enable AITSL to broaden its project base.

AITSL is budgeting for an underspend of its funding in the financial year 2011-12 resulting in a surplus of $4.1 million. The budget for the 2012-13 financial year is break even.

The net asset position of $8.5 million in at 30 June 2012 is expected to remain the same for 2012-13. Total assets at 30 June 2012 are estimated to be $12.6 million comprising $11.8 million of financial assets and $0.8 million in non-financial assets.

Total liabilities at 30 June 2012 are estimated to be $4.1 million of which $0.4 million being accrued employee entitlements and $3.5 million towards supplier payables and $0.2 of other provisions.

3.2.3 Budgeted financial statements tables

Table 3.2.1: Comprehensive Income Statement (showing Net Cost of Services) (for the period ended 30 June)

	Estimated actual 2011-12 $'000	Budget estimate 2012-13 $'000	Forward estimate 2013-14 $'000	Forward estimate 2014-15 $'000	Forward estimate 2015-16 $'000
EXPENSES					
Employee benefits	5,933	7,040	-	-	-
Suppliers	12,573	7,500	-	-	-
Depreciation and amortisation	390	360	-	-	-
Total expenses	**18,896**	**14,900**	-	-	-
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	578	600	-	-	-
Interest	200	300	-	-	-
Other	22,201	14,000			
Total own-source revenue	**22,979**	**14,900**	-	-	-
Gains					
Other	-	-	-	-	-
Total gains	-	-	-	-	-
Total own-source income	**22,979**	**14,900**	-	-	-
Net cost of (contribution by) services	**4,083**	-	-	-	-
Revenue from Government	-	-	-	-	-
Surplus (Deficit) attributable to the Australian Government	**4,083**	-	-	-	-
OTHER COMPREHENSIVE INCOME					
Changes in asset revaluation surplus					
Total comprehensive income (loss)	**4,083**	-	-	-	-
Total comprehensive income (loss) attributable to the Australian Government	**4,083**	-	-	-	-

Table 3.2.1: Comprehensive Income Statement (showing Net Cost of Services) (for the period ended 30 June) (continued)

Note: Impact of Net Cash Appropriation Arrangements	2011-12 $'000	2012-13 $'000	2013-14 $'000	2014-15 $'000	2015-16 $'000
Total Comprehensive Income (loss) less heritage and cultural depreciation expenses previously funded through revenue appropriations	**4,083**	**-**	-	-	-
plus heritage and cultural depreciation expenses previously funded through revenue appropriations[1]	-	**-**	-	-	-
Total Comprehensive Income (loss) - as per the Statement of Comprehensive Income	**4,083**	**-**	-	-	-

[1] From 2009-10, the Government replaced Bill 1 revenue appropriations for the heritage and cultural depreciation expenses of designated Collection Institutions, with a separate capital budget (the Collection Development Acquisition Budget, or CDAB) provided through Bill 2 equity appropriations. For information regarding CDABs, please refer to Table 3.2.5 Departmental Capital Budget Statement.

Table 3.2.2: Budgeted Departmental Balance Sheet (as at 30 June)

	Estimated actual 2011-12 $'000	Budget estimate 2012-13 $'000	Forward estimate 2013-14 $'000	Forward estimate 2014-15 $'000	Forward estimate 2015-16 $'000
ASSETS					
Financial assets					
Cash and cash equivalents	8,438	8,131	-	-	-
Trade and other receivables	3,400	3,300	-	-	-
Other financial assets	65	59	-	-	-
Total financial assets	**11,903**	**11,490**	-	-	-
Non-financial assets					
Property, plant and equipment	663	407	-	-	-
Intangibles	-	21	-	-	-
Heritage and cultural	28	28	-	-	-
Total non-financial assets	**691**	**456**	-	-	-
Assets held for sale	-	-	-	-	-
Total assets	**12,594**	**11,946**			
LIABILITIES					
Payables					
Suppliers	2,750	2,035	-	-	-
Other payables	500	400	-	-	-
Total payables	**3,250**	**2,435**	-	-	-
Interest bearing liabilities					
Other interest bearing liabilities	-	-	-	-	-
Total interest bearing liabilities	-	-	-	-	-
Provisions					
Employee provisions	650	940	-	-	-
Other provisions	183	60	-	-	-
Total provisions	**833**	**1,000**	-	-	-
Liabilities included in disposal groups held for sale	-	-	-	-	-
Total liabilities	**4,083**	**3,435**	-	-	-
Net assets	**8,511**	**8,511**	-	-	-
EQUITY*					
Parent entity interest					
Contributed equity	-	-	-	-	-
Reserves	-	-	-	-	-
Retained surplus (accumulated deficit)	8,511	8,511	-	-	-
Total parent entity interest	**8,511**	**8,511**	-	-	-
Total Equity	**8,511**	**8,511**	-	-	-

Table 3.2.3: Departmental Statement of Changes in Equity — summary of movement (Budget year 2012-13)

	Retained earnings $'000	Asset revaluation reserve $'000	Other reserves $'000	Contributed equity/ capital $'000	Total equity $'000
Opening balance as at 1 July 2012					
Balance carried forward from previous period	8,511	-	-	-	8,511
Adjusted opening balance	**8,511**	**-**	**-**	**-**	**8,511**
Comprehensive income					
Surplus (deficit) for the period	-	-	-	-	-
Total comprehensive income	-	-	-	-	-
Transactions with owners					
Distributions to owners					
Other	-	-	-	-	-
Contributions by owners					
Other	-	-	-	-	-
Sub-total transactions with owners	-	-	-	-	-
Transfers between equity components	-	-	-	-	-
Estimated closing balance as at 30 June 2013	**8,511**	-	-	-	**8,511**
Less: non-controlling interests *	-	-	-	-	-
Closing balance attributable to the Australian Government	**8,511**	-	-	-	**8,511**

Table 3.2.4: Budgeted Departmental Statement of Cash Flows (for the period ended 30 June)

	Estimated actual 2011-12 $'000	Budget estimate 2012-13 $'000	Forward estimate 2013-14 $'000	Forward estimate 2014-15 $'000	Forward estimate 2015-16 $'000
OPERATING ACTIVITIES					
Cash received					
Reciepts from Government	18,978	14,000	-	-	-
Sale of goods and rendering of services	650	606	-	-	-
Interest	200	300	-	-	-
Total cash received	**19,828**	**14,906**	-	-	-
Cash used					
Employees	5,737	6,750	-	-	-
Suppliers	11,371	8,338	-	-	-
Total cash used	**17,108**	**15,088**	-	-	-
Net cash from (used by) operating activities	**2,720**	**(182)**	-	-	-
INVESTING ACTIVITIES					
Cash received					
Other	-	-	-	-	-
Total cash received	-	-	-	-	-
Cash used					
Purchase of property, plant and equipment	119	125	-	-	-
Total cash used	**119**	**125**	-	-	-
Net cash from (used by) investing activities	**(119)**	**(125)**	-	-	-
FINANCING ACTIVITIES					
Cash received					
Other	-	-	-	-	-
Total cash received	-	-	-	-	-
Cash used					
Other	-	-	-	-	-
Total cash used	-	-	-	-	-
Net cash from (used by) financing activities	-	-	-	-	-
Net increase (decrease) in cash held	**2,601**	**(307)**	-	-	-
Cash and cash equivalents at the beginning of the reporting period	5,837	8,438	-	-	-
Effect of exchange rate movements on cash and cash equivalents at the beginning of reporting period	-	-	-	-	-
Cash and cash equivalents at the end of the reporting period	**8,438**	**8,131**	-	-	-

Table 3.2.4: Budgeted Departmental Statement of Cash Flows (for the period ended 30 June) (continued)

	Estimated actual 2011-12 $'000	Budget estimate 2012-13 $'000	Forward estimate 2013-14 $'000	Forward estimate 2014-15 $'000	Forward estimate 2015-16 $'000
FINANCING ACTIVITIES					
Cash received					
Contributed equity	-	-	-	-	-
Other	-	-	-	-	-
Total cash received	-	-	-	-	-
Cash used					
Other	-	-	-	-	-
Total cash used	-	-	-	-	-
Net cash from (used by) financing activities	-	-	-	-	-
Net increase (decrease) in cash held	**2,601**	**-307**	-	-	-
Cash and cash equivalents at the beginning of the reporting period	5,837	8,438	-	-	-
Effect of exchange rate movements on cash and cash equivalents at the beginning of reporting period	-	-	-	-	-
Cash and cash equivalents at the end of the reporting period	**8,438**	**8,131**	-	-	-

Table 3.2.5: Departmental Capital Budget Statement

AITSL does not have a departmental capital budget. For this reason Table 3.2.5 is not presented.

Table 3.2.6: Statement of Asset Movements (2012-13)

	Land	Buildings	Other property, plant and equipment	Heritage and cultural	Computer software and intangibles	Total
	$'000	$'000	$'000	$'000	$'000	$'000
As at 1 July 2012						
Gross book value	-	-	1,420	28	345	1,793
Accumulated depreciation/amortisation and impairment	-	-	(757)	-	(345)	(1,102)
Opening net book balance	-	-	**663**	**28**	-	**691**
CAPITAL ASSET ADDITIONS						
Estimated expenditure on new or replacement assets						
By purchase - appropriation equity [1]	-	-	100	-	25	125
By purchase - appropriation ordinary annual services [2]	-	-	-	-	-	-
Total additions	-	-	**100**	-	**25**	**125**
Other movements						
Depreciation/amortisation expense	-	-	(356)	-	(4)	(360)
Disposals [3]	-	-	-	-	-	-
Total other movements	-	-	**(356)**	-	**(4)**	**(360)**
As at 30 June 2013						
Gross book value	-	-	1,520	28	370	1,918
Accumulated depreciation/amortisation and impairment	-	-	(1,113)	-	(349)	(1,462)
Closing net book balance	-	-	**407**	**28**	**21**	**456**

[1] "Appropriation equity" refers to equity injections or Administered Assets and Liabilities appropriations provided through Appropriation Bill (No.2) 2012-13, including CDABs.
[2] "Appropriation ordinary annual services" refers to funding provided through Appropriation Bill (No.1) 2012-13 for depreciation / amortisation expenses, DCBs or other operational expenses.
[3] Net proceeds may be returned to the OPA.

Table 3.2.7: 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. For this reason Table 3.2.7 is not presented.

Table 3.2.8: 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. For this reason Table 3.2.8 is not presented.

Table 3.2.9: Schedule of Budgeted Administered Cash Flows (for the period ended 30 June)

AITSL has no administered cash flows. For this reason Table 3.2.9 is not presented.

Table 3.2.10: Schedule of Administered Capital Budget

AITSL has no administered capital budget. For this reason Table 3.2.10 is not presented.

Table 3.2.11: Schedule of Asset Movements - Administered

AITSL has no administered assets. For this reason Table 3.2.11 is not presented.

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

(POSITIONAL ONLY)

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

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

Section 1: Agency overview and resources

1.1 STRATEGIC DIRECTION STATEMENT

Comcare partners with workers, their employers and unions to keep workers healthy and safe, and reduce the incidence and cost of workplace injury and disease. Comcare is also responsible for managing Commonwealth common law liabilities for asbestos compensation.

Comcare's work is centred on three main dimensions:

- Innovation – new services and support for workers
- Collaboration – new initiatives partnering with stakeholders, business and governments
- Impact – improved, efficient business practices, capacity and capability to deliver better services.

Comcare is responsible for the following outcomes:

- The protection of the health, safety and welfare at work of workers covered by the Comcare scheme through education, assurance and enforcement
- An early and safe return to work and access to compensation for injured workers covered by the Comcare scheme through working in partnership with employers to create best practice in rehabilitation and quick and accurate management of workers' compensation claims
- Access to compensation for people with asbestos-related diseases where the Commonwealth has a liability through management of claims.

In addition to its regulatory and claims management functions, Comcare provides secretariat and related functions to support the Safety, Rehabilitation and Compensation Commission (SRCC) and the Seafarers Safety, Rehabilitation and Compensation Authority (Seacare Authority).

For 2012-13, implementation of the 2015 Strategic Plan remains Comcare's focus. The plan links directly to government priorities to improve productivity with higher workforce participation, to improve social inclusion, and build community resilience.

Comcare's priorities in 2012-13 include:

- tackling the increasing complexity and cost of claims
- bedding down the new work health and safety laws
- being an exemplary workplace
- making sure the dollars it spends really count
- making sure that how its people work together is as important as what it achieves.

1.2 AGENCY RESOURCE STATEMENT

Table 1.1 shows the total resources from all sources. The table summarises how resources will be applied by outcome and by administered and departmental classification.

Table 1.1: Comcare Resource Statement — Budget Estimates for 2012-13 as at Budget May 2012

Source	Estimate of prior + year amounts available in 2012-13 $'000	Proposed at Budget = 2012-13 $'000	Total estimate 2012-13 $'000	Actual available appropriation 2011-12 $'000
Opening balance/Reserves at bank	219,584	-	219,584	211,003
REVENUE FROM GOVERNMENT				
Ordinary annual services[2]				
Outcome 1	-	784	784	8,768
Outcome 2	-	424	424	445
Outcome 3	-	5,092	5,092	5,190
Total ordinary annual services	**-**	**6,300**	**6,300**	**14,403**
Other services[3]				
Equity injection	-	-	-	7,112
Total ordinary annual services	**-**	**-**	**-**	**7,112**
Total funds from Government	**-**	**6,300**	**6,300**	**21,515**
FUNDS FROM INDUSTRY SOURCES				
Licence fees	-	13,772	13,772	13,711
Total	**-**	**13,772**	**13,772**	**13,711**
FUNDS FROM OTHER SOURCES				
Interest	-	24,388	24,388	19,796
Sale of goods and services	-	20,365	20,365	20,551
Grants from Portfolio Departments[4,5]	-	67,551	67,551	58,060
Non Tax Revenue[5]	-	27,368	27,368	89,114
Workers' Compensation Premiums	-	346,322	346,322	266,692
Total	**-**	**485,994**	**485,994**	**454,213**
Total net resourcing for agency	**219,584**	**506,066**	**725,650**	**700,442**

All figures are GST exclusive.

Comcare is not directly appropriated as it is a CAC Act body. Appropriations are made to Department of Education, Employment and Workplace Relations (DEEWR) which are then paid to Comcare and are considered 'departmental' for all purposes.

[2] Appropriation Bill (No.1) 2012-13.

[3] Appropriation Bill (No. 2) 2012-13.

[4] Grants from Portfolio Departments include special appropriations under the *Safety, Rehabilitation and Compensation Act 1988* for the payment of pre-premium claims costs and the *Asbestos-related Claims (Management of Commonwealth Liabilities) Act 2005* for asbestos-related claims settlements.

[5] The movements in workers' compensation and common law asbestos claim liabilities are non cash in nature and therefore excluded from the Statement.

1.3 BUDGET MEASURES

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

Table 1.2: Comcare 2012-13 Budget measures

	Program	2011-12 $'000	2012-13 $'000	2013-14 $'000	2014-15 $'000	2015-16 $'000
Expense Measures						
Implementation of model w ork health and safety law s	1.1					
Departmental expenses		6,193	-	-	-	-
Total		**6,193**	-	-	-	-
Efficiency Dividend - Increase in the rate	1.1					
Departmental expenses		(248)	-	-	-	-
Total		**(248)**	-	-	-	-
Total Expense measures						
Departmental expenses		5,945	-	-	-	-
Total		**5,945**	**-**	**-**	**-**	**-**
Capital Measures						
Implementation of model w ork health and safety law s	1.1					
Departmental capital		7,112	-	-	-	-
Total		**7,112**	**-**	**-**	**-**	**-**

Prepared on a Government Finance Statistics (fiscal) basis.

Section 2: Outcomes and planned performance

2.1 OUTCOMES AND PERFORMANCE INFORMATION

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 agencies achieve the intended results of their outcome statements. Agencies 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, specifying the performance indicators and targets used to assess and monitor the performance of Comcare in achieving Government outcomes.

Outcome 1: The protection of the health, safety and welfare at work of workers covered by the Comcare scheme through education, assurance and enforcement.

Outcome 1 Strategy

Comcare will achieve this outcome through:

- Promoting worker health, wellbeing and resilience
- Education and assurance services that will focus on employers who do not get the safety message
- Focussing on preventing harm in the workplace, keeping workers healthy and safe at work, and reducing the number and severity of safety incidents
- Responding to safety incidents in a timely way and seeking to ensure appropriate justice in response to death, serious injury or dangerous occurrences
- Bedding down the new work health and safety laws
- Continuing to work with other regulators to ensure there are no work health and safety gaps where more than one regulator has coverage of a workplace.

Outcome 1 Expense Statement

Table 2.1.1 provides an overview of the total expenses for Outcome 1, by program.

Table 2.1.1: Budgeted Expenses for Outcome 1

Outcome 1: The protection of the health, safety and welfare at work of workers covered by the Comcare scheme through education, assurance and enforcement.	2011-12 Estimated actual expenses $'000	2012-13 Estimated expenses $'000
Program 1.1: Comcare		
Revenue from Government		
Ordinary annual services (Appropriation Bill No. 1)	7,424	784
Revenues from industry sources	8,615	9,216
Revenues from other independent sources	16,367	13,914
Total for Program 1.1	**32,406**	**23,914**
Outcome 1 Totals by resource type		
Revenue from Government		
Ordinary annual services (Appropriation Bill No. 1)	7,424	784
Revenues from industry sources	8,615	9,216
Revenues from other independent sources	16,367	13,914
Total expenses for Outcome 1	**32,406**	**23,914**
	2011-12	2012-13
Average Staffing Level (number)	**64**	**59**

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

Contributions to Outcome 1

Program 1.1: Comcare

Program Objective

The objectives for this program are:

- Promoting worker health, wellbeing and resilience
- Preventing harm in federal workplaces
- Stronger enforcement and justice outcomes
- National consistency in the implementation of work health and safety laws

Program 1.1 Expenses

Comcare is maintaining resourcing to match the Government's expectations about the level of regulatory intervention and the need to continue the positive trend in injury prevention.

	2011-12 Revised budget $'000	2012-13 Budget $'000	2013-14 Forward year 1 $'000	2014-15 Forward year 2 $'000	2015-16 Forward year 3 $'000
Annual departmental expenses:					
Annual Appropriation	7,424	784	788	780	784
Expenses not requiring appropriation in the Budget year	24,982	23,130	23,706	24,439	25,200
Total program expenses	**32,406**	**23,914**	**24,494**	**25,219**	**25,984**

Program 1.1 Deliverables

The program deliverables for this outcome are:

- Work health and safety programs that respond to workplace risks prioritised to reflect intelligence insights
- Increased understanding and promotion of the health and wellbeing of workers, particularly with regard to their mental wellbeing
- Scheme employers and front-line managers have increased capability to implement work health and safety systems and standards to prevent harm in federal workplaces
- Work health and safety duties and obligations are well understood and applied in the context of new federal laws

Program 1.1 Key Performance Indicators

The key performance indicators for this outcome are:

- worker satisfaction with Comcare's work health and safety support and guidance and the impact of Comcare's regulatory interventions
- the success of prosecutions and civil actions for breaches of the *Work Health and Safety Act 2011*
- further performance indicators are described in the table below.

Key Performance Indicators	2011-12 Revised budget	2012-13 Budget target	2013-14 Forward year 1	2014-15 Forward year 2	2015-16 Forward year 3
Number of compensated injury fatalities	3	-	-	-	-
Percentage reduction in the number of claims involving one week or more lost time per 1,000 FTE employees	25	40	41.2	42.4	43.6

Outcome 2: An early and safe return to work and access to compensation for injured workers covered by the Comcare scheme through working in partnership with employers to create best practice in rehabilitation and quick and accurate management of workers' compensation claims.

Outcome 2 Strategy

Comcare will achieve the outcome through:

- Supporting workers with injuries from the time of their initial contact, through recovery and return to health, return to work and return to independence
- Better understanding the experience and expectations of injured workers
- Delivering services that are co-designed with the community Comcare serves
- Improving the quality, consistency and timeliness of claims decisions through better use of information, tools and expertise
- Use of targeted interventions and working with the Comcare community, informed by improved insight and intelligence
- Adopting premium strategies that reward and improve scheme performance
- Ensuring cost recovery and premium models are robust and contemporary to be cost effective, accountable and ensure value for money

- Strong balance sheet management to improve financial performance and preserve financial integrity
- Supporting the SRCC to effectively regulate Comcare licensed self-insurers.

Outcome 2 Expense Statement

Table 2.1.2 provides an overview of the total expenses for Outcome 2, by program.

Table 2.1.2: Budgeted Expenses for Outcome 2

Outcome 2: An early and safe return to work and access to compensation for injured workers covered by the Comcare scheme through working in partnership with employees to create best practice in rehabilitation and quick and accurate management of workers' compensation claims.	2011-12 Estimated actual expenses $'000	2012-13 Estimated expenses $'000
Program 1.2: Comcare		
Revenue from Government		
Ordinary annual services (Appropriation Bill No. 1)	445	424
Grants received from Portfolio Department[1]	34,790	39,661
Revenues from industry sources	5,096	4,556
Revenues from other independent sources	290,660	377,143
Revenues from other independent sources[2]	72,314	20,768
Total for Program 1.2	**403,305**	**442,552**
Outcome 2 Totals by resource type		
Revenue from Government		
Ordinary annual services (Appropriation Bill No. 1)	445	424
Grants received from Portfolio Department[1]	34,790	39,661
Revenues from industry sources	5,096	4,556
Revenues from other independent sources	290,660	377,143
Revenues from other independent source[2]	72,314	20,768
Total expenses for Outcome 2	**403,305**	**442,552**
	2011-12	2012-13
Average Staffing Level (number)	**569**	**515**

[1] Refers to special appropriation under the Safety, Rehabilitation and Compensation Act 1988 s90D
[2] This revenue from other independent sources relates to non cash movements in workers' compensation claims liabilities.
Note: Departmental appropriation splits and totals are indicative estimates and may change in the course of the budget year as government priorities change.

Contributions to Outcome 2

Program 1.2: Comcare

Program objective

The objectives of this outcome are to:

- Strengthen recovery and support services for workers with an injury to support

their return to health, return to work and return to independence

- Improve injury management practices and return to work performance
- Improve decision making with decision support tools
- Strengthen financial and business integrity for sustainability
- Provide assurance that Comcare scheme employers and determining authorities have effective claims and injury management systems in place
- Ensure that licensed self-insurers conform with their conditions of licence and meet continuous improvement targets.

Program 1.2 expenses

The Special Appropriation under s90D of the *Safety, Rehabilitation and Compensation Act 1988* (Grants received from Portfolio Departments) relates to workers' compensation claims that were accepted prior to the establishment of Comcare premium scheme on 1 July 1989. The costs of these claims are funded from the Consolidated Revenue Fund.

Expenses for claims accepted since 1 July 1989 are funded from premium revenue paid to Comcare and do not require appropriation.

	2011-12 Revised budget $'000	2012-13 Budget $'000	2013-14 Forward year 1 $'000	2014-15 Forward year 2 $'000	2015-16 Forward year 3 $'000
Annual administered expenses:					
Annual Appropriation	445	424	427	423	424
Grants received from Portfolio Departments[1]	34,790	39,661	24,454	28,599	32,505
Expenses not requiring appropriation in the Budget year	295,756	381,699	398,806	417,885	437,901
Expenses not requiring appropriation in the Budget year[2]	72,314	20,768	41,397	42,880	44,417
Total program expenses	**403,305**	**442,552**	**465,084**	**489,787**	**515,247**

[1] Refers to special appropriation under the Safety, Rehabilitation and Compensation Act 1988.
[2] This revenue from other independent sources relates to non cash movements in workers' compensation claims liabilities.

Program 1.2 Components

- Component 1.2.1 – SRC Act Regulation
- Component 1.2.2 – Management of Premium Claims
- Component 1.2.3 – Management of Pre-Premium Claims
- Component 1.2.4 – Provide support to the Seafarers Safety, Rehabilitation and Compensation Authority

	2011-12 Revised budget $'000	2012-13 Budget $'000	2013-14 Forward year 1 $'000	2014-15 Forward year 2 $'000	2015-16 Forward year 3 $'000
1.2.1 - SRC Act Regulation					
Expenses not requiring Appropriation in the Budget year	11,677	10,383	10,694	11,015	11,346
Total component expenses	**11,677**	**10,383**	**10,694**	**11,015**	**11,346**
1.2.2 - Management of Premium Claims					
Expenses not requiring Appropriation in the Budget year[1]	723,908	353,820	364,435	375,368	386,629
Total component expenses	**723,908**	**353,820**	**364,435**	**375,368**	**386,629**
1.2.3 - Management of Pre Premium					
Grants from Portfolio Agencies[2]	43,030	43,260	41,775	41,323	40,893
Expenses not requiring Appropriation in the Budget year	10,331	(24,666)	(28,396)	(22,573)	(16,701)
Total component expenses	**53,361**	**18,594**	**13,379**	**18,750**	**24,192**
1.2.4 - Provide support to the Seafarers Safety Rehabilitation and Compensation Authority					
Annual departmental expenses:					
Annual appropriation	445	424	431	423	424
Expenses not requiring Appropriation in the Budget year	594	612	630	649	669
Total component expenses	**1,039**	**1,036**	**1,061**	**1,072**	**1,093**
Total program expenses	**789,985**	**383,833**	**389,569**	**406,205**	**423,259**

[1] Due to movement in workers' compensation claims liabilities valuation.

[2] These amounts were previously received as special appropriation under the *Safety, Rehabilitation and Compensation Act 1988.*

Program 1.2 Deliverables

The program deliverables for this outcome are:

- Compensation decisions that are consistent, prompt and fair
- Better support for Comcare decision makers through improved insight and business process reforms in response to trends identified through accurate and accessible data
- Disputes being resolved quickly, fairly and at a low cost
- Expectations of employers' roles and responsibilities as rehabilitation authorities are clear and are supported by targeted audits and regulatory activity
- Cost base is optimised so that every dollar Comcare spends counts

Program 1.2 Key Performance Indicators

The performance indicators for this outcome are:

- employers' and injured workers' satisfaction with recovery and support services
- other key performance indicators described in the table below.

Key Performance Indicators	2011-12 Revised budget	2012-13 Budget target	2013-14 Forward year 1	2014-15 Forward year 2	2015-16 Forward year 3
Durable return to work rate (i.e. the percentage of injured workers with two weeks lost time who were working in a paid job 7 to 9 months after lodging their claim)	79	89	90	90	90
Funding ratio (i.e. percentage of premium-related total assets to premium-related total liabilities)	71%	74%	78%	82%	86%
Percentage of licensees compliant with licensing obligations	100	100	100	100	100
Commonwealth average premium rate	1.41	1.80	1.80	1.80	1.80

Outcome 3: Access to compensation for people with asbestos-related diseases where the Commonwealth has a liability through management of claims.

Outcome 3 Strategy

Comcare will achieve this outcome by:

- Paying appropriate compensation to victims of asbestos-related diseases in a timely manner
- Managing the Commonwealth's asbestos-related disease liabilities at common law in accordance with relevant laws and Australian Government policies
- Strengthening expertise in asbestos claims management through collaboration with stakeholder and research initiatives (for example the Asbestos Innovation Fund and a national Asbestos Forum)

Outcome 3 Expenses Statement

Table 2.1.3 provides an overview of the total expenses for Outcome 3, by program.

Table 2.1.3: Budgeted Expenses for Outcome 3

Outcome 3: Access to compensation for people with asbestos-related diseases where the Commonwealth has a liability through management of claims.	2011-12 Estimated actual expenses $'000	2012-13 Estimated expenses $'000
Program 1.3: Comcare		
Revenue from Government		
Ordinary annual services (Appropriation Bill No. 1)	5,190	5,092
Grants received from Portfolio Department[1]	23,270	27,890
Revenues from other independent sources[2]	16,812	6,618
Total for Program 1.3	**45,272**	**39,600**
Outcome 3 Totals by resource type		
Revenue from Government		
Ordinary annual services (Appropriation Bill No. 1)	5,190	5,092
Grants received from Portfolio Department[1]	23,270	27,890
Revenues from other independent sources[2]	16,812	6,618
Total expenses for Outcome 3	**45,272**	**39,600**
	2011-12	2012-13
Average Staffing Level (number)	**19**	**21**

[1] Refers to special appropriation *Asbestos-related Claims (Management of Commonwealth Liabilities) Act 2005*.
[2] Revenues from other independent sources are the non cash movements in asbestos-related disease claim liabilities.
Note: Departmental appropriation splits and totals are indicative estimates and may change in the course of the budget year as government priorities change.

Contributions to Outcome 3

Program 1.3: Comcare

Program Objective

The objectives of this outcome are:

- to provide responsive and sensitive support to people suffering from an asbestos-related disease and their families and work towards the earliest possible resolution of their claim
- to recover contributions to compensation payments from third parties which, in turn, should contribute to the funds available for future compensation payments to primary claimants who have an asbestos-related disease
- to implement better approaches to the management of common law asbestos-related claims.

Program 1.3 Expenses

Claims administration and claims settlements costs are expected to remain relatively stable in the budget and forward years. The movement (non-cash) in outstanding claims liabilities is expected to reduce over the forward estimates.

	2011-12 Revised budget $'000	2012-13 Budget $'000	2013-14 Forward year 1 $'000	2014-15 Forward year 2 $'000	2015-16 Forward year 3 $'000
Annual departmental expenses:					
Annual Appropriation	5,190	5,092	5,139	5,080	5,132
Grants received from Portfolio Departments[1]	23,270	27,890	31,332	32,877	34,005
Expenses not requiring appropriation in the Budget year [2]	16,812	6,618	3,116	1,516	316
Total program expenses	**45,272**	**39,600**	**39,587**	**39,473**	**39,453**

[1] Grants received from Portfolio Departments in relation to special appropriation *Asbestos-related Claims (Management of Commonwealth Liabilities) Act 2005*.

[2] This figure represents the amount for the non-cash movement in the asbestos-related disease claims liability.

Program 1.3 Deliverables

The program deliverables for this outcome are:

- manage asbestos-related claims liabilities consistently and in accordance with relevant legislation or Australian Government policies.
- collaborate with stakeholders to define a better approach to the management of all common law asbestos-related claims
- examine how this approach could be applied to related federal dust disease liabilities
- support Safe Work Australia to harmonise approaches to safety, statutory and common law compensation for workplace dust diseases
- maintain accurate data and other information about asbestos-related liabilities to ensure accurate valuation of future projected liabilities
- delivery of practical programs and research which raise awareness of asbestos, improve its management and removal and provide better treatment and support for asbestos-related disease sufferers and their families.

Program 1.3 Key Performance Indicators

The performance indicators for this outcome are:

- the extent to which Comcare complies with the Commonwealth Legal Service Directions, the management objectives contained in the Asbestos Litigation Policy Statement and any Court/Tribunal Rules/Orders in respect of all asbestos-related disease claims.
- the accuracy and completeness of data given to the external actuaries for the purpose of the annual actuarial valuation of asbestos-related liabilities.
- other performance measures described in the table below.

Key Performance Indicators	2011-12 Revised budget	2012-13 Budget target	2013-14 Forward year 1	2014-15 Forward year 2	2015-16 Forward year 3
The percentage of primary asbestos claims settled by Comcare within 180 calendar days	67	65	65	65	65
Percentage of the value of asbestos claims settlements recovered from third parties	8	5	5	5	5

Section 3: Explanatory tables and budgeted financial statements

Section 3 presents explanatory tables and budgeted financial statements which provide a comprehensive snapshot of agency finances for the 2012-13 budget year. It explains how budget plans are incorporated into the financial statements and provides further details of the reconciliation between appropriations and program expenses, movements in administered funds, special accounts and Government Indigenous expenditure.

3.1 EXPLANATORY TABLES

3.1.1 Movement of administered funds between years

Comcare has no movement of administered funds to report. For this reason Table 3.1.1 is not presented.

3.1.2 Special Accounts

Special accounts provide a means to set aside and record amounts used for specified purposes. Special Accounts can be created by a Finance Minister's Determination under the FMA Act or under separate enabling legislation. Table 3.1.2 shows the expected additions (receipts) and reductions (payments) for the special account for which the Seafarers Safety, Rehabilitation and Compensation Authority is responsible.

Table 3.1.2: Estimates of Special Account Flows and Balances

	Outcome	Opening balance **2012-13** *2011-12* $'000	Receipts **2012-13** *2011-12* $'000	Payments **2012-13** *2011-12* $'000	Adjustments **2012-13** *2011-12* $'000	Closing balance **2012-13** *2011-12* $'000
Seafarers Rehabilitation and Compensation (A) Account s20 FMA Act		**1,303**	**132**	**132**	**-**	**1,303**
		1,303	*132*	*132*	*-*	*1,303*
Total Special Accounts 2011-12 Budget estimate		**1,303**	**132**	**132**	**-**	**1,303**
Total Special Accounts 2010-11 estimate actual		*1,303*	*132*	*132*	*-*	*1,303*

(A) = Administered

The Special Account was established for the purpose of providing a safety net under section 96 of the Seafarers Rehabilitation and Compensation Act 1992 for the compensation and rehabilitation of injured seafarers not otherwise covered by an employer.

Transactions against this special account reflect:

- levy collections from shipping operators
- expenses incurred in the administration of the Seafarers Safety Net Fund and claim payments (if any).

3.1.3 Australian Government Indigenous Expenditure

Comcare has no Australian Government Indigenous Expenditure to report. For this reason Table 3.1.3 is not presented

3.2 BUDGETED FINANCIAL STATEMENTS

3.2.1 Differences in agency resourcing and financial statements

There is a significant difference between the resources shown as being available in Table 1.1: Comcare resource statement and the financial statements, especially in relation to the 'estimate of prior amounts available in 2012-13'. These funds relate to retained premium funds from Comcare's workers' compensation business, which are held to discharge future claims liabilities.

The significant financial assets detailed in Table 3.2.2: Budgeted departmental balance sheet (appropriations receivable) will fund claim payments over approximately the next 30 years. For most other agencies the majority of such resources are usually restricted to funding employee entitlements and fixed asset purchases. These resources have not been shown in the Comcare resource statement because guidelines for the preparation of the Portfolio Budget Statements do not permit it and inclusion of these resources in the resource statement would lead to a distortion of Comcare's overall resource position.

3.2.2 Analysis of budgeted financial statements

Revenue from independent sources

Comcare's total independent revenue is estimated to increase from $320.8 million in 2011-12 to $404.8 million in 2012-13.

Comcare's independent actuary increased its mid-year valuation of outstanding claims liabilities as at 30 June 2012 for the public sector workers' compensation scheme. Comcare is forecasting that the premium pool required to fund the lifetime cost of injuries expected to be incurred in 2012-13 will be $79.6 million higher than the 2011-12 premium pool. The forecast increase is in response to the need to return the Comcare scheme to a sustainable funding position over time. The drivers of the increased valuation in outstanding claims liabilities include model and assumption changes to reflect lower 'exit rates' for long tail claims; economic factors; poor return to work outcomes for recent claims; and legislative change.

There are many sources of uncertainty in estimating outstanding liabilities in accident compensation schemes, particularly for a 'long tail' scheme such as the Comcare workers' compensation scheme. Assumptions and experience will vary. Models and methods may not match the underlying claims process. Future economic and environmental conditions may be different to those assumed. Past claim fluctuations may create uncertainty in model parameters. For the Comcare scheme, better insights are emerging after twenty years of data to highlight limitations of earlier assumptions. Discount rates will vary to reflect changes in interest rate and inflation assumptions. Changes in scheme experience following major legislative change only emerges after a period of time.

The total amount to be collected through premiums and the premiums for each agency will be determined by Comcare in June 2012 after consideration of the actuary's final advice which will be based on more recent data.

Licence fees and regulatory contributions in 2012-13 remain at the 2011-12 levels. This reflects Comcare's commitment to exercise fiscal discipline in line with the Commonwealth Government's policy.

A breakdown of revenue from independent sources for 2011-12 and 2012-13 is as follows:

	2011-12 Estimated actual $'000	2012-13 Budget estimate $'000
Workers compensation premiums	266,692	346,322
Interest	19,796	24,388
Licence fees	13,711	13,772
Sale of Goods & Services		
Regulatory contributions[1]	18,276	18,329
Other	2,275	2,036
Other non tax revenue	-	-
Total	**320,750**	**404,847**

Expenses

Total expenses are budgeted to decrease from $867.7 million in 2011-12 to $447.3 million in 2012-13.

Major variances between the two years include:

- a $417.2m reduction in claims expense mainly as a result of expected trend in outstanding claims liabilities. A major upward adjustment in claims liabilities is expected for 2011-12 based on Comcare's actuary's mid-year valuation report. Thereafter, the actuary expects that movements in claims liabilities will be within the range of inflation.

- employee expense is expected to reduce by $7.0m while depreciation and amortisation expense will increase by $2.8m due to expected completion of new office fitout and major technology projects in 2012-13.

Claims liabilities

There are two elements of outstanding workers' compensation claims liabilities:

- claims with a date of injury before 1 July 1989 – referred to as pre-premium claims
- claims with a date of injury on or after 1 July 1989 – referred to as premium claims.

It is expected that pre-premium claims liabilities will continue to decrease over time, while premium claims liabilities will remain relatively stable after 30 June 2012.

The other major component of Other Provisions in the Balance Sheet is an actuarial assessment for asbestos-related common law liabilities. Claims liability provisions are based on the actuarial valuations.

Estimates for gross claims liabilities as at 30 June 2012 and each forward year are as follows:

	2011-12 $'000	2012-13 $'000	2013-14 $'000	2014-15 $'000	2015-16 $'000
Workers' compensation liabilities					
Premium	2,007,600	2,081,500	2,152,100	2,225,100	2,300,800
Pre-Premium	381,100	353,700	328,300	305,300	284,400
Asbestos-related common law	612,700	619,400	622,400	623,700	623,600

Operating result for 2011-12

In the *Portfolio Budget Statements 2011-12*, Comcare forecast a $12 million operating surplus for 2011-12. Comcare's projection was based on the financial position of Comcare at 30 June 2011 and took account of advice from its independent actuaries regarding expected workers' compensation claims liabilities and premiums.

Comcare wrote to the Minister for Finance and Deregulation in October 2011 to advise that the increase in valuation of claims liabilities at 30 June 2011 had put Comcare very close to reaching the maximum amount of cash reserve retained by the Commonwealth under section 90C of the *Safety, Rehabilitation and Compensation Act 1988*. Comcare advised the Minister for Finance and Deregulation that, if future valuations of outstanding claims liabilities were to increase, Comcare would need to report an operating deficit. Comcare also noted that this should not be a cause for concern about underlying financial sustainability – Comcare can meet its cash outflows from revenues and, if needed, its cash reserves.

The subsequent increase in the actuaries's mid-year valuation of outstanding claims liabilities will result in Comcare reporting an operating loss for 2011-12. Approval to report the loss has been granted by the Minister for Finance and Deregulation.

Notwithstanding the loss in 2011-12, Comcare expects to report operating surpluses in 2012-13 and the forward years. The budgeted surpluses are a result of revised

premium pricing strategies and are achievable provided that movements in claims liabilities stay within the range of inflation as expected.

3.2.3 Budgeted financial statements tables

Table 3.2.1 Comprehensive Income Statement (Showing Net Cost of Services) (for the period ended 30 June)

	Estimated actual 2011-12 $'000	Budget estimate 2012-13 $'000	Forward estimate 2013-14 $'000	Forward estimate 2014-15 $'000	Forward estimate 2015-16 $'000
EXPENSES					
Employee benefits	67,449	60,465	61,977	63,528	65,114
Supplier expenses	37,918	38,957	34,805	35,675	36,569
Depreciation and amortisation	6,279	9,090	7,633	7,633	7,633
Claims	756,017	338,835	349,235	364,061	379,380
Total expenses	**867,663**	**447,347**	**453,650**	**470,897**	**488,696**
LESS:					
OWN-SOURCE INCOME					
Revenue					
Sale of goods and rendering of services	20,551	20,365	20,872	21,394	21,928
Fees and fines	13,711	13,772	14,116	14,469	14,832
Interest	19,796	24,388	24,941	29,737	34,924
Non tax Revenue	89,114	27,368	44,497	44,380	44,717
Grants received from Portfolio Department	58,060	67,551	55,786	61,476	66,510
Workers Compensation Received	266,692	346,322	362,599	376,740	391,433
Total own-source revenue	**467,924**	**499,766**	**522,811**	**548,196**	**574,344**
Gains					
Total gains	-	-	-	-	-
Total own-source income	**467,924**	**499,766**	**522,811**	**548,196**	**574,344**
Net cost of (contribution by) services	**(399,739)**	**52,419**	**69,161**	**77,299**	**85,648**
Revenue from Government	13,059	6,300	6,354	6,283	6,340
Surplus (Deficit)	**(386,680)**	**58,719**	**75,515**	**83,582**	**91,988**
Surplus (Deficit) attributable to the Australian Government	**(386,680)**	**58,719**	**75,515**	**83,582**	**91,988**
OTHER COMPREHENSIVE INCOME					
Total other comprehensive income	-	-	-	-	-
Total comprehensive income attributable to the Australian Government	**(386,680)**	**58,719**	**75,515**	**83,582**	**91,988**

Prepared on Australian Accounting Standards basis.

Table 3.2.2: Budgeted Departmental Balance Sheet (as at 30 June)

	Estimated actual 2011-12 $'000	Budget estimate 2012-13 $'000	Forward estimate 2013-14 $'000	Forward estimate 2014-15 $'000	Forward estimate 2015-16 $'000
ASSETS					
Financial assets					
Cash and cash equivalents	219,584	305,233	402,239	507,503	621,649
Trade and other receivables	2,393,861	2,450,561	2,520,188	2,585,371	2,568,152
Other	5,050	5,050	5,050	5,050	5,050
Total financial assets	**2,618,495**	**2,760,844**	**2,927,477**	**3,097,924**	**3,194,851**
Non-financial assets					
Property, plant and equipment	17,934	28,981	34,469	40,846	45,343
Intangibles	9,901	8,250	5,140	1,880	500
Other	1,075	1,075	1,075	1,075	1,075
Total non-financial assets	**28,910**	**38,306**	**40,684**	**43,801**	**46,918**
Assets held for sale	-	-	-	-	-
Total assets	**2,647,405**	**2,799,150**	**2,968,161**	**3,141,725**	**3,241,769**
LIABILITIES					
Payables					
Suppliers	6,930	6,930	6,930	6,930	6,930
Other	9,225	9,225	9,225	9,225	9,225
Total payables	**16,155**	**16,155**	**16,155**	**16,155**	**16,155**
Provisions					
Employee provisions	11,582	11,026	10,562	10,058	9,514
Other	2,990,540	3,084,122	3,178,082	3,268,568	3,277,168
Total provisions	**3,002,122**	**3,095,148**	**3,188,644**	**3,278,626**	**3,286,682**
Liabilities included in disposal groups held for sale	-	-	-	-	-
Total liabilities	**3,018,277**	**3,111,303**	**3,204,799**	**3,294,781**	**3,302,837**
Net assets	**(370,872)**	**(312,153)**	**(236,638)**	**(153,056)**	**(61,068)**
EQUITY*					
Parent entity interest					
Contributed equity	7,717	7,717	7,717	7,717	7,717
Reserves	354	354	354	354	354
Retained surplus (accumulated deficit)	(378,943)	(320,224)	(244,709)	(161,127)	(69,139)
Total parent entity interest	**(370,872)**	**(312,153)**	**(236,638)**	**(153,056)**	**(61,068)**
Total Equity	**(370,872)**	**(312,153)**	**(236,638)**	**(153,056)**	**(61,068)**

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

Table 3.2.3: Departmental Statement of Changes in Equity — summary of movement (Budget year 2012-13)

	Retained earnings $'000	Asset revaluation reserve $'000	Other reserves $'000	Contributed equity/ capital $'000	Total equity $'000
Opening balance as at 1 July 2012					
Balance carried forward from previous period	(378,943)	354	-	7,717	(370,872)
Adjusted opening balance	(378,943)	**354**	**-**	**7,717**	(370,872)
Comprehensive income					
Sub-total comprehensive income	-	-	-	-	-
Surplus (deficit) for the period	58,719	-	-	-	58,719
Total comprehensive income recognised directly in equity	**58,719**	**-**	**-**	**-**	**58,719**
Transactions with owners					
Contributions by owners					
Contribution/(Distribution) of Equity	-	-	-	-	-
Sub-total transactions with owners	-	-	-	-	-
Estimated closing balance as at 30 June 2013	(320,224)	**354**	**-**	**7,717**	(312,153)

Prepared on Australian Accounting Standards basis.

Table 3.2.4: Budgeted Departmental Statement of Cash Flows (for the period ended 30 June)

	Estimated actual 2011-12 $'000	Budget estimate 2012-13 $'000	Forward estimate 2013-14 $'000	Forward estimate 2014-15 $'000	Forward estimate 2015-16 $'000
OPERATING ACTIVITIES					
Cash received					
Goods and services	36,276	36,105	37,019	37,952	38,912
Annual Appropriations	14,403	6,300	6,354	6,283	6,340
Grants received from Portfolio Department	31,526	34,789	32,277	39,597	34,346
Interest	19,796	24,388	24,941	29,737	34,924
Other	305,968	376,395	387,621	404,460	415,654
Total cash received	**407,969**	**477,977**	**488,212**	**518,029**	**530,176**
Cash used					
Employees	67,294	61,022	62,443	64,031	65,659
Suppliers	41,411	42,551	38,509	39,440	40,283
Net GST paid	23,754	25,018	24,969	24,968	22,660
Other	252,023	245,251	255,274	273,576	276,678
Total cash used	**384,482**	**373,842**	**381,195**	**402,015**	**405,280**
Net cash from (used by) operating activities	**23,487**	**104,135**	**107,017**	**116,014**	**124,896**
INVESTING ACTIVITIES					
Cash received					
Total cash received	-	-	-	-	-
Cash used					
Purchase of property, plant and equipment	22,018	18,486	10,011	10,750	10,750
Total cash used	**22,018**	**18,486**	**10,011**	**10,750**	**10,750**
Net cash from (used by) investing activities					
FINANCING ACTIVITIES					
Cash received					
Other	7,112	-	-	-	-
Total cash received	**7,112**	**-**	-	-	-
Cash used					
Total cash used	-	-	-	-	-
Net cash from (used by) financing activities					
Net increase (decrease) in cash held	**8,581**	**85,649**	**97,006**	**105,264**	**114,146**
Cash and cash equivalents at the beginning of the reporting period	211,003	219,584	305,233	402,239	507,503
Cash and cash equivalents at the end of the reporting period	**219,584**	**305,233**	**402,239**	**507,503**	**621,649**

Prepared on Australian Accounting Standards basis.

Table 3.2.5: Departmental Capital Budget Statement

	Estimated actual 2011-12 $'000	Budget estimate 2012-13 $'000	Forward estimate 2013-14 $'000	Forward estimate 2014-15 $'000	Forward estimate 2015-16 $'000
CAPITAL APPROPRIATIONS					
Equity injections - Bill No. 2	7,112	-	-	-	-
Total capital appropriations	**7,112**	-	-	-	-
Total new capital appropriations					
Represented by:					
Purchase of non-financial assets	7,112	-	-	-	-
Total Items	**7,112**	**-**	-	-	-
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriations	7,112	-	-	-	-
Funded internally from departmental resources[1]	14,906	18,486	10,011	10,750	10,750
TOTAL	**22,018**	**18,486**	**10,011**	**10,750**	**10,750**
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	22,018	18,486	10,011	10,750	10,750
Total cash used to acquire assets	**22,018**	**18,486**	**10,011**	**10,750**	**10,750**

[1] Includes the following sources of funding:
- annual and prior year appropriations
- donations and contributions
- gifts
- internally developed assets
- proceeds from the sale of assets

Prepared on Australian Accounting Standards basis.

Table 3.2.6: Statement of Asset Movements (2012-13)

	Other property, plant and equipment $'000	Intangibles $'000	Total $'000
As at 1 July 2012			
Gross book value	32,533	20,466	52,999
Accumulated depreciation/amortisation and impairment	(14,599)	(10,565)	(25,164)
Opening net book balance	**17,934**	**9,901**	**27,835**
CAPITAL ASSET ADDITIONS			
Estimated expenditure on new or replacement assets			
By purchase or internally developed	16,877	1,609	18,486
Total additions	**16,877**	**1,609**	**18,486**
Other movements			
Depreciation/amortisation expense	(5,830)	(3,260)	(9,090)
Disposals - Non cash consideration	-	-	-
As at 30 June 2013			
Gross book value	49,410	22,075	71,485
Accumulated depreciation/amortisation and impairment	(20,429)	(13,825)	(34,254)
Disposals - Non cash consideration	-	-	-
Closing net book balance	**28,981**	**8,250**	**37,231**

[1] "Appropriation equity" refers to equity injections or Administered Assets and Liabilities appropriations provided through Appropriation Bill (No.2) 2011-12, including CDABs.

[2] "Appropriation ordinary annual services" refers to funding provided through Appropriation Bill (No.1) 2011-12 for depreciation / amortisation expenses, DCBs / ACBs or other operational expenses.

[3] Proceeds may be returned to the OPA.

Prepared on Australian Accounting Standards basis.

Table 3.2.7: Schedule of Budgeted Income and Expenses Administered on behalf of Government (for the period ended 30 June)

	Estimated actual 2011-12 $'000	Budget estimate 2012-13 $'000	Forward estimate 2013-14 $'000	Forward estimate 2014-15 $'000	Forward estimate 2015-16 $'000
INCOME ADMINISTERED ON BEHALF OF GOVERNMENT					
Revenue					
Taxation revenue					
Total taxation revenue	-	-	-	-	-
Non-taxation revenue					
Other sources of non-taxation revenues	132	132	132	132	132
Total non-taxation revenue	**132**	**132**	**132**	**132**	**132**
Total revenues administered on behalf of Government	**132**	**132**	**132**	**132**	**132**
Gains					
Total gains administered on behalf of Government	-	-	-	-	-
Total income administered on behalf of Government	**132**	**132**	**132**	**132**	**132**
EXPENSES ADMINISTERED ON BEHALF OF GOVERNMENT					
Supplier expenses	132	132	132	132	132
Total expenses administered on behalf of Government	**132**	**132**	**132**	**132**	**132**

Prepared on Australian Accounting Standards basis.

Table 3.2.8: Schedule of Budgeted Assets and Liabilities Administered on behalf of Government (as at 30 June)

	Estimated actual 2011-12 $'000	Budget estimate 2012-13 $'000	Forward estimate 2013-14 $'000	Forward estimate 2014-15 $'000	Forward estimate 2015-16 $'000
ASSETS ADMINISTERED ON BEHALF OF GOVERNMENT					
Financial assets					
Cash and cash equivalents	-	-	-	-	-
Receivables	1,312	1,312	1,312	1,312	1,312
Total financial assets	**1,312**	**1,312**	**1,312**	**1,312**	**1,312**
Non-financial assets					
Total non-financial assets	-	-	-	-	-
Total assets administered on behalf of Government	**1,312**	**1,312**	**1,312**	**1,312**	**1,312**
LIABILITIES ADMINISTERED ON BEHALF OF GOVERNMENT					
Payables					
Suppliers	-	-	-	-	-
Other	115	115	115	115	115
Total payables	**115**	**115**	**115**	**115**	**115**
Provisions					
Total provisions	-	-	-	-	-
Liabilities included in disposal groups held for sale	-	-	-	-	-
Total liabilities administered on behalf of Government	**115**	**115**	**115**	**115**	**115**

Prepared on Australian Accounting Standards basis.

Table 3.2.9: Schedule of Budgeted Administered Cash Flows (for the period ended 30 June)

	Estimated actual 2011-12 $'000	Budget estimate 2012-13 $'000	Forward estimate 2013-14 $'000	Forward estimate 2014-15 $'000	Forward estimate 2015-16 $'000
OPERATING ACTIVITIES					
Cash received					
Other	132	132	132	132	132
Total cash received	**132**	**132**	**132**	**132**	**132**
Cash used					
Suppliers	132	132	132	132	132
Total cash used	**132**	**132**	**132**	**132**	**132**
Net cash from (used by) operating activities	-	-	-	-	-
INVESTING ACTIVITIES					
Cash received					
Total cash received	-	-	-	-	-
Cash used					
Total cash used	-	-	-	-	-
Net cash from (used by) investing activities	-	-	-	-	-
FINANCING ACTIVITIES					
Cash received					
Total cash received	-	-	-	-	-
Cash used					
Total cash used	-	-	-	-	-
Net cash from (used by) financing activities	-	-	-	-	-
Net increase (decrease) in cash held	-	-	-	-	-
Cash and cash equivalents at beginning of reporting period	-	-	-	-	-
Cash from Official Public Account for:					
- Special Accounts	132	132	132	132	132
Cash to Official Public Account for:					
- Special Accounts	132	132	132	132	132
Cash and cash equivalents at end of reporting period	-	-	-	-	-

Prepared on Australian Accounting Standards basis.

Table 3.2.10: Schedule of Administered Capital Budget

Comcare has no administered capital purchases to report. For this reason Table 3.2.10 is not presented.

Table 3.2.11: Schedule of Asset Movements — Administered

Comcare has no administered non financial assets to report. For this reason Table 3.2.11 is not presented.

3.2.4 Notes to the financial statements

Accounting policy

The budgeted financial statements have been prepared in accordance with the requirements of the Finance Minister's Orders issued by the Minister for Finance and Deregulation.

The statements have been prepared:

- on an accrual accounting basis
- in compliance with Australian Accounting Standards and Australian Equivalents to International Financial Reporting Standards (AEIFRS) and other authoritative pronouncements of the Australian Accounting Standards Boards and the Consensus Views of the Urgent Issues Group
- having regard to Statements of Accounting Concepts.

Agency items

Agency assets, liabilities, revenues and expenses are those items that are controlled by Comcare including:

- computers, plant and equipment used in providing goods and services
- liabilities for outstanding workers' compensation claims
- liabilities for asbestos-related common law claims
- liabilities for employee entitlements
- revenues from appropriations for resources used in providing goods and services
- other revenues which largely consist of workers' compensation premiums collected from other Commonwealth Government agencies
- employee expenses and other administrative expenses incurred in providing goods and services.

Administered assets, liabilities, revenues and expenses are those items which are controlled by the Government and managed or overseen by the department or agency on behalf of the Government. For the Seacare Authority these are levies collected under the *Seafarers Rehabilitation and Compensation Levy Collection Act 1992.*

Agency revenue from government

Comcare receives annual appropriations for its regulatory activities. Comcare also receives two types of special appropriations through its portfolio department. Grants received from Portfolio Department represent cash appropriation for the payment of claims during the financial year. Non Tax Revenue is a non cash appropriation representing the increase or decrease in claims liabilities which will be payable in future years. Only Grants received from Portfolio Department is included in the relevant Appropriation Bill under the category Agency/CAC receipts. As Table 1.1 Comcare resource statement is required to be consistent with the Appropriation Bill, the non cash component has been excluded from the resource statement.

Noting the above, the total departmental cash appropriation (both annual and grants received from portfolio department) from Government in 2012-13 is estimated at $73.9 million (2011-12 $71.1 million). The non cash appropriation is $27.4 million (2011-12 $89.1 million) reflecting an expected increase in claim liabilities during the year based on actuarial assessment.

Reconciliation between Agency Resource Statement and Income Statement	**2011-12 Revised Budget $'000**	**2012-13 Budget $'000**
Agency Resource Statement		
Annual Appropriation	14,403	6,300
Grants received from Portfolio Department	58,060	67,551
Income Statement		
Revenue from Government	13,059	6,300
Grants received from Portfolio Department	58,060	67,551
Non Tax Revenue	89,114	27,368
	(87,770)	(27,368)
less 2010-11 budget measure annual appropriation	(1,344)	
Government funding for non-cash movement in liabilities	89,114	27,368
Total	-	-

Agency revenue from other sources

Revenue from goods and services is recognised upon the delivery of the goods and services to the customers. Premium revenue is recognised as it is owned and controlled by Comcare.

Agency expenses - employees

This item represents employee expenses incurred including the net increase in entitlements to employees for services rendered in the financial year.

Agency expenses – depreciation and amortisation

Property, plant and equipment assets are depreciated to their estimated residual values over their estimated useful lives to Comcare using, in all cases, the straight-line method of depreciation. The estimated useful life of these assets is between three and ten years.

Leasehold improvements are amortised on a straight-line basis over the lesser of the estimated useful life of the improvements or the unexpired period of the lease. Intangibles are amortised over periods between three and five years.

Agency expenses- other costs of providing goods and services

This item represents purchases of goods and services from suppliers.

Agency expenses - other

This item represents workers' compensation claims payments including net movements in outstanding workers' compensation claims liabilities and common law settlements for asbestos-related compensation cases.

Accounting policy

The premium scheme covers employees of Commonwealth Government agencies and the ACT Government covered by the *Safety, Rehabilitation and Compensation Act 1988* (SRC Act) for injuries and illnesses sustained on or after 1 July 1989. A methodology developed by an independent actuary is used to calculate premiums to cover fully the liabilities expected to be incurred by the scheme.

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

Section 90A (1) of the SRC Act requires that premiums collected for financial years prior to 1 July 2002 by Comcare be paid into the Consolidated Revenue Fund. The SRC Act does not presently provide for those premium funds (or the notional interest accrued) to be brought to account as assets of Comcare. Accordingly, these financial statements do not reflect these amounts except insofar as they are required to meet existing outstanding claims obligations. This amount is recognised as an appropriation receivable in the Balance Sheet.

Agency assets and liabilities – provisions and payables

Provision is made for:

- Comcare's liability for employee entitlements arising from services rendered by employees to balance date
- an estimate for asbestos-related common law liabilities
- an estimate for outstanding workers compensation claims liabilities.

The liability for employee entitlements encompasses unpaid annual and long service leave. No provision is made for sick leave. The liability for leave expected to be settled within 12 months has been measured at its nominal amount. Other employee entitlements payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those entitlements. Attrition rates and pay rises through promotion and wage/salary agreements have been taken into account.

The financial statements include, as provisions, an estimate for outstanding workers compensation claims and asbestos-related common law liabilities.

These estimates have been prepared by independent actuaries. They are based on analysis of the historical development of the relevant claims experience, with allowances for future claim escalation and administration expenses, and are discounted to a present value to allow for the time value of money. Outstanding claims liabilities are calculated in accordance with the Australian Accounting Standards Board standard AASB 137 *Provisions, Contingent Liabilities and Contingent Assets.*

The estimates of outstanding liabilities have been determined as central estimate of the liabilities. The central estimate refers to an unbiased estimate of the mean, or expected value, of the liability. There is approximately a 50/50 chance that when the forecast claim liabilities have been finally discharged they will prove to be either higher or lower than the central estimate.

Agency assets and liabilities – financial assets - cash

Cash includes deposits at call and term deposits with a bank or financial institution.

Agency assets and liabilities – financial assets - receivables

Receivables represent amounts owing to Comcare for goods and services that have been provided to external parties, together with an estimate of appropriations required to meet outstanding workers compensation claims liabilities.

Agency assets and liabilities – financial assets - other

This item represents an estimate for prepayments.Agency assets and liabilities – non-financial assets

These items represent future economic benefits that Comcare will consume in producing outputs. The reported value represents the fair value of assets less depreciation incurred to date in using that asset.

Property, plant and equipment are brought to account at cost, except for purchases costing less than $3,000 which are expensed in the year of acquisition. Leasehold assets include an amount for the estimated value of restoring leased property to its pre-lease standard at the expiration of the lease.

FAIR WORK AUSTRALIA

(POSITIONAL ONLY)

FAIR WORK AUSTRALIA

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FAIR WORK AUSTRALIA

Section 1: Agency overview and resources

1.1 STRATEGIC DIRECTION STATEMENT

Fair Work Australia (FWA) was established by the *Fair Work Act 2009* and commenced operations on 1 July 2009. FWA was one of two institutions established to administer the provisions of the *Fair Work Act 2009* (the Act) and to provide a balanced framework for cooperative and productive workplace relations that promote economic prosperity and social inclusion. The Act also establishes the Office of the Fair Work Ombudsman to undertake compliance, education and advice functions.

FWA consists of a President, Deputy Presidents, Commissioners and Minimum Wage Panel members. FWA also has a General Manager and administrative staff who exercise powers and functions under the Act.

FWA has the power to vary awards, make minimum wage orders, approve agreements, resolve workplace and other disputes, determine unfair dismissal claims and make orders in relation to such things as good faith bargaining and industrial action. FWA performs its functions and exercises its powers in a manner that is:

- efficient
- adequately serves the needs of employers and employee
- fair and just
- quick, informal and avoids unnecessary technicalities
- open and transparent
- promotes harmonious and cooperative workplace relations.

FWA's newly developed strategic plan has the overarching strategic goal of meeting FWA's statutory functions effectively through independent, respected, efficient workplace relations services.

The strategy has four goals:

- provide effective service delivery and support to Members of FWA; the Fair Work Legislation
- provide effective service delivery and assistance to clients of FWA;

- provide effective support to the General Manager to meet functions under the Fair Work Act and the Registered Organisations Act;
- be an effective, high performing, accountable APS agency.

The Plan was launched in April 2012 and will continue into 2012-13.

FWA will continue work with the respective state industrial commissions to implement the national workplace relations system in accordance with the bi-lateral arrangements.

A memorandum of understanding between FWA and FWO is in place to aid the seamless delivery of services to clients regardless of whether the initial point of contact is with FWA or FWO. The two agencies will continue to work cooperatively to meet this objective.

A research program continues to support the minimum wage function with research projects to be completed or to be commissioned in 2012-13.

Processes for the management of lodgements particularly unfair dismissals and approval of agreements will continue to be reviewed and refined.

1.2 AGENCY RESOURCE STATEMENT

Table 1.1 shows the total resources from all sources. The table summarises how resources will be applied by outcome and by administered and departmental classification.

Table 1.1: Fair Work Australia Resource Statement — Budget Estimates for 2012-13 as at Budget May 2011

		Estimate of prior + year amounts available in 2012-13 $'000	Proposed at Budget = 2012-13 $'000	Total estimate 2012-13 $'000	Actual available appropriation 2011-12 $'000
Ordinary annual services[1]					
Departmental appropriation					
Prior year departmental appropriation[2]					
Departmental appropriation[3]		59,755	74,549	134,304	75,161
s31 Relevant agency receipts[4]		-	99	99	99
Total		**59,755**	**74,648**	**134,403**	**75,260**
Total ordinary annual services	**A**	**59,755**	**74,648**	**134,403**	**75,260**
Other services[6]					
Administered expenses					
Departmental non-operating					
Equity injections		10,416	-	-	-
Total		**10,416**	-	-	-
Total other services	**B**	**10,416**	-	-	-
Total available annual appropriations		**70,171**	**74,648**	**134,403**	**75,260**
Special appropriations					
Special appropriations limited by criteria/entitlement		-	-	-	-
Total special appropriations	**C**	**-**	**-**	**-**	**-**
Total appropriations excluding Special Accounts		**70,171**	**74,549**	**134,403**	**75,260**
Special Accounts					
Special Accounts		-	-	-	-
Total Special Account	**D**	-	-	-	-
Total Recsourcing					
A+B+C+D		**70,171**	**74,549**	**134,403**	**75,260**
Less appropriations drawn from					
annual or special appropriations above		-	-	-	-
and credited to special accounts		-	-	-	-
and/or CAC Act bodies through		-	-	-	-
annual appropriations		-	-	-	-
Total net resourcing for FWA		**70,171**	**74,549**	**134,403**	**75,260**

1.3 BUDGET MEASURES

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

Table 1.2: Agency 2012-13 Budget Measures

	Program	2011-12 $'000	2012-13 $'000	2013-14 $'000	2014-15 $'000	2015-16 $'000
Expense measures						
Application of Efficiency Dividend						
Departmental expenses		-	(1,921)	(1,891)	(1,914)	(1,933)
Total		**-**	**(1,921)**	**(1,891)**	**(1,914)**	**(1,933)**
Total expense measures						
Departmental		-	(1,921)	(1,891)	(1,914)	(1,933)
Total		**-**	**(1,921)**	**(1,891)**	**(1,914)**	**(1,933)**
Capital measures						
Application of Efficiency Dividend						
Departmental capital		-	(281)	(88)	(628)	(648)
Total		**-**	**(281)**	**(88)**	**(628)**	**(648)**
Total capital measures						
Departmental		-	(281)	(88)	(628)	(648)
Total		**-**	**(281)**	**(88)**	**(628)**	**(648)**

Prepared on a Government Finance Statistics (fiscal) basis.

Section 2: Outcomes and planned performance

2.1 OUTCOMES AND PERFORMANCE INFORMATION

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 agencies achieve the intended results of their outcome statements. Agencies 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, specifying the performance indicators and targets used to assess and monitor the performance of Fair Work Australia in achieving Government outcomes.

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

Outcome 1 Strategy

FWA has a single planned outcome. Key strategies toward achieving the Fair Work Australia outcome in 2012-13 are:

- Provide effective assistance to Fair Work Australia Members to meet the objects of the *Fair Work Act 2009*.
- Implement processes and systems to support the exercise of new and/or changed powers under the *Fair Work Act 2009*.
- Develop and provide information to promote public understanding of the functions and activities of Fair Work Australia.
- Undertake research activities to support minimum wage process.
- Carry out regulatory functions under the *Fair Work Act 2009* and *Fair Work (Registered Organisations) Act 2009*.

Outcome Expense Statement

Table 2.1 provides an overview of the total expenses for Outcome 1, by program.

Table 2.1: Budgeted Expenses and Resources for Outcome 1

Outcome 1: Simple, fair and flexible workplace relations for employees and employers through the excise of powers to set and vary minimum wages and modern awards, facilitate collective bargaining, approve agreements and deal with disputes.	2011-12 Estimated actual expenses $'000	2012-13 Estimated expenses $'000
Program 1.1: Other Departmental FWA		
Departmental expenses		
Departmental appropriation [1]	72,947	74,549
Expenses not requiring appropriation in the Budget year [2]	6,225	1,996
Total for Program 1.1	**79,172**	**76,545**
Outcome 1 Totals by appropriation type		
Departmental expenses		
Departmental appropriation [1]	72,947	74,549
Expenses not requiring appropriation in the Budget year [2]	6,225	1,996
Total expenses for Outcome 1	**79,172**	**76,545**
	2011-12	2012-13
Average Staffing Level (number)	**343**	**343**

[1] Departmental Appropriation combines "Ordinary annual services (Appropriation Bill No. 1)" and "Revenue from independent sources (s31)".

[2] Expenses not requiring appropriation in the Budget year is made up of Depreciation Expense, Amortisation Expense, Makegood Expense, Audit Fees.

Contributions to Outcome 1

Program 1: Dispute resolution, minimum wages, orders and approval of agreements.

Program 1 objective

To exercise powers under the *Fair Work Act 2009*:

- in accordance with the objects of the Act
- in a manner that is efficient, fair and just, quick, informal and avoids unnecessary technicalities, open and transparent and promotes harmonious and cooperative workplace relations.

Linked to:

Fair Work Australia and the Office of the Fair Work Ombudsman are created under the *Fair Work Act 2009*. Fair Work Australia and the Office of the Fair Work Ombudsman have cooperative approaches to the delivery of services to employees, employers and organisations.

Program 1 expenses

The functions of Fair Work Australia are prescribed by legislation and while a number of the functions of Fair Work Australia have previously been undertaken by other institutions, the processes implemented by Fair Work Australia may be new and/or changed under the *Fair Work Act 2009*.

	2011-12 Revised budget $'000	2012-13 Budget $'000	2013-14 Forward year 1 $'000	2014-15 Forward year 2 $'000	2015-16 Forward year 3 $'000
Annual departmental expenses:					
Departmental item	72,947	74,549	73,348	74,272	75,023
Expenses not requiring appropriation in the Budget year [1]	6,225	1,996	1,997	1,997	97
Total program expenses	**79,172**	**76,545**	**75,345**	**76,269**	**75,120**

[1] Expenses not requiring appropriation in the Budget year is made up of Depreciation Expense and Amortisation Expense.

Program 1 Deliverables

The deliverables for Fair Work Australia are:

- dispute resolution - unfair dismissal application processing
- minimum wage decisions
- orders relating to industrial action
- processes relating to modern awards
- approval of agreements
- General Manager's Legislative reporting requirements
- Issuing Permits

Deliverables	2011-12 Revised budget	2012-13 Budget	2013-14 Forward year 1	2014-15 Forward year 2	2015-16 Forward year 3
Dispute resolution, minimum wage decision, orders and approval of agreements	79,172	76,545	75,345	76,269	75,120

Program 1 Key Performance Indicators

The Key Performance Indicators for Fair Work Australia are:

- Improve or maintain the time elapsed from lodging applications to finalising conciliations in unfair dismissal applications.
- Annual wage review to be completed to enable an operative date of 1 July.
- Improve or maintain the time taken to list applications relating to industrial action.
- Improve or maintain the agreement approval time
- Timely General Manager's reports
- Timely processing of permits

Key Performance Indicators	2011-12 Revised budget	2012-13 Budget target	2013-14 Forward year 1	2014-15 Forward year 2	2015-16 Forward year 3
Improve or maintain the time elapsed from lodging applications to finalising conciliations in unfair dismissal applications.*	34 days	34 days	34 days	34 days	34 days
Completion of annual wage review.	By June 11	By June 12	By June 13	By June 14	By June 15
Improve or maintain the time taken to list applications relating to industrial action.*	3 days	3 days	3 days	3 days	3 days
Improve or maintain the agreement approval	32 days	32 days	32 days	32 days	32 days
Issuing of permits	28 days	28 days	28 days	28 days	28 days

* measured as the medium number of days

Section 3: Explanatory tables and budgeted financial statements

Section 3 presents explanatory tables and budgeted financial statements which provide a comprehensive snapshot of agency finances for the 2011-12 budget year. It explains how budget plans are incorporated into the financial statements and provides further details of the reconciliation between appropriations and program expenses, movements in administered funds, special accounts and government indigenous expenditure.

3.1 EXPLANATORY TABLES

3.1.1 Movement of administered funds between years

Fair Work Australia has no Administered funds. For this reason Table 3.1.1 is not presented.

3.1.2 Special Accounts

Fair Work Australia has no Special Accounts. For this reason Table 3.1.2 is not presented.

3.1.3 Australian Government Indigenous Expenditure

The 2011-12 Australian Government Indigenous Statement is not applicable because Fair Work Australia has no indigenous specific expenses. For this reason Table 3.1.3 is not presented.

3.2 BUDGETED FINANCIAL STATEMENTS

3.2.1 Differences in agency resourcing and financial statements

Fair Work Australia has nil difference to report.

3.2.2 Analysis of budgeted financial statements

Total revenue for 2012-13 is estimated to be $74.6 million.

Total expenses for 2012-13 are estimated to be $76.5 million, which includes $1.7 million for depreciation and amortisation.

Total assets for 2012-13 are estimated to be $74.5 million, comprising $57.5 million in financial assets and $17 million in non-financial assets.

Total liabilities for 2012-13 are estimated to be $24.8 million, with the primary liabilities being accrued employee entitlements which total $15.4 million.

Fair Work Australia is budgeting for a nil change in the bank account in 2012-13 and for the three forward years.

Total equity for 2012-13 is estimated to be $49.7 million which consists of Accumulated results which totals $1.9 million and Contributed equity/capital which totals $47.8 million.

3.2.2 Budgeted financial statements tables

Table 3.2.1: Comprehensive Income Statement (Showing Net Cost of Services) (for the period ended 30 June)

	Estimated actual 2011-12 $'000	Budget estimate 2012-13 $'000	Forward estimate 2013-14 $'000	Forward estimate 2014-15 $'000	Forward estimate 2015-16 $'000
EXPENSES					
Employee benefits	50,418	47,819	46,047	47,080	48,522
Suppliers	27,008	27,004	27,576	27,467	26,598
Depreciation and amortisation	1,746	1,722*	1,722*	1,722*	-*
Total expenses	**79,172**	**76,545**	**75,345**	**76,269**	**75,120**
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Other	99	99	99	99	-
Total own-source revenue	**99**	**99**	**99**	**99**	-
Gains					
Other	80	**175**	**176**	**176**	**97**
Total gains	**80**	**175**	**176**	**176**	**97**
Total own-source income	**179**	**274**	**275**	**275**	**97**
Net cost of (contribution by) services	**(78,993)**	**(76,271)***	**(75,070)***	**(75,994)***	**(75,023)***
Revenue from Government	72,947	74,549	73,348	74,272	75,023
Surplus (Deficit) attributable to the Australian Government	**(6,046)**	**(1,722)***	**(1,722)***	**(1,722)***	**-***
OTHER COMPREHENSIVE INCOME					
Changes in asset revaluation surplus	-	-	-	-	-
Total other comprehensive income	-	-	-	-	-
Total comprehensive income	**(6,046)**	**(1,722)***	**(1,722)***	**(1,722)***	**-***
Total comprehensive income attributable to the Australian Government	**(6,046)**	**(1,722)***	**(1,722)***	**(1,722)***	**-***

Table 3.2.1: Comprehensive Income Statement (Showing Net Cost of Services) (for the period ended 30 June) (continued)

Note: Impact of Net Cash Apppropriation Arrangements	2011-12 $'000	2012-13 $'000	2013-14 $'000	2014-15 $'000	2015-16 $'000
Total Comprehensive Income (loss) less depreciation/amortisation expenses previously funded through revenue appropriations.	**(4,300)**	**-**	**-**	**-**	**-**
plus depreciation/amortisation expenses previously funded through revenue appropriations[1]	(1,746)	(1,722)	(1,722)	(1,722)	-
Total Comprehensive Income (loss) - as per the Statement of Comprehensive Income	**(6,046)**	**(1,722)**	**(1,722)**	**(1,722)**	**-**

[1] From 2010-11, the Government introduced net cash appropriation arrangements where Bill 1 revenue appropriations for the depreciation/amortisation expenses of FMA Act agencies 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 3.2.5 Departmental Capital Budget Statement.

Table 3.2.2: Budgeted Departmental Balance Sheet (as at 30 June)

	Estimated actual 2011-12 $'000	Budget estimate 2012-13 $'000	Forward estimate 2013-14 $'000	Forward estimate 2014-15 $'000	Forward estimate 2015-16 $'000
ASSETS					
Financial assets					
Cash and cash equivalents	452	452	452	452	452
Trade and other receivables	57,187	57,068	56,458	58,570	58,570
Total financial assets	**57,639**	**57,520**	**56,910**	**59,022**	**59,022**
Non-financial assets					
Land and buildings	11,010	10,509	9,802	8,568	11,158
Property, plant and equipment	3,600	3,738	3,636	3,747	3,738
Intangibles	1,092	891	840	636	636
Other non-financial assets	1,858	1,858	1,858	1,858	1,858
Total non-financial assets	**17,560**	**16,996**	**16,136**	**14,809**	**17,390**
Assets held for sale	-	-	-	-	-
Total assets	**75,199**	**74,516**	**73,046**	**73,831**	**76,412**
LIABILITIES					
Payables					
Suppliers	150	94	94	94	94
Other payables	6,608	6,470	6,259	6,262	6,262
Total payables	**6,758**	**6,564**	**6,353**	**6,356**	**6,356**
Provisions					
Employee provisions	15,269	15,381	15,493	15,493	15,493
Other provisions	2,848	2,848	2,848	2,848	2,848
Total provisions	**18,117**	**18,229**	**18,341**	**18,341**	**18,341**
Liabilities included in disposal groups held for sale	-	-	-	-	-
Total liabilities	**24,875**	**24,793**	**24,694**	**24,697**	**24,697**
Net assets	**50,324**	**49,723**	**48,352**	**49,134**	**51,715**
EQUITY*					
Parent entity interest					
Contributed equity	46,670	47,791	48,142	50,646	53,227
Retained surplus (accumulated deficit)	3,654	1,932	210	(1,512)	(1,512)
Total parent entity interest	**50,324**	**49,723**	**48,352**	**49,134**	**51,715**
Total Equity	**50,324**	**49,723**	**48,352**	**49,134**	**51,715**

Table 3.2.3: Departmental Statement of Changes in Equity – summary of movement (Budget year 2012-13)

	Retained earnings $'000	Asset revaluation reserve $'000	Other reserves $'000	Contributed equity/ capital $'000	Total equity $'000
Opening balance as at 1 July 2012					
Balance carried forward from previous period	3,654	-	-	46,670	50,324
Adjusted opening balance	**3,654**	**-**	**-**	**46,670**	**50,324**
Comprehensive income					
Surplus (deficit) for the period	(1,722)	-	-	-	(1,722)
Total comprehensive income	**1,932**	**-**	**-**	**46,670**	**48,602**
of which:					
Attributable to the Australian Government	1,932	-	-	46,670	48,602
Transactions with owners					
Contributions by owners					
Departmental Capital Budget (DCBs)	-	-	-	1,121	1,121
Sub-total transactions with owners	-	-	-	**1,121**	**1,121**
Transfers between equity components	-	-	-	-	-
Estimated closing balance as at 30 June 2013	**1,932**	-	-	**47,791**	**49,723**

Table 3.2.4: Budgeted Departmental Statement of Cash Flows (for the period ended 30 June)

	Estimated actual 2011-12 $'000	Budget estimate 2012-13 $'000	Forward estimate 2013-14 $'000	Forward estimate 2014-15 $'000	Forward estimate 2015-16 $'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	85,274	73,858	74,066	72,369	75,234
Other	367	369	99	99	-
Total cash received	**85,641**	**74,227**	**74,165**	**72,468**	**75,234**
Cash used					
Employees	50,298	47,693	46,047	47,080	48,522
Suppliers	26,363	26,497	27,607	27,497	26,712
Total cash used	**76,661**	**74,190**	**73,654**	**74,577**	**75,234**
Net cash from (used by) operating activities	**8,980**	**37**	**511**	**(2,109)**	-
INVESTING ACTIVITIES					
Cash received	-	-	-	-	-
Total cash received	-	-	-	-	-
Cash used					
Purchase of property, plant and equipment	11,194	1,158	862	395	2,581
Total cash used	**11,194**	**1,158**	**862**	**395**	**2,581**
Net cash from (used by) investing activities	**(11,194)**	**(1,158)**	**(862)**	**(395)**	**(2,581)**
FINANCING ACTIVITIES					
Cash received					
Contributed equity	2,214	1,121	351	2,504	2,581
Total cash received	**2,214**	**1,121**	**351**	**2,504**	**2,581**
Cash used					
Other	-	-	-	-	-
Total cash used	-	-	-	-	-
Net cash from (used by) financing activities	**2,214**	**1,121**	**351**	**2,504**	**2,581**
Net increase (decrease) in cash held	-	-	-	-	-
Cash and cash equivalents at the beginning of the reporting period	452	452	452	452	452
Cash and cash equivalents at the end of the reporting period	**452**	**452**	**452**	**452**	**452**

Table 3.2.5: Departmental Capital Budget Statement

	Estimated actual 2011-12 $'000	Budget estimate 2012-13 $'000	Forward estimate 2013-14 $'000	Forward estimate 2014-15 $'000	Forward estimate 2015-16 $'000
NEW CAPITAL APPROPRIATIONS					
Capital budget - Bill 1 (DCB)	2,214	1,121	351	2,504	2,581
Equity injections - Bill 2	-	-	-	-	-
Total new capital appropriations	**2,214**	**1,121**	**351**	**2,504**	**2,581**
Provided for:					
Purchase of non-financial assets	2,214	1,121	351	2,504	2,581
Total Items	**2,214**	**1,121**	**351**	**2,504**	**2,581**
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriations [1]	1,690	212	-	-	-
Funded by capital appropriation - DCB [2]	7,033	946	862	395	2,581
Funded internally from departmental resources [3]	2,471	-	-	-	-
TOTAL	**11,194**	**1,158**	**862**	**395**	**2,581**
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	11,194	1,158	862	395	2,581
less additions by finance lease	-	-	-	-	-
less additions by creditors / borrowings	-	-	-	-	-
plus borrowing / finance costs	-	-	-	-	-
plus Annual finance lease costs	-	-	-	-	-
less Gifted assets	-	-	-	-	-
less s32 / restructuring	-	-	-	-	-
Total cash used to acquire assets	**11,194**	**1,158**	**862**	**395**	**2,581**

[1] Includes both current and prior Bill 2/4/6 appropriations and special capital appropriations

[2] Does not include annual finance lease costs. Include purchase from current and previous years' Departmental Capital Budgets (DCBs).

[3] Includes the following sources of funding:
- current and prior year Bill 1/3/5 appropriations (excluding amounts from the DCB).
- donations and contributions
- gifts
- internally developed assets
- s31 relevant agency receipts (for FMA agencies only)
- proceeds from the sale of assets

Table 3.2.6: Statement of Asset Movements (2012-13)

	Buildings	Other property, plant and equipment	Computer software and intangibles	Total
	$'000	$'000	$'000	$'000
As at 1 July 2012				
Gross book value	24,538	5,662	1,892	32,092
Accumulated depreciation/amortisation and impairment	(13,528)	(2,062)	(800)	(16,390)
Opening net book balance	**11,010**	**3,600**	**1,092**	**15,702**
CAPITAL ASSET ADDITIONS				
Estimated expenditure on new or replacement assets				
By purchase - appropriation ordinary annual services [2]	219	840	99	1,158
Disposals [3]	(359)	(635)	(629)	(1,623)
Total additions	**(140)**	**205**	**(530)**	**(465)**
Other movements				
Depreciation/amortisation expense	(720)	(702)	(300)	(1,722)
Disposals	359	635	629	1,623
Total other movements	**(361)**	**(67)**	**329**	**(99)**
As at 30 June 2013				
Gross book value	24,398	5,867	1,362	31,627
Accumulated depreciation/amortisation and impairment	(13,889)	(2,129)	(471)	(16,489)
Closing net book balance	**10,509**	**3,738**	**891**	**15,138**

[1] "Appropriation equity" refers to equity injections or Administered Assets and Liabilities appropriations provided through Appropriation Bill (No.2) 2012-13, including CDABs.
[2] "Appropriation ordinary annual services" refers to funding provided through Appropriation Bill (No.1) 2012-13 for depreciation / amortisation expenses, DCBs or other operational expenses.
[3] Net proceeds may be returned to the OPA.

Table 3.2.7: Schedule of Budgeted Income and Expenses Administered on behalf of Government (for the period ended 30 June)

	Estimated actual 2011-12 $'000	Budget estimate 2012-13 $'000	Forward estimate 2013-14 $'000	Forward estimate 2014-15 $'000	Forward estimate 2015-16 $'000
EXPENSES ADMINISTERED ON BEHALF OF GOVERNMENT					
Employee benefits	-	-	-	-	-
Suppliers	-	-	-	-	-
Total expenses administered on behalf of Government	-	-	-	-	-
LESS:					
OWN-SOURCE INCOME					
Own-source revenue	-	-	-	-	-
Taxation revenue	-	-	-	-	-
Total taxation revenue	-	-	-	-	-
Non-taxation revenue					
Other revenue	582	582	582	582	-
Total non-taxation revenue	**582**	**582**	**582**	**582**	-
Total own-source revenues administered on behalf of Government	**582**	**582**	**582**	**582**	
Gains	-	-	-	-	-
Total gains administered on behalf of Government	-	-	-	-	-
Total own-sourced income administered on behalf of Government	-	-	-	-	-
Net Cost of (contribution by) services	-	-	-	-	-
Surplus (Deficit)	**582**	**582**	**582**	**582**	-
OTHER COMPREHENSIVE INCOME					
Changes in asset revaluation surplus	-	-	-	-	-
Total other comprehensive income	-	-	-	-	-
Total comprehensive income (loss)	**582**	**582**	**582**	**582**	-

Table 3.2.8: Schedule of Budgeted Assets and Liabilities Administered on behalf of Government (as at 30 June)

Fair Work Australia has no administered assets and liabilites. For this reason Table 3.2.8 is not presented.

Table 3.2.9: Schedule of Budgeted Administered Cash Flows (for the period ended 30 June)

	Estimated actual 2011-12 $'000	Budget estimate 2012-13 $'000	Forward estimate 2013-14 $'000	Forward estimate 2014-15 $'000	Forward estimate 2015-16 $'000
OPERATING ACTIVITIES					
Cash received					
Other	582	582	582	582	-
Total cash received	**582**	**582**	**582**	**582**	-
Cash used					
Other	-	-	-	-	-
Total cash used	-	-	-	-	-
Net cash from (used by) operating activities	**582**	**582**	**582**	**582**	-
INVESTING ACTIVITIES					
Cash received					
Other	-	-	-	-	-
Total cash received	-	-	-	-	-
Cash used					
Other	-	-	-	-	-
Total cash used	-	-	-	-	-
Net cash from (used by) investing activities	-	-	-	-	-
FINANCING ACTIVITIES					
Cash received					
Other	-	-	-	-	-
Total cash received	-	-	-	-	-
Cash used					
Other	-	-	-	-	-
Total cash used	-	-	-	-	-
Net cash from (used by) financing activities	-	-	-	-	-
Net increase (decrease) in cash held	-	-	-	-	-
Cash to Official Public Account for:					
- Other	582	582	582	582	-
Cash and cash equivalents at end of reporting period	-	-	-	-	-

Table 3.2.10: Schedule of Administered Capital Budget

Fair Work Australia has no administered capital budget. For this reason Table 3.2.10 is not presented.

Table 3.2.11: Schedule of Asset Movements — Administered

Fair Work Australia has no administered assets and liabilities. For this reason Table 3.2.11 is not presented.

3.2.4 Notes to the financial statements

Accounting Policy

The budgeted financial statements have been prepared in accordance with the requirements of the Finance Minister's Orders issued by the Minister for Finance and Deregulation.

The statements have been prepared:

- on an accrual accounting basis; and
- in compliance with Australian Accounting Standards and Australian Equivalents to International Financial Reporting Standards (AEIFRS) and other authoritative pronouncements of the Australian Accounting Standards Board and the Consensus Views of the Urgent Issues Group.

Departmental Revenue from Government

Revenue from government represents the purchase of outputs from Fair Work Australia by the Government. The changes reflected in the ordinary annual appropriations are a result of those new measures and variations that are explained in Section 1: Agency overview and resources, variations and measures.

Departmental Revenue from Other Sources

Revenue from the sale of goods and services will be recognised upon the delivery of the goods or services to customers.

Departmental Expenses – Employees

This item will represent payments made and net increases or decreases in entitlements owed to employees for their services provided in the financial year.

Departmental Expenses – Suppliers

This item will represent payments to suppliers for goods and services.

Departmental Expenses – Depreciation and Amortisation

Property, plant and equipment assets are written-off to their estimated residual values over their estimated useful lives to Fair Work Australia using, in all cases, the straight-line method of depreciation.

Property plant and equipment assets will be depreciated over their useful lives between three and ten years. Leasehold improvements will be amortised on a straight-line basis over the lesser of the estimated useful life of the improvements or the unexpired period of the lease.

Forward estimates of depreciation expense have been made using forecasts of net capital acquisition requirements over the forward years.

Departmental Assets – Financial Assets – Receivables

Receivables represent amounts which will be owing to Fair Work Australia for goods and services it has provided to external parties and cash reserves held in the Official Public Account.

Departmental Assets – Non-Financial Assets

These items represent future economic benefits that Fair Work Australia will consume in producing outputs. Apart from re-valued assets, the reported value represents the purchase price paid, less depreciation incurred to date in using that asset from the transferring agencies.

Land and Buildings, and Infrastructure, Plant and Equipment will initially be brought to account at cost, except for purchases costing less than $10,000 for leasehold improvements and $2,000 for all other classes, which will be expensed in the year of acquisition (other than where they form part of the group of similar items which are significant in total).

Computer software, disclosed in the Departmental Balance Sheet as Intangibles, will be expensed in the year of acquisition except for purchases or internally developed software costing more than $2,000 which are capitalised at cost.

Fair Work Australia will annually reassess and adjust the values of Land and Buildings (leasehold improvements), Infrastructure, Plant and Equipment.

Departmental Liabilities – Provisions – Employees

Provision will be made for Fair Work Australia liability for employee entitlements arising from services rendered by Fair Work Australia Commission Members and Fair Work Australia employees to balance date. This liability will encompass unpaid wages and salaries, annual and long service leave and Judges' leave. No provision will be made for sick leave.

The liability for leave expected to be settled within 12 months is to be measured at the nominal amount.

Other employee entitlements payable later than one year will be estimated at the present value of the expected future cash outflows in relation to those entitlements. Attrition rates and pay rises through promotion and wage/salary agreements will be been taken into account.

FAIR WORK OMBUDSMAN

(POSITIONAL ONLY)

FAIR WORK OMBUDSMAN

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FAIR WORK OMBUDSMAN

Section 1: Agency overview and resources

1.1 STRATEGIC DIRECTION

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

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

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

The strategic focus of the Fair Work Ombudsman in 2012-13 is to ensure that there is increased compliance with Commonwealth workplace laws through educating and advising employees, employers, outworkers, outworker entities and organisations about the federal workplace relations system.

1.2 AGENCY RESOURCE STATEMENT

Table 1.1 shows the total resources from all origins. The table summarises how resources will be applied by outcome and by administered and departmental classification.

Table 1.1: Agency Resource Statement — Budget estimates for 2012-13 as at Budget May 2012

	Estimate of prior + year amounts available in 2012-13 $'000	Proposed at Budget = 2012-13 $'000	Total estimate 2012-13 $'000	Actual available appropriation 2011-12 $'000
Ordinary Annual Services[1]				
Departmental				
Departmental appropriation	57,478	128,771	186,249	141,790
s31 Relevant agency receipts[2]	-	-	-	-
Total ordinary annual services	**57,478**	**128,771**	**186,249**	**141,790**
Other services[3]				
Departmental non-operating				
Equity injections	15,906	-	15,906	1,400
Total other services	**15,906**	**-**	**15,906**	**1,400**
Total Available Annual Appropriations	**73,384**	**128,771**	**202,155**	**143,190**
Special Appropriations				
Total Special Appropriations	**-**	**-**	**-**	**-**
Total Appropriations excluding Special Accounts	**73,384**	**128,771**	**202,155**	**143,190**
Special Accounts				
Total Special Accounts	**-**	**-**	**-**	**-**
Total resourcing	**73,384**	**128,771**	**202,155**	**143,190**
Less appropriations drawn from annual or special appropriations	-	-	-	-
Total net resourcing for Fair Work Ombudsman	**73,384**	**128,771**	**202,155**	**143,190**

[1] Appropriation Bill (No.1) 2012-13

[2] s31 Relevant Agency receipts - estimate

[3] Appropriation Bill (No.2) 2012-13

Reader note: All figures are GST exclusive.

1.3 BUDGET MEASURES

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

Table 1.2: Agency 2012-13 Budget measures

	Program	2011-12 $'000	2012-13 $'000	2013-14 $'000	2014-15 $'000	2015-16 $'000
Expense measures						
One-off 2.5% Efficiency Dividend	1					
Departmental expenses		-	(3,231)	(2,750)	(2,760)	(2,751)
Total		**-**	**(3,231)**	**(2,750)**	**(2,760)**	**(2,751)**
Road Safety Remuneration System - establishment	1					
Departmental expenses		-	1,009	1,577	1,370	1,385
Total		**-**	**1,009**	**1,577**	**1,370**	**1,385**
Community-based employment advice services - continued funding	1					
Departmental expenses		-	-	-	-	-
Total		**-**	**-**	**-**	**-**	**-**
Seasonal Labour Mobility Program with Pacific Island Countries and East Timor - establishment	1					
Departmental expenses		-	196	198	200	202
Total		**-**	**196**	**198**	**200**	**202**
Total expense measures						
Departmental		-	(2,026)	(975)	(1,190)	(1,164)
Total		**-**	**(2,026)**	**(975)**	**(1,190)**	**(1,164)**
Capital measures						
20% Reduction in DCB	1					
Departmental capital		-	(703)	(871)	(1,096)	(1,100)
Total		**-**	**(703)**	**(871)**	**(1,096)**	**(1,100)**

Prepared on a Government Financial Statistics (fiscal) basis.

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Section 2: Outcomes and planned performance

2.1 OUTCOMES AND PERFORMANCE INFORMATION

Government outcomes are the intended results, impacts or consequences of actions by the Government on the Australian community. Agencies deliver programs which are the Government actions taken to deliver the stated outcomes. Agencies 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, specifying the performance indicators and targets used to assess and monitor the performance of the Fair Work Ombudsman in achieving Government outcomes.

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

Outcome 1 Strategy

The workplace rights and obligations of employees, employers, outworkers, outworker entities and organisations are protected and enforced through a mix of targeted compliance and education activities, investigation of breaches of workplace laws with a focus on voluntary compliance and, where necessary, litigation in the courts as a means of both general and specific deterrence.

The Fair Work Ombudsman provides a single national point of contact for accurate and timely advice on the federal workplace relations system.

More than 200 staff provide advice and information on workplace relations matters through the Fair Work Infoline. Fair Work Ombudsman advisors are located in contact centres in a number of states and provide a range of services including telephone advice, email / web support and live chat.

As part of its ongoing educative role, the agency undertakes education and compliance campaigns and provides information services and best practice guides. The educational and compliance campaigns are run at national, state and local levels and target particular industries or geographical locations.

More than 600 Federal Government and State Government employees have been appointed as Fair Work Inspectors. These officers are located in all states and territories and investigate complaints or allegations received. It is expected that in the majority of instances compliance with workplace relations laws will be achieved voluntarily and will be assisted by targeted and industry specific auditing activities. Litigation activities are used when and as required, particularly in cases where breaches have significant consequences, when they affect a vulnerable group or when a person does not acknowledge that the problem requires rectification.

The Fair Work Ombudsman makes public statements about its enforcement activities to educate and ensure it has the trust of the Australian community and to foster general deterrence.

Outcome 1 Budgeted Expenses and Resources

Table 2.1 provides an overview of the total expenses for Outcome 1, by program.

Table 2.1: Budgeted Expenses and Resources for Outcome 1

Outcome 1: Compliance with workplace relations legislation by employees and employers through advice, education and where necessary enforcement.	2011-12 Estimated Actual Expenses $'000	2012-13 Estimated Expenses $'000
Program 1: Education Services and Compliance Activities		
Departmental expenses		
Ordinary Annual Services (Appropriation Bill No. 1) [1]	132,702	125,964
Expenses not requiring Appropriation in the Budget year [2]	10,773	10,684
Total for Program 1	**143,475**	**136,648**
Outcome 1 Totals by Appropriation type		
Departmental Expenses		
Ordinary Annual Services (Appropriation Bill No. 1) [1]	132,702	125,964
Expenses not requiring Appropriation in the Budget year [2]	10,773	10,684
Total Expenses for Outcome 1	**143,475**	**136,648**
	2011-12	2012-13
Average Staffing Level (number)	**823**	**753**

[1] Departmental Appropriation combines "Ordinary annual services (Appropriation Bill No. 1)" and "Revenue from independent sources (s31)".

[2] Expenses not requiring appropriation in the Budget year is made up of Depreciation Expense, Amortisation Expense, Makegood Expense, Audit Fees.

Contributions to Outcome 1

Program 1: Education Services and Compliance Activities

Program objective

To educate employers, employees, organisations and contractors about the workplace relations system and to ensure compliance with workplace laws.

Linked to:

- The Fair Work Ombudsman and Fair Work Australia were created under the *Fair Work Act 2009*. The Fair Work Ombudsman and Fair Work Australia develop cooperative approaches to the delivery of services to employees, employers and organisations.

Program 1 expenses

	2011-12 Revised budget $'000	2012-13 Budget $'000	2013-14 Forward year 1 $'000	2014-15 Forward year 2 $'000	2015-16 Forward year 3 $'000
Annual Departmental Expenses:					
Departmental Items	132,702	125,964	107,238	107,652	107,295
Expenses not requiring Appropriation in the Budget year	10,773	10,684	11,120	10,800	11,102
Total Departmental Expenses	**143,475**	**136,648**	**118,358**	**118,452**	**118,397**

Program 1 deliverables

The deliverables of the Fair Work Ombudsman are to:

- provide information, advice and education on the requirements and flexibilities of workplace laws to foster voluntary compliance
- investigate claims regarding alleged breaches of workplace laws and undertake targeted activities
- litigate, where necessary, to enforce compliance with workplace laws.

Deliverables	2011-12 Revised budget $'000	2012-13 Budget $'000	2013-14 Forward year 1 $'000	2014-15 Forward year 2 $'000	2015-16 Forward year 3 $'000
Education, investigation, provision of advice and information services	143,475	136,648	118,358	118,452	118,397

Program 1 Key Performance Indicators

The Key Performance Indicators for the Fair Work Ombudsman are outlined in the following table and cover the key activities of education, advice and information services and investigations.

Key Performance Indicators	2011-12 Revised budget	2012-13 Budget target	2013-14 Forward year 1	2014-15 Forward year 2	2015-16 Forward year 3
Number of targeted campaigns:					
National	4	4	4	4	4
State (number of campaigns in each state/ territory)	2	2	2	2	2
Investigations into complaints about breaches of federal agreements or awards completed within 90 days (percentage of total complaints)	80	80	80	80	80
Calls to the Contact Centre resolved at the first point of contact (percentage of total calls)	80	80	80	80	80
Availability of Contact Centre services (percentage of availability during advertised hours)	99	99	99	99	99
Availability of Website (time available as a percentage of total time)	99	99	99	99	99

Section 3: Explanatory tables and budgeted financial statements

Section 3 presents explanatory tables and budgeted financial statements which provide a comprehensive snapshot of agency finances for the budget year 2012-13. It explains how budget plans are incorporated into the financial statements and provides further details of the reconciliation between appropriations and program expenses, movements in administered funds, special accounts and Government indigenous expenditure.

3.1 EXPLANATORY TABLES

3.1.1 Movement of administered funds between years

The Fair Work Ombudsman has no administered funds appropriations. For this reason Table 3.1.1 is not presented.

3.1.2 Special Accounts

Table 3.1.2: Estimates of Special Account Flows and Balances

	Outcome	Opening balance **2012-13** *2011-12* $'000	Receipts **2012-13** *2011-12* $'000	Payments **2012-13** *2011-12* $'000	Adjustments **2012-13** *2011-12* $'000	Closing balance **2012-13** *2011-12* $'000
Other Trust Monies - *Financial Management and Accountability Act 1997* s.20 (Unclaimed Wages)	1	**1,860** *1,660*	**200** *300*	**100** *100*	**-** *-*	**1,960** *1,860*
Total Special Accounts 2012-13 Budget estimate		**1,860**	**200**	**100**	**-**	**1,960**
Total Special Accounts 2011-12 estimated actual		*1,660*	*300*	*100*	*-*	*1,860*

3.1.3 Australian Government Indigenous Expenditure

The Fair Work Ombudsman has no specific indigenous expenses. For this reason Table 3.1.3 is not presented.

3.2 BUDGETED FINANCIAL STATEMENTS

3.2.1 Differences in agency resourcing and financial statements

The Agency Resource Statement (Table 1.1) details the total appropriation available to an agency from all sources. For departmental operating appropriations (outputs) this includes carry-forward amounts as well as amounts appropriated at Budget. As agencies incur and are funded for future liabilities and employee entitlements, the total amount of departmental operating appropriation available to an agency is unlikely to be fully utilised in the Budget year. The difference between the Agency Resource Statement and the sum of all payments made at the departmental outputs level is the expected carry-forward amount of resources for the 2012-13 Budget year, including amounts related to meeting future employee entitlement obligations.

3.2.2 Analysis of budgeted financial statements

The Fair Work Ombudsman is budgeting for an operating loss of $10.6 million in 2012-13.

Total revenues are estimated to be $126.0 million and total expenses $136.6 million.

Total assets at the end of the 2012-13 financial year are estimated to be $102.0 million. The majority of the assets represent property fit outs and receivables (appropriations receivable). Asset acquisitions are planned in Information Technology equipment and systems and on office accommodation fit outs.

Total liabilities for 2012-13 are estimated at $40.4 million. The largest liability item is accrued employee entitlements.

3.2.3 Budgeted financial statements tables

Table 3.2.1: Comprehensive Income Statement (Showing Net Cost of Services) (for the period ended 30 June)

	Estimated actual 2011-12 $'000	Budget estimate 2012-13 $'000	Forward estimate 2013-14 $'000	Forward estimate 2014-15 $'000	Forward estimate 2015-16 $'000
EXPENSES					
Employee benefits	78,617	72,695	73,851	73,540	71,026
Suppliers	54,185	53,369	33,487	34,212	36,369
Depreciation and amortisation	10,673	10,584	11,020	10,700	11,002
Total expenses	**143,475**	**136,648**	**118,358**	**118,452**	**118,397**
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Other revenue	-	-	-	-	-
Total own-source revenue	**-**	**-**	**-**	**-**	**-**
Gains					
Resources free of charge	100	100	100	100	100
Total gains	**100**	**100**	**100**	**100**	**100**
Total own-source income	**100**	**100**	**100**	**100**	**100**
Net cost of services	**143,375**	**136,548**	**118,258**	**118,352**	**118,297**
Revenue from Government	132,702	125,964	107,238	107,652	107,295
Surplus (deficit) attributable to the Australian Government	**(10,673)**	**(10,584)**	**(11,020)**	**(10,700)**	**(11,002)**
Total comprehensive income (loss) attributable to the Australian Government	**(10,673)**	**(10,584)**	**(11,020)**	**(10,700)**	**(11,002)**

Note: Reconciliation of comprehensive income attributable to the agency

	2011-12 $'000	2012-13 $'000	2013-14 $'000	2014-15 $'000	2015-16 $'000
Total comprehensive income (loss) attributable to the Australian Government	**(10,673)**	**(10,584)**	**(11,020)**	**(10,700)**	**(11,002)**
plus non-appropriated expenses; depreciation and amortisation expenses	10,673	10,584	11,020	10,700	11,002
Total comprehensive income (loss) attributable to the Agency	**-**	**-**	**-**	**-**	**-**

Prepared on Australian Accounting Standards basis.

Table 3.2.2: Budgeted Departmental Balance Sheet (as at 30 June)

	Estimated actual 2011-12 $'000	Budget estimate 2012-13 $'000	Forward estimate 2013-14 $'000	Forward estimate 2014-15 $'000	Forward estimate 2015-16 $'000
ASSETS					
Financial assets					
Cash and equivalents	1,972	1,972	1,972	1,972	1,972
Trade and other receivables	74,421	66,671	62,067	57,100	57,100
Total financial assets	**76,393**	**68,643**	**64,039**	**59,072**	**59,072**
Non-financial assets					
Land and buildings	21,972	24,014	21,855	20,174	15,263
Infrastructure, plant and equipment	1,547	1,365	1,183	2,701	3,501
Intangibles	9,384	7,785	7,186	5,989	3,489
Other	143	143	143	143	143
Total non-financial assets	**33,046**	**33,307**	**30,367**	**29,007**	**22,396**
Total assets	**109,439**	**101,950**	**94,406**	**88,079**	**81,468**
LIABILITIES					
Provisions					
Employees	14,857	15,145	15,145	15,145	15,145
Other	7,915	7,915	7,915	7,915	7,915
Total provisions	**22,772**	**23,060**	**23,060**	**23,060**	**23,060**
Payables					
Suppliers	17,377	17,377	17,377	17,377	17,377
Total payables	**17,377**	**17,377**	**17,377**	**17,377**	**17,377**
Total liabilities	**40,149**	**40,437**	**40,437**	**40,437**	**40,437**
Net assets	**69,290**	**61,513**	**53,969**	**47,642**	**41,031**
EQUITY*					
Parent entity interest					
Contributed equity	82,232	85,039	88,515	92,888	97,279
Reserves	2,126	2,126	2,126	2,126	2,126
Retained surpluses or (accumulated deficits)	(15,068)	(25,652)	(36,672)	(47,372)	(58,374)
Total parent entity interest	**69,290**	**61,513**	**53,969**	**47,642**	**41,031**
Total equity	**69,290**	**61,513**	**53,969**	**47,642**	**41,031**

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

Table 3.2.3: Departmental Statement of Changes in Equity — summary of movement (Budget year 2012-13)

	Retained earnings $'000	Asset revaluation reserve $'000	Other reserves $'000	Contributed equity/ capital $'000	Total equity $'000
Opening balance as at 1 July 2012					
Balance carried forward from previous period	(15,068)	2,126	-	82,232	69,290
Adjusted opening balance	**(15,068)**	**2,126**	**-**	**82,232**	**69,290**
Income and expense					
Surplus (deficit) for the period	(10,584)	-	-	-	(10,584)
Total income and expense recognised directly in equity	**(10,584)**	**-**	**-**	**-**	**(10,584)**
Transactions with owners					
Contribution by owners					
Appropriation (equity injection)	-	-	-	-	-
Departmental Capital Budget (DCBs)	-	-	-	2,807	2,807
Sub-total transactions with owners	**-**	**-**	**-**	**2,807**	**2,807**
Transfers between equity components	-	-	-	-	-
Estimated closing balance as at 30 June 2013	**(25,652)**	**2,126**	**-**	**85,039**	**61,513**
Closing balance attributable to the Australian Government	**(25,652)**	**2,126**	**-**	**85,039**	**61,513**

Prepared on Australian Accounting Standards basis.

Table 3.2.4: Budgeted Departmental Statement of Cash Flows (for the period ended 30 June)

	Estimated actual 2011-12 $'000	Budget estimate 2012-13 $'000	Forward estimate 2013-14 $'000	Forward estimate 2014-15 $'000	Forward estimate 2015-16 $'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	139,292	133,714	111,842	112,619	107,295
Total cash received	**139,292**	**133,714**	**111,842**	**112,619**	**107,295**
Cash used					
Employees	80,742	72,407	73,851	73,540	71,026
Suppliers	54,085	53,269	33,387	34,112	36,269
Total cash used	**134,827**	**125,676**	**107,238**	**107,652**	**107,295**
Net cash from (or used by) operating activities	**4,465**	**8,038**	**4,604**	**4,967**	**-**
INVESTING ACTIVITIES					
Cash received					
Other	-	-	-	-	-
Total cash received	-	-	-	-	-
Cash used					
Purchase of property, plant and equipment	14,953	10,845	8,080	9,340	4,391
Total cash used	**14,953**	**10,845**	**8,080**	**9,340**	**4,391**
Net cash from (or used by) investing activities	**(14,953)**	**(10,845)**	**(8,080)**	**(9,340)**	**(4,391)**
FINANCING ACTIVITIES					
Cash received					
Appropriations - contributed equity	10,488	2,807	3,476	4,373	4,391
Total cash received	**10,488**	**2,807**	**3,476**	**4,373**	**4,391**
Cash used					
Other	-	-	-	-	-
Total cash used	-	-	-	-	-
Net cash from (or used by) financing activities	**10,488**	**2,807**	**3,476**	**4,373**	**4,391**
Net increase (or decrease) in cash held	-	-	-	-	-
Cash at the beginning of the reporting period	1,972	1,972	1,972	1,972	1,972
Cash at the end of the reporting period	**1,972**	**1,972**	**1,972**	**1,972**	**1,972**

Prepared on Australian Accounting Standards basis.

Table 3.2.5: Departmental Capital Budget Statement

	Estimated actual 2011-12 $'000	Budget estimate 2012-13 $'000	Forward estimate 2013-14 $'000	Forward estimate 2014-15 $'000	Forward estimate 2015-16 $'000
NEW CAPITAL APPROPRIATIONS					
Capital budget - Bill 1 (DCB)	9,088	2,807	3,476	4,373	4,391
Equity injections - Bill 2	1,400	-	-	-	-
Total new capital appropriations	**10,488**	**2,807**	**3,476**	**4,373**	**4,391**
Provided for:					
Purchase of non-financial assets	10,488	2,807	3,476	4,373	4,391
Total Items	**10,488**	**2,807**	**3,476**	**4,373**	**4,391**
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriations [1]	5,000	2,580	-	-	-
Funded by capital appropriation - DCB [2]	5,953	5,265	8,080	9,340	4,391
Funded internally from departmental resources [3]	4,000	3,000	-	-	-
TOTAL	**14,953**	**10,845**	**8,080**	**9,340**	**4,391**
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	14,953	10,845	8,080	9,340	4,391
less additions by finance lease	-	-	-	-	-
less additions by creditors / borrowings	-	-	-	-	-
Total cash used to acquire assets	**14,953**	**10,845**	**8,080**	**9,340**	**4,391**

[1] Includes both current and prior Bill 2/4/6 appropriations and special capital appropriations.

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

[3] Includes the following sources of funding:
- current and prior year Bill 1/3/5 appropriations (excluding amounts from the DCB)
- donations and contributions
- gifts
- internally developed assets
- s31 relevant agency receipts (for FMA agencies only)
- proceeds from the sale of assets.

Prepared on Australian Accounting Standards basis.

Table 3.2.6: Statement of Asset Movements (2012-13)

	Land and Buildings $'000	Infrastructure, Plant & Equipment $'000	Intangibles $'000	Total $'000
as at 1 July 2012				
Gross book value	46,145	2,621	23,114	71,880
Accumulated depreciation/amortisation	(24,173)	(1,074)	(13,730)	(38,977)
Opening net book balance	**21,972**	**1,547**	**9,384**	**32,903**
CAPITAL ASSET ADDITIONS				
Estimated expenditure on new or replacement assets				
by purchase or internally developed	7,845	-	3,000	10,845
Sub-total	**7,845**	**-**	**3,000**	**10,845**
Other Movements				
Depreciation/amortisation expense	(5,803)	(182)	(4,599)	(10,584)
as at 30 June 2013				
Gross book value	53,990	2,621	26,114	82,725
Accumulated depreciation/amortisation	(29,976)	(1,256)	(18,329)	(49,561)
Closing net book balance	**24,014**	**1,365**	**7,785**	**33,164**

Prepared on Australian Accounting Standards basis.

Table 3.2.7: Schedule of Budgeted Income and Expenses Administered on behalf of Government (for the period ended 30 June)

	Estimated actual 2011-12 $'000	Budget estimate 2012-13 $'000	Forward estimate 2013-14 $'000	Forward estimate 2014-15 $'000	Forward estimate 2015-16 $'000
INCOME ADMINISTERED ON BEHALF OF GOVERNMENT					
Revenue					
Non-taxation					
Other sources of non-taxation revenues	600	300	300	300	300
Total non-taxation	**600**	**300**	**300**	**300**	**300**
Total revenues administered on behalf of Government	**600**	**300**	**300**	**300**	**300**
Total income administered on behalf of Government	**600**	**300**	**300**	**300**	**300**
EXPENSES ADMINISTERED ON BEHALF OF GOVERNMENT					
Grants	-	-	-	-	-
Write down and impairment of assets	-	-	-	-	-
Total expenses administered on behalf of Government	**-**	**-**	**-**	**-**	**-**

Prepared on Australian Accounting Standards basis.

Table 3.2.8: Schedule of Budgeted Assets and Liabilities Administered on behalf of Government (as at 30 June)

	Estimated actual 2011-12 $'000	Budget estimate 2012-13 $'000	Forward estimate 2013-14 $'000	Forward estimate 2014-15 $'000	Forward estimate 2015-16 $'000
ASSETS					
Financial assets					
Receivables	864	864	864	864	864
Other financial assets	4	4	4	4	4
Total financial assets	**868**	**868**	**868**	**868**	**868**
Total assets administered on behalf of Government	**868**	**868**	**868**	**868**	**868**
LIABILITIES					
Payables					
Suppliers	-	-	-	-	-
Subsidies	-	-	-	-	-
Personal benefits	-	-	-	-	-
Grants	-	-	-	-	-
Other payables	-	-	-	-	-
Total payables	**-**	**-**	**-**	**-**	**-**
Interest bearing liabilities					
Loans	-	-	-	-	-
Leases	-	-	-	-	-
Deposits	-	-	-	-	-
Other	-	-	-	-	-
Total interest bearing liabilities	**-**	**-**	**-**	**-**	**-**
Provisions					
Employee provisions	-	-	-	-	-
Taxation refunds provided	-	-	-	-	-
Other provisions	-	-	-	-	-
Total provisions	**-**	**-**	**-**	**-**	**-**
Liabilities included in disposal groups held for sale	-	-	-	-	-
Total liabilities administered on behalf of Government	**-**	**-**	**-**	**-**	**-**
Net assets/(liabilities)	**868**	**868**	**868**	**868**	**868**

Prepared on Australian Accounting Standards basis.

Table 3.2.9: Schedule of Budgeted Administered Cash Flows (for the period ended 30 June)

	Estimated actual 2011-12 $'000	Budget estimate 2012-13 $'000	Forward estimate 2013-14 $'000	Forward estimate 2014-15 $'000	Forward estimate 2015-16 $'000
OPERATING ACTIVITIES					
Cash received					
Other	600	300	300	300	300
Total cash received	**600**	**300**	**300**	**300**	**300**
Cash used					
Other	-	-	-	-	-
Total cash used	-	-	-	-	-
Net cash from (or used by) operating activities	**600**	**300**	**300**	**300**	**300**
INVESTING ACTIVITIES					
Cash received					
Other	-	-	-	-	-
Total cash received	-	-	-	-	-
Cash used					
Other	-	-	-	-	-
Total cash used	-	-	-	-	-
Net cash from (or used by) investing activities	-	-	-	-	-
FINANCING ACTIVITIES					
Cash received					
Other	-	-	-	-	-
Total cash received	-	-	-	-	-
Cash used					
Other	-	-	-	-	-
Total cash used	-	-	-	-	-
Net cash from (or used by) financing activities	-	-	-	-	-
Net increase (or decrease) in cash held	**600**	**300**	**300**	**300**	**300**
Cash from Official Public Account for:					
- appropriations	-	-	-	-	-
- special accounts	-	-	-	-	-
Cash to Official Public Account for:					
- appropriations	-	-	-	-	-
- special accounts	-	-	-	-	-
- other	(600)	(300)	(300)	(300)	(300)
Cash at end of reporting period	-	-	-	-	-

Prepared on Australian Accounting Standards basis.

Table 3.2.10: Schedule of Asset Movements - Administered

The Fair Work Ombudsman has no administered assets.

3.2.4 Notes to the financial statements

Accounting Policy

The budgeted financial statements have been prepared in accordance with the requirements of the Finance Minister's Orders issued by the Minister for Finance and Deregulation.

The statements have been prepared:

- on an accrual accounting basis
- in compliance with Australian Accounting Standards and Australian Equivalents to International Financial Reporting Standards (AEIFRS) and other authoritative pronouncements of the Australian Accounting Standards Board and the Consensus Views of the Urgent Issues Group.

Agency Revenue from Government

Revenue from Government represents the purchase of outputs from the Fair Work Ombudsman by the Government.

Agency Revenue - Own Source Income

Revenue from the sale of goods and services is recognised upon the delivery of the goods or services to customers.

Agency Expenses – Employee Benefits

This item represents payments made and net increases or decreases in entitlements owed to employees for their services provided in the financial year.

Agency Expenses – Suppliers

This item represents payments to suppliers for goods and services.

Agency Expenses – Depreciation and Amortisation

Property, plant, equipment and intangible assets are written-off to their estimated residual values over their estimated useful lives to the Fair Work Ombudsman using, in all cases, the straight-line method of depreciation.

Computing equipment assets are depreciated over their useful lives which are between three and seven years. Office machines are depreciated over five years (20 per cent). Leasehold improvements are amortised on a straight-line basis over the lesser of the estimated useful life of the improvements or the unexpired period of the lease.

Forward estimates of depreciation expense are made using forecasts of net capital acquisition requirements over the forward years.

Agency Assets – Financial Assets – Cash

Cash represents notes and coins held and deposits at call with a bank or financial institution.

Agency Assets – Financial Assets – Receivables

Receivables represent amounts owing to the Fair Work Ombudsman for goods and services it has provided to external parties and cash reserves held in the Official Public Account.

Agency Assets – Non-Financial Assets

These items represent future economic benefits that the Fair Work Ombudsman will consume in producing outputs. Apart from re-valued assets, the reported value represents the purchase price paid less depreciation incurred to date in using that asset.

Infrastructure, plant and equipment is initially brought to account at cost, except for purchases costing less than $2,000, which are expensed in the year of acquisition (other than where they form part of a group of similar items which are significant in total).

Internally developed or purchased computer software, disclosed in the Departmental Balance Sheet as intangibles, is expensed in the year of acquisition except for purchased software costing more than $2,000 or for internally developed software costing more than $200,000 which are capitalised at cost.

Land and buildings (leasehold improvements) are initially brought to account at cost, except for purchases costing less than $2,000, which are expensed in the year of acquisition. The Fair Work Ombudsman annually reassesses and adjusts the values of land and buildings (leasehold improvements), infrastructure, plant and equipment.

Agency Liabilities – Provisions – Employees

Provision has been made for the Fair Work Ombudsman's liability for employee entitlements arising from services rendered by employees to balance date. This liability encompasses unpaid wages and salaries, annual and long service leave. No provision is made for sick leave.

The liability for leave expected to be settled within 12 months has been measured at the nominal amount.

Other employee entitlements payable later than one year have been estimated at the present value of the expected future cash outflows in relation to those entitlements. Attrition rates and pay rises through promotion and wage/salary agreements have been taken into account in calculating the provision for employee entitlements.

Agency Liabilities – Payables – Suppliers

This item mainly comprises trade creditors and operating lease rentals.

Administered Non-Taxation Revenue – Other Sources

This revenue comprises court awarded penalties relating to breaches of *the Fair Work Act 2009* and other relevant legislation. The penalties are administered by the Fair Work Ombudsman on behalf of Government.

Administered Assets – Financial Assets – Receivables

These assets comprise receivables relating to court awarded penalties for breaches of the *Fair Work Act 2009* and other relevant legislation. The penalties are administered by the Fair Work Ombudsman on behalf of Government.

Administered Cash Flows

These cash flows relate to court awarded penalties for breaches of the *Fair Work Act 2009* and other relevant legislation. The penalties are administered by the Fair Work Ombudsman on behalf of Government and are paid directly into the Consolidated Revenue Fund.

OFFICE OF THE AUSTRALIAN BUILDING AND CONSTRUCTION COMMISSIONER

(POSITIONAL ONLY)

OFFICE OF THE AUSTRALIAN BUILDING AND CONSTRUCTION COMMISSIONER

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OFFICE OF THE AUSTRALIAN BUILDING AND CONSTRUCTION COMMISSIONER

Section 1: Agency overview and resources

1.1 STRATEGIC DIRECTION STATEMENT

The Office of the Australian Building and Construction Commissioner was established on 1 October 2005 by the *Building and Construction Industry Improvement Act 2005*. It is an independent statutory body responsible for investigating and prosecuting breaches of the *Building and Construction Industry Improvement Act 2005*, the *Independent Contractors Act 2006 and* the *Fair Work Act 2009* in relation to the building and construction industry.

The Office of the Australian Building and Construction Commissioner (ABCC) has prime responsibility for the following matters in respect of the building and construction industry:

- Investigating suspected contraventions of the *Building and Construction Industry Improvement Act 2005*, the *Independent Contractors Act 2006*, the *Fair Work Act 2009*, workplace agreements, orders and awards.
- Instituting proceedings against industry participants contravening the relevant Acts, agreements, orders and awards.
- Intervening in matters before Fair Work Australia or the courts that involve an industry participant or building work.
- Monitoring, promoting and securing compliance with the National Code.
- Providing advice and assistance to industry participants regarding their rights and obligations.
- Disseminating information about the relevant Acts, the National Code and promoting appropriate standards of conduct by industry participants.
- If appropriate, referring matters to other Commonwealth, State or Territory bodies including the Australian Competition and Consumer Commission, the Australian Taxation Office, and the Australian Federal Police.

During 2011-12, the ABCC planned to achieve the following outcomes:

- the workplace relations conduct of industry participants is lawful
- participants who engage in unlawful conduct are held accountable for their actions
- an increased level of compliance with the National Code.

Challenges impacting on the ABCC outcomes during 2011-12 were:

- to maintain the momentum of reform during a transition period to new regulatory arrangements
- the continued disregard some industry participants display towards the legal rights of others.

Subject to any Ministerial determinations providing otherwise, the ABCC will cease operations on, or around, 1 June 2012 in accordance with the *Fair Work (Building Industry) Act 2012*. The staff, assets, liabilities and Departmental appropriations of the ABCC will transfer to the Office of the Fair Work Building Industry Inspectorate (FWBII) on the commencement date of the *Fair Work (Building Industry) Act 2012*.

1.2 AGENCY RESOURCE STATEMENT

Table 1.1 shows the total resources from all sources. The table summarises how resources will be applied by outcome and by administered and departmental classification.

Table 1.1: Office of the Australian Building and Construction Commissioner Resource Statement — Budget Estimates for 2012-13 as at Budget May 2012

		Estimate of prior year amounts available in 2012-13 $'000	+ Proposed at Budget 2012-13 $'000	= Total estimate 2012-13 $'000	Actual available appropriation 2011-12 $'000
Ordinary annual services					
Departmental appropriation					
Prior year departmental appropriation		-	-	-	36,006
Departmental appropriation		-	-	-	64
Total		**-**	**-**	**-**	**36,070**
Total ordinary annual services	**A**	**-**	**-**	**-**	**36,070**
Other services					
Departmental non-operating					
Equity injections					
Total		**-**	**-**	**-**	**-**
Total other services	**B**	**-**	**-**	**-**	**-**
Total available annual appropriations		**-**	**-**	**-**	**36,070**
Special appropriations					
Total special appropriations	**C**	**-**	**-**	**-**	**-**
Total appropriations excluding Special Accounts		**-**	**-**	**-**	**36,070**
Special Accounts					
Opening balance		**-**	**-**	**-**	**-**
Total Special Account	**D**	**-**	**-**	**-**	**-**
Total resourcing A+B+C+D		**-**	**-**	**-**	**36,070**
Less appropriations drawn from					
annual or special appropriations above		-	-	-	-
and credited to special accounts		-	-	-	-
and/or CAC Act bodies through annual appropriations		-	-	-	-
Total net resourcing for the Office of the Australian Building and Construction Commissioner		**-**	**-**	**-**	**36,070**

All figures are GST exclusive.

1.3 BUDGET MEASURES

Budget measures relating to the Office of the Australian Building and Construction Commissioner are detailed in Budget Paper No. 2 and are summarised below.

Table 1.2: Office of the Australian Building and Construction Commissioner 2012-13 Budget measures

	Program	2011-12 $'000	2012-13 $'000	2013-14 $'000	2014-15 $'000	2015-16 $'000
Expense measures (if applicable)						
Efficiency Dividend - increase in the rate	1.1					
Departmental expenses		-	(848)	(857)	(865)	(875)
Total		**-**	**(848)**	**(857)**	**(865)**	**(875)**
Total expense measures						
Departmental		-	(848)	(857)	(865)	(875)
Total		**-**	**(848)**	**(857)**	**(865)**	**(875)**
Capital measures (if applicable)						
Efficiency Dividend - increase in the rate	1.1					
Departmental capital		-	(170)	(29)	(112)	(113)
Total		**-**	**(170)**	**(29)**	**(112)**	**(113)**
Total capital measures						
Departmental		-	(170)	(29)	(112)	(113)
Total		**-**	**(170)**	**(29)**	**(112)**	**(113)**

Prepared on a Government Finance Statistics (fiscal) basis.

Section 2: Outcomes and planned performance

2.1 OUTCOMES AND PERFORMANCE INFORMATION

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 agencies achieve the intended results of their outcome statements. Agencies 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, specifying the performance indicators and targets used to assess and monitor the performance of the ABCC in achieving Government outcomes.

Outcome 1: Workplace relations laws are enforced in building and construction industry workplaces

Outcome 1 Strategy

Key strategies towards achieving the ABCC's outcomes in 2011-12 were to:

- Inform and educate industry participants through a variety of mediums about their rights and obligations.
- Provide an active and accessible team of investigators to respond quickly to complaints of unlawful conduct.
- Undertake legal proceedings in a timely manner to ensure those contravening the law are held accountable for their actions.

Outcome Expense Statement

Table 2.1 provides an overview of the total expenses for outcome 1 by program.

Table 2.1: Budgeted Expenses for Outcome 1

Outcome 1: Workplace relations laws are enforced in building and construction industry workplaces	2011-12 Estimated actual expenses $'000	2012-13 Estimated expenses $'000
Program 1.1: Workplace relations laws are enforced in building and construction industry workplaces		
Departmental expenses		
Departmental appropriation [1]	30,820	-
Expenses not requiring appropriation in the Budget year [2]	1,268	-
Total for Program 1.1	**32,088**	-
Outcome 1 Totals by appropriation type		
Departmental expenses		
Departmental appropriation [1]	30,820	-
Expenses not requiring appropriation in the Budget year [2]	1,268	-
Total expenses for Outcome 1	**32,088**	-
	2011-12	2012-13
Average Staffing Level (number) [3]	**155**	-

[1] Departmental Appropriation combines "Ordinary annual services (Appropriation Bill No. 1)" and "Revenue from independent sources (s31)".

[2] Expenses not requiring appropriation in the Budget year is made up of Depreciation Expense, Amortisation Expense, Makegood Expense, Audit Fees.

[3] On 1 June 2012 the ABCC was abolished and new a new agency was created in its place. Although the FWBII was operational with staff in 2011-12 the ASL count is shown against ABCC.

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

	2011-12 Revised budget $'000	2012-13 Budget $'000	2013-14 Forward year 1 $'000	2014-15 Forward year 2 $'000	2015-16 Forward year 3 $'000
Annual departmental expenses:					
Departmental Appropriation	30,820	-	-	-	-
Expenses not requiring appropriation in the Budget year [1]	1,268	-	-	-	-
Total program expenses	**32,088**	**-**	**-**	**-**	**-**

[1] Expenses not requiring appropriation in the Budget year is made up of Depreciation Expense, Amortisation Expense, Makegood Expense, Audit Fees.

Contributions to Outcome 1

Program 1.1: Workplace relations laws are enforced in building and construction industry workplaces

Program objective

The objective of the ABCC is to achieve the following:

- workplace relations conduct of industry participants is lawful
- participants who engage in unlawful conduct are held accountable for their actions
- an improved level of knowledge of building industry participants about their rights and obligations.

Program expenses

- The ABCC has not identified any significant trends, changes or variances in the program expenses over the forward years.

Program 1.1 Deliverables

Deliverable	2011-12 Target
Level of satisfaction of clients with quality and timeliness of advice and assistance provided by the ABCC.	75 per cent of surveyed clients satisfied or highly satisfied
Timeliness in bringing actions against contraventions of the *Building and Construction Industry Improvement Act 2005*, the *Independent Contractors Act 2006 and* the *Fair Work Act 2009*, agreements, awards and orders.	75 per cent of cases commenced within 18 months of receipt of complaint
Level of satisfaction of a range of industry participants with contact aimed at promoting appropriate standards of conduct.	75 per cent of surveyed industry participants satisfied or highly satisfied

Program 1.1 Key Performance Indicators

- The building and construction industry's workplace relations are conducted in a lawful manner. The rates of industrial disruption and lawlessness do not depart from all industry figures.
- The industry's workplace relations are fair for all parties and facilitate the adoption of more efficient and productive practices.

Section 3: Explanatory tables and budgeted financial statements

Section 3 presents explanatory tables and budgeted financial statements which provide a comprehensive snapshot of agency finances for the 2012-13 budget year. It explains how budget plans are incorporated into the financial statements and provides further details of the reconciliation between appropriations and program expenses, movements in administered funds, special accounts and government indigenous expenditure.

3.1 EXPLANATORY TABLES

3.1.1 Movement of administered funds between years

Administered funds can be provided for a specified period, for example under annual Appropriation Acts. Funds not used in the specified period with the agreement of the Finance Minister may be moved to a future year. Table 3.1.1 shows the movement of administered funds approved between years.

Table 3.1.1: Movement of Administered Funds between years

The ABCC has no Administered funds. For this reason Table 3.1.1 is not presented.

3.1.2 Special Accounts

Special Accounts provide a means to set aside and record amounts used for specified purposes. Special Accounts can be created by a Finance Minister's Determination under the FMA Act or under separate enabling legislation. Table 3.1.2 shows the expected additions (receipts) and reductions (payments) for each account used by the ABCC.

Table 3.1.2: Estimates of Special Account Flows and Balances

The ABCC has no Special accounts. For this reason Table 3.1.2 is not presented.

3.1.3 Australian Government Indigenous Expenditure

The 2012-13 Australian Government Indigenous Statement is not applicable because the ABCC has no indigenous specific expenses. For this reason Table 3.1.3 is not presented.

3.2 BUDGETED FINANCIAL STATEMENTS

3.2.1 Differences in agency resourcing and financial statements

The ABCC does not have any significant differences to report.

3.2.3 Budgeted financial statements tables

Table 3.2.1 Comprehensive Income Statement (Showing Net Cost of Services) (for the period ended 30 June)

	Estimated actual 2011-12 $'000	Budget estimate 2012-13 $'000	Forward estimate 2013-14 $'000	Forward estimate 2014-15 $'000	Forward estimate 2015-16 $'000
EXPENSES					
Employee benefits	17,446	-	-	-	-
Suppliers	13,426	-	-	-	-
Depreciation and amortisation	1,216	-	-	-	-
Total expenses	**32,088**	-	-	-	-
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Other	116	-	-	-	-
Total own-source revenue	**116**	-	-	-	-
Net cost of (contribution by) services	(31,972)	-	-	-	-
Revenue from Government	**30,756**	-	-	-	-
Surplus (Deficit) attributable to the Australian Government	**(1,216)**	-	-	-	-
OTHER COMPREHENSIVE INCOME					
Total comprehensive income (loss) attributable to the Australian Government	**(1,216)**	-	-	-	-

Note: Impact of Net Cash Appropriation Arrangements	2011-12 $'000	2012-13 $'000	2013-14 $'000	2014-15 $'000	2015-16 $'000
Total Comprehensive Income (loss) less depreciation/amortisation expenses previously funded through revenue appropriations.	-	-	-	-	-
plus depreciation/amortisation expenses previously funded through revenue appropriations[1]	(1,216)	-	-	-	-
Total Comprehensive Income (loss) - as per the Statement of Comprehensive Income	**(1,216)**	-	-	-	-

Prepared on Australian Accounting Standards basis.

Table 3.2.2: Budgeted Departmental Balance Sheet (as at 30 June)

	Estimated actual 2011-12 $'000	Budget estimate 2012-13 $'000	Forward estimate 2013-14 $'000	Forward estimate 2014-15 $'000	Forward estimate 2015-16 $'000
ASSETS					
Financial assets					
Cash and cash equivalents	-	-	-	-	-
Trade and other receivables	-	-	-	-	-
Total financial assets	-	-	-	-	-
Non-financial assets					
Land and buildings	-	-	-	-	-
Property, plant and equipment	-	-	-	-	-
Intangibles	-	-	-	-	-
Total non-financial assets	-	-	-	-	-
Total assets	-	-	-	-	-
LIABILITIES					
Payables					
Suppliers	-	-	-	-	-
Total payables	-	-	-	-	-
Provisions					
Employee provisions	-	-	-	-	-
Other provisions	-	-	-	-	-
Total provisions	-	-	-	-	-
Total liabilities	-	-	-	-	-
Net assets	-	-	-	-	-
EQUITY*					
Parent entity interest					
Contributed equity	-	-	-	-	-
Retained surplus (accumulated deficit)	-	-	-	-	-
Total parent entity interest	-	-	-	-	-
Total Equity	-	-	-	-	-

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

Table 3.2.3: Departmental Statement of Changes in Equity — summary of movement (Budget year 2012-13)

	Retained earnings $'000	Asset revaluation reserve $'000	Other reserves $'000	Contributed equity/ capital $'000	Total equity $'000
Opening balance as at 1 July 2012					
Balance carried forward from previous period	-	-	-	-	-
Adjustment for changes in accounting policies	-	-	-	-	-
Adjusted opening balance	-	-	-	-	-
Comprehensive income					
Other comprehensive income	-	-	-	-	-
Surplus (deficit) for the period	-	-	-	-	-
Total comprehensive income	-	-	-	-	-
Transactions with owners					
Distributions to owners					
Other	-	-	-	-	-
Contributions by owners					
Other	-	-	-	-	-
Sub-total transactions with owners	-	-	-	-	-
Transfers between equity components	-	-	-	-	-
Estimated closing balance as at 30 June 2013	-	-	-	-	-
Closing balance attributable to the Australian Government	-	-	-	-	-

Prepared on Australian Accounting Standards basis.

Table 3.2.4: Budgeted Departmental Statement of Cash Flows (for the period ended 30 June)

	Estimated actual 2011-12 $'000	Budget estimate 2012-13 $'000	Forward estimate 2013-14 $'000	Forward estimate 2014-15 $'000	Forward estimate 2015-16 $'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	30,756	-	-	-	-
Other	64	-	-	-	-
Total cash received	**30,820**	-	-	-	-
Cash used					
Employees	17,908	-	-	-	-
Suppliers	13,170	-	-	-	-
Total cash used	**31,078**	-	-	-	-
Net cash from (used by) operating activities	**(258)**	-	-	-	-
INVESTING ACTIVITIES					
Cash received	-	-	-	-	-
Total cash received	-	-	-	-	-
Cash used					
Purchase of property, plant and equipment	567	-	-	-	-
Total cash used	**567**	-	-	-	-
Net cash from (used by) investing activities	**(567)**	-	-	-	-
FINANCING ACTIVITIES					
Cash received					
Contributed equity	567	-	-	-	-
Total cash received	**567**	-	-	-	-
Cash used					
Total cash used	-	-	-	-	-
Net cash from (used by) financing activities	**567**	-	-	-	-
Net increase (decrease) in cash held	**(258)**	-	-	-	-
Cash and cash equivalents at the beginning of the reporting period	258	-	-	-	-
Cash and cash equivalents at the end of the reporting period	-	-	-	-	-

Prepared on Australian Accounting Standards basis.

Table 3.2.5: Departmental Capital Budget Statement

	Estimated actual 2011-12 $'000	Budget estimate 2012-13 $'000	Forward estimate 2013-14 $'000	Forward estimate 2014-15 $'000	Forward estimate 2015-16 $'000
NEW CAPITAL APPROPRIATIONS					
Capital budget - Bill 1 (DCB)	2,454	-	-	-	-
Total new capital appropriations	**2,454**	-	-	-	-
Provided for:					
Purchase of non-financial assets	2,454	-	-	-	-
Total Items	**2,454**	-	-	-	-
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriation - DCB [1]	567	-	-	-	-
Funded internally from departmental resources [2]	-	-	-	-	-
TOTAL	**567**	**-**	-	-	-
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	567	-	-	-	-
Total cash used to acquire assets	**567**	-	**-**	**-**	**-**

Prepared on Australian Accounting Standards basis.

[1] Does not include annual finance lease costs. Include purchase from current and previous years' Departmental Capital Budgets (DCBs).

[2] Includes the following sources of funding:
- current and prior year Bill 1/3/5 appropriations (excluding amounts from the DCB).
- donations and contributions
- gifts
- internally developed assets
- s31 relevant agency receipts (for FMA agencies only)
- proceeds from the sale of assets

Table 3.2.6: Statement of Asset Movements (2012-13)

	Buildings	Other property, plant and equipment	Computer software and intangibles	Total
	$'000	$'000	$'000	$'000
As at 1 July 2012				
Gross book value	-	-	-	-
Accumulated depreciation/amortisation and impairment	-	-	-	-
Opening net book balance	-	-	-	-
CAPITAL ASSET ADDITIONS				
Estimated expenditure on new or replacement assets				
By purchase - appropriation equity [1]	-	-	-	-
By purchase - appropriation ordinary annual services [2]	-	-	-	-
By purchase - other	-	-	-	-
Total additions	-	-	-	-
Other movements				
Depreciation/amortisation expense	-	-	-	-
Disposals				
From disposal of entities or operations (including restructuring)	-	-	-	-
Other	-	-	-	-
Total other movements	-	-	-	-
As at 30 June 2013				
Gross book value	-	-	-	-
Accumulated depreciation/amortisation and impairment	-	-	-	-
Closing net book balance	-	-	-	-

Prepared on Australian Accounting Standards basis.

Table 3.2.7: Schedule of Budgeted Income and Expenses Administered on behalf of Government (for the period ended 30 June)

The ABCC has no income and expenses administered on behalf of government. For this reason Table 3.2.7 is not presented.

Table 3.2.8: Schedule of Budgeted Assets and Liabilities Administered on behalf of Government (as at 30 June)

The ABCC has no assets and liabilities administered on behalf of government. For this reason Table 3.2.8 is not presented.

Table 3.2.9: Schedule of Budgeted Administered Cash Flows (for the period ended 30 June)

The ABCC has no administered cash flows. For this reason Table 3.2.9 is not presented.

Table 3.2.10: Schedule of Administered Capital Budget

The ABCC has no administered capital budget. For this reason Table 3.2.10 is not presented.

Table 3.2.11: Schedule of Asset Movements — Administered

The ABCC has no administered assets. For this reason Table 3.2.11 is not presented.

3.2.4 Notes to the financial statements

The budgeted financial statements have been prepared in accordance with the Finance Minister's Orders issued by the Minister for Finance and Deregulation.

The statements have been prepared:

- on an accrual accounting basis
- in compliance with Australian Accounting Standards and Australian Equivalents to International Financial Reporting Standards (AEIFRS) and other authoritative pronouncements of the Australian Accounting Standards Board and the consensus views of the Urgent Issues Group
- having regard to Statements of Accounting Concepts.

Departmental revenue from government

Revenue from government represents the purchase of programs from the ABCC by the government.

Departmental own source revenue

Revenue from the sale of goods and services is recognised upon the delivery of the goods and services to the customers.

Departmental expenses – employee benefits

This item represents payments and net increases or decreases in entitlements owed to employees for their services rendered in the financial year.

Departmental expenses - suppliers

This item represents payments to suppliers for goods and services.

Departmental expenses – depreciation and amortisation

Property, plant and equipment assets are written-off to their estimated residual values over their estimated useful lives to the ABCC using the straight-line method of depreciation. Forward estimates of depreciation expense are made using forecasts of net capital acquisitions over the forward years.

Departmental assets – financial assets - cash

Cash includes notes and coins held and deposits at call with a bank or financial institution.

Departmental assets – financial assets - receivables

Receivables represent amounts owing to the ABCC for cash reserves held in the Official Public Account and prepayments.

Departmental assets – non-financial assets

These items represent future economic benefits that the ABCC will consume in producing outputs.

Property, plant and equipment and intangibles are brought to account at cost, except for purchases costing less than $50,000 for internally developed computer software, less than $20,000 for leasehold improvements and less than $2,000 for all other classes, which are expensed in the year of acquisition (other than where they form part of a group of similar items that are significant in total).

Following initial recognition at cost property, plant and equipment are carried at fair value less accumulated depreciation. Valuations are conducted with sufficient frequency to ensure that the carrying amount does not differ materially from the assets' fair values at reporting date.

Departmental liabilities – provisions - employees

Provision has been made for the ABCC's liability for employee entitlements arising from services rendered by employees to balance date. This liability encompasses wages and salaries that are yet to be paid, annual and long service leave. No provision is made for sick leave.

Employee entitlements payable are measured as the present value of the estimated future cash outflows to be made in respect of services provided by employees up to the reporting date. Liabilities expected to be settled within twelve months are measured at the nominal amount.

Departmental liabilities – payables - suppliers

Suppliers and other payables are recognised at amortised cost. Liabilities are recognised to the extent that the goods or services have been received (and irrespective of having been invoiced).

OFFICE OF THE FAIR WORK BUILDING INDUSTRY INSPECTORATE

(POSITIONAL ONLY)

OFFICE OF THE FAIR WORK BUILDING INDUSTRY INSPECTORATE

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OFFICE OF THE FAIR WORK BUILDING INDUSTRY INSPECTORATE

Section 1: Agency overview and resources

1.1 STRATEGIC DIRECTION STATEMENT

The Office of the Fair Work Building Industry Inspectorate (FWBII) is an independent statutory agency established by the *Fair Work (Building Industry) Act 2012*. FWBII commenced operations on 1st June 2012.

In respect of the building and construction industry, FWBII is primarily responsible for:

- the provision of education, assistance and advice to industry participants regarding their rights and obligations
- inquiring into and investigating acts or practices by industry participants
- commencing civil penalty litigation, or making submissions to Fair Work Australia, to enforce compliance by industry participants
- representing industry participants who are, or may become, a party to court proceedings or matters before Fair Work Australia to promote compliance with relevant workplace laws
- referring matters to relevant authorities where appropriate.

in relation to:

- *Fair Work (Building Industry) Act 2012*
- *Fair Work Act 2009*, the *Fair Work (Transitional Provisions and Consequential Amendments) Act 2009* and the *Independent Contractors Act 2006*
- safety net contractual entitlements
- awards, agreements, orders, the Australian Fair Pay and Conditions Standard, a fair work instrument and the National Employment Standards, and
- the National Code of Practice for the Construction Industry.

Subject to any Ministerial determinations providing otherwise, FWBII will commence operations on, or around, 1 June 2012 in accordance with the *Fair Work (Building Industry) Act 2012*. The staff, assets, liabilities and Departmental appropriations of the Office of the Australian Building and Construction Commissioner (ABCC) will transfer to Fair Work Building Industry Inspectorate (FWBII) on the commencement date of the *Fair Work (Building Industry) Act 2012*.

During 2012-13, FWBII plans to achieve the following outcomes:

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

Challenges facing FWBII outcomes during 2012-13 include:

- promoting awareness of legislative changes applicable to building and construction industry participants;

- maintaining momentum of reform during the transition period to new regulatory arrangements and statutory offices.

1.2 AGENCY RESOURCE STATEMENT

Table 1.1 shows the total resources from all sources. The table summarises how resources will be applied by outcome and by administered and departmental classification.

Table 1.1: Office of the Fair Work Building Industry Inspectorate Resource Statement — Budget Estimates for 2012-13 as at Budget May 2012

		Estimate of prior year amounts available in 2012-13 $'000	+ Proposed at Budget 2012-13 $'000	= Total estimate 2012-13 $'000	Actual available appropriation 2011-12 $'000
Ordinary annual services					
Departmental appropriation					
Prior year departmental appropriation [1,2&3]		43,947	30,656	74,603	-
Departmental appropriation[4]		-	70	70	6
Total		**43,947**	**30,726**	**74,673**	**6**
Total ordinary annual services	**A**	**43,947**	**30,726**	**74,673**	**6**
Other services					
Departmental non-operating					
Equity injections		-	-	-	-
Total		**-**	**-**	**-**	**-**
Total other services	**B**	**-**	**-**	**-**	**-**
Total available annual appropriations		**43,947**	**30,726**	**74,673**	**6**
Special appropriations					
Total special appropriations	**C**	**-**	**-**	**-**	**-**
Total appropriations excluding Special Accounts		**43,947**	**30,726**	**74,673**	**6**
Special Accounts					
Opening balance		-	-	-	-
Total Special Account	**D**	**-**	**-**	**-**	**-**
Total resourcing A+B+C+D		**43,947**	**30,726**	**74,673**	**6**
Less appropriations drawn from					
annual or special appropriations above		-	-	-	-
and credited to special accounts		-	-	-	-
and/or CAC Act bodies through annual appropriations		-	-	-	-
Total net resourcing for the Office of the Fair Work Building Industry Inspectorate		**43,947**	**30,726**	**74,673**	**6**

[1] Appropriation Bill (No.1) 2012-13

[2] Estimated adjusted balance carried forward from previous year

[3] Includes an amount of $0.676m in 2012-13 for the Departmental Capital Budget (refer to table 3.2.5 for further details). For accounting purposes this amount has been designated as 'contributions by owners'.

[4] s31 Relevant Agency receipts - estimate

All figures are GST exclusive.

1.3 BUDGET MEASURES

Budget measures relating to the Office of the Fair Work Building Industry Inspectorate are detailed in Budget Paper No. 2 and are summarised below.

Table 1.2: Office of the Fair Work Building Industry Inspectorate 2012-13 Budget measures

	Program	2011-12 $'000	2012-13 $'000	2013-14 $'000	2014-15 $'000	2015-16 $'000
Expense measures						
Office of the Fair Work Building Industry Inspectorate - operational efficiencies	1.1					
Departmental expenses		-	(3,000)	(3,000)	(3,000)	(3,000)
Total		**-**	**(3,000)**	**(3,000)**	**(3,000)**	**(3,000)**
Total expense measures						
Departmental		-	(3,000)	(3,000)	(3,000)	(3,000)
Total		**-**	**(3,000)**	**(3,000)**	**(3,000)**	**(3,000)**

Prepared on a Government Finance Statistics (fiscal) basis.

Section 2: Outcomes and planned performance

2.1 OUTCOMES AND PERFORMANCE INFORMATION

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 agencies achieve the intended results of their outcome statements. Agencies 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, specifying the performance indicators and targets used to assess and monitor the performance of FWBII in achieving Government outcomes.

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

Outcome 1 Strategy

Key strategies towards achieving FWBII's outcome in 2012-13 are to:

- provide education, assistance and advice to industry participants
- conduct targeted educational and compliance campaigns
- conduct investigations into alleged breaches of workplace laws
- commence civil penalty litigation
- provide ready-access to information on relevant workplace laws and codes of practice

Outcome Expense Statement

Table 2.1 provides an overview of the total expenses for outcome 1 by program.

Table 2.1: Budgeted Expenses for Outcome 1

Outcome 1: Enforce workplace relations laws in the building and construction industry and ensure compliance with those laws by all participants in the building and construction industry through the provision of education, assistance and advice.	2011-12 Estimated actual expenses $'000	2012-13 Estimated expenses $'000
Program 1.1: Education, advice and compliance functions		
Departmental expenses		
Departmental appropriation [1]	2,802	30,050
Expenses not requiring appropriation in the Budget year [2]	115	1,687
Total for Program 1.1	**2,917**	**31,737**
Outcome 1 Totals by appropriation type		
Departmental expenses		
Departmental appropriation [1]	2,802	30,050
Expenses not requiring appropriation in the Budget year [2]	115	1,687
Total expenses for Outcome 1	**2,917**	**31,737**
	2011-12	2012-13
Average Staffing Level (number) [3]	-	**155**

[1] Departmental Appropriation combines "Ordinary annual services (Appropriation Bill No. 1)" and "Revenue from independent sources (s31)".

[2] Expenses not requiring appropriation in the Budget year is made up of Depreciation Expense, Amortisation Expense, Makegood Expense, Audit Fees.

[3] On 1 June 2012 the ABCC was abolished and new a new agency was created in its place. Although the FWBII was operational with staff in 2011-12 the ASL count is shown against ABCC.

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

Contributions to Outcome 1

Program 1.1: Education, Advice and Compliance Functions

Program objective

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

Program expenses

FWBII has not identified any significant trends, changes or variances in the program expenses over the forward years.

Program 1.1 Deliverables

The deliverables of FWBII are to:

- Promote awareness of, and compliance with, workplace laws by all participants of the building and construction industry.
- Investigate alleged breaches of workplace laws and undertake targeted educational and compliance activities.
- Litigate, where necessary, to enforce compliance with workplace laws.

KPI	2012-13 Target
Level of satisfaction of clients with quality and timeliness of advice and assistance provided by FWBII.	75 per cent of surveyed clients satisfied or highly satisfied.
Timeliness in bringing actions against contraventions of the *Fair Work Act 2009*, the *Independent Contractors Act 2006*, agreements, awards and orders.	File 75% of matters in court within 18 months of the complaint being lodged.
Level of satisfaction of a range of industry participants with contact aimed at promoting appropriate standards of conduct.	75 per cent of cases commenced within 18 months of receipt of complaint.

Section 3: Explanatory tables and budgeted financial statements

Section 3 presents explanatory tables and budgeted financial statements which provide a comprehensive snapshot of agency finances for the 2012-13 budget year. It explains how budget plans are incorporated into the financial statements and provides further details of the reconciliation between appropriations and program expenses, movements in administered funds, special accounts and government indigenous expenditure.

3.1 EXPLANATORY TABLES

3.1.1 Movement of administered funds between years

Administered funds can be provided for a specified period, for example under annual Appropriation Acts. Funds not used in the specified period with the agreement of the Finance Minister may be moved to a future year. Table 3.1.1 shows the movement of administered funds approved between years.

Table 3.1.1: Movement of Administered Funds between years

FWBII has no Administered funds. For this reason Table 3.1.1 is not presented.

3.1.2 Special Accounts

Special Accounts provide a means to set aside and record amounts used for specified purposes. Special Accounts can be created by a Finance Minister's Determination under the FMA Act or under separate enabling legislation. Table 3.1.2 shows the expected additions (receipts) and reductions (payments) for each account used by FWBII.

Table 3.1.2: Estimates of Special Account Flows and Balances

FWBII has no Special accounts. For this reason Table 3.1.2 is not presented.

3.1.3 Australian Government Indigenous Expenditure

The 2012-13 Australian Government Indigenous Statement is not applicable because FWBII has no indigenous specific expenses. For this reason Table 3.1.3 is not presented.

3.2 BUDGETED FINANCIAL STATEMENTS

3.2.1 Differences in agency resourcing and financial statements

FWBII does not have any significant differences to report.

3.2.2 Analysis of budgeted financial statements

An analysis of FWBII's budgeted financial statements for 2012-13 is provided below.

Comprehensive income statement

FWBII is budgeting for a deficit equal to the unappropriated depreciation and amortisation expense in 2012-13 and the three forward years.

Total expenses for 2012-13 is estimated to be $31.8 million.

Budgeted departmental balance sheet

FWBII has a budgeted net asset position of $36.5 million in 2012-13.

Total assets for 2012-13 are estimated to be $43.5 million comprising $38.8 million of financial assets and $4.7 million in non-financial assets.

Total liabilities for 2012-13 are estimated to be $7.0 million with the primary liabilities being accrued employee entitlements which total $3.0 million, supplier payables of $1.1 million and lease incentives of $2.9 million.

3.2.3 Budgeted financial statements tables

Table 3.2.1 Comprehensive Income Statement (Showing Net Cost of Services) (for the period ended 30 June)

	Estimated actual 2011-12 $'000	Budget estimate 2012-13 $'000	Forward estimate 2013-14 $'000	Forward estimate 2014-15 $'000	Forward estimate 2015-16 $'000
EXPENSES					
Employee benefits	1,586	19,524	20,001	20,587	21,292
Suppliers	1,221	10,584	10,461	10,182	9,868
Depreciation and amortisation	110	1,629	1,477	1,527	2,472
Total expenses	**2,917**	**31,737**	**31,939**	**32,296**	**33,632**
LESS:					
OWN-SOURCE INCOME					
Other	11	128	129	128	122
Total own-source revenue	**11**	**128**	**129**	**128**	**122**
Net cost of (contribution by) services	**(2,906)**	**(31,609)**	**(31,810)**	**(32,168)**	**(33,510)**
Revenue from Government	2,796	29,980	30,333	30,641	31,038
Surplus (Deficit) attributable to the Australian Government	**(110)**	**(1,629)**	**(1,477)**	**(1,527)**	**(2,472)**
OTHER COMPREHENSIVE INCOME					
Total comprehensive income (loss) attributable to the Australian Government	**(110)**	**(1,629)**	**(1,477)**	**(1,527)**	**(2,472)**

Note: Impact of Net Cash Appropriation Arrangements	2011-12 $'000	2012-13 $'000	2013-14 $'000	2014-15 $'000	2015-16 $'000
Total Comprehensive Income (loss) less depreciation/amortisation expenses previously funded through revenue appropriations.	**-**	**-**	**-**	**-**	**-**
plus depreciation/amortisation expenses previously funded through revenue appropriations[1]	(110)	(1,629)	(1,477)	(1,527)	(2,472)
Total Comprehensive Income (loss) - as per the Statement of Comprehensive Income	**(110)**	**(1,629)**	**(1,477)**	**(1,527)**	**(2,472)**

Prepared on Australian Accounting Standards basis.

[1]From 2010-11, the Government introduced net cash appropriation arrangements where Bill 1 revenue appropriations for the depreciation/amortisation expenses of FMA Act agencies 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 3.2.5 Departmental Capital Budget Statement.

Table 3.2.2: Budgeted Departmental Balance Sheet (as at 30 June)

	Estimated actual 2011-12 $'000	Budget estimate 2012-13 $'000	Forward estimate 2013-14 $'000	Forward estimate 2014-15 $'000	Forward estimate 2015-16 $'000
ASSETS					
Financial assets					
Cash and cash equivalents	121	316	617	619	701
Trade and other receivables	39,651	38,446	38,183	38,249	33,320
Total financial assets	**39,772**	**38,762**	**38,800**	**38,868**	**34,021**
Non-financial assets					
Land and buildings	3,360	2,476	1,662	717	3,505
Property, plant and equipment	237	194	102	389	245
Intangibles	596	1,561	1,150	750	350
Other non-financial assets	415	414	415	415	415
Total non-financial assets	**4,608**	**4,645**	**3,329**	**2,271**	**4,515**
Total assets	**44,380**	**43,407**	**42,129**	**41,139**	**38,536**
LIABILITIES					
Payables					
Suppliers	1,058	1,058	1,058	1,058	1,058
Total payables	**1,058**	**1,058**	**1,058**	**1,058**	**1,058**
Provisions					
Employee provisions	2,961	2,961	2,961	2,961	2,961
Other provisions	2,914	2,894	2,975	3,065	2,482
Total provisions	**5,875**	**5,855**	**5,936**	**6,026**	**5,443**
Total liabilities	**6,933**	**6,913**	**6,994**	**7,084**	**6,501**
Net assets	**37,447**	**36,494**	**35,135**	**34,055**	**32,035**
EQUITY*					
Parent entity interest					
Contributed equity	3,942	4,618	4,736	5,183	5,635
Retained surplus (accumulated deficit)	33,505	31,876	30,399	28,872	26,400
Total parent entity interest	**37,447**	**36,494**	**35,135**	**34,055**	**32,035**
Total Equity	**37,447**	**36,494**	**35,135**	**34,055**	**32,035**

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

Table 3.2.3: Departmental Statement of Changes in Equity — summary of movement (Budget year 2012-13)

	Retained earnings $'000	Asset revaluation reserve $'000	Other reserves $'000	Contributed equity/ capital $'000	Total equity $'000
Opening balance as at 1 July 2012					
Balance carried forward from previous period	33,505	-	-	3,942	37,447
Adjusted opening balance	**33,505**	**-**	**-**	**3,942**	**37,447**
Comprehensive income					
Surplus (deficit) for the period	(1,629)				(1,629)
Total comprehensive income	**(1,629)**	-	-	-	**(1,629)**
Transactions with owners					
Distributions to owners					
Other	-	-	-	-	-
Contributions by owners					
Departmental Capital Budget (DCBs)	-	-	-	676	676
Other	-	-	-	-	-
Sub-total transactions with owners	-	-	-	**676**	**676**
Transfers between equity components	-	-	-	-	-
Estimated closing balance as at 30 June 2013	**31,876**	**-**	**-**	**4,618**	**36,494**
Closing balance attributable to the Australian Government	**31,876**	**-**	**-**	**4,618**	**36,494**

Prepared on Australian Accounting Standards basis.

Table 3.2.4: Budgeted Departmental Statement of Cash Flows (for the period ended 30 June)

	Estimated actual 2011-12 $'000	Budget estimate 2012-13 $'000	Forward estimate 2013-14 $'000	Forward estimate 2014-15 $'000	Forward estimate 2015-16 $'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	2,796	29,980	30,333	30,641	31,038
Other	6	70	70	70	70
Total cash received	**2,802**	**30,050**	**30,403**	**30,711**	**31,108**
Cash used					
Employees	1,628	18,804	19,166	19,720	21,043
Suppliers	1,053	11,049	10,936	10,988	6,554
Total cash used	**2,681**	**29,853**	**30,102**	**30,708**	**27,597**
Net cash from (used by) operating activities	**121**	**197**	**301**	**3**	**3,511**
INVESTING ACTIVITIES					
Cash received	-	-	-	-	-
Total cash received	-	-	-	-	-
Cash used					
Purchase of property, plant and equipment	-	1,667	160	469	4,716
Total cash used	-	**1,667**	**160**	**469**	**4,716**
Net cash from (used by) investing activities	-	**(1,667)**	**(160)**	**(469)**	**(4,716)**
FINANCING ACTIVITIES					
Cash received					
Contributed equity	-	1,665	160	468	1,287
Total cash received	-	**1,665**	**160**	**468**	**1,287**
Cash used					
Total cash used	-	-	-	-	-
Net cash from (used by) financing activities	-	**1,665**	**160**	**468**	**1,287**
Net increase (decrease) in cash held	**121**	**195**	**301**	**2**	**82**
Cash and cash equivalents at the beginning of the reporting period	-	121	316	617	619
Cash and cash equivalents at the end of the reporting period	**121**	**316**	**617**	**619**	**701**

Prepared on Australian Accounting Standards basis.

Table 3.2.5: Departmental Capital Budget Statement

	Estimated actual 2011-12 $'000	Budget estimate 2012-13 $'000	Forward estimate 2013-14 $'000	Forward estimate 2014-15 $'000	Forward estimate 2015-16 $'000
NEW CAPITAL APPROPRIATIONS					
Capital budget - Bill 1 (DCB)	-	676	118	447	452
Total new capital appropriations	-	**676**	**118**	**447**	**452**
Provided for:					
Purchase of non-financial assets	-	676	118	447	452
Total Items	-	**676**	**118**	**447**	**452**
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriation - DCB [1]	-	1,665	160	468	1,287
Funded internally from departmental resources [2]	-	2	-	1	3,429
TOTAL	-	**1,667**	**160**	**469**	**4,716**
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	-	1,667	160	469	4,716
Total cash used to acquire assets	**-**	**1,667**	**160**	**469**	**4,716**

Prepared on an Australian Accounting Standards basis.

[1] Does not include annual finance lease costs. Include purchase from current and previous years' Departmental Capital Budgets (DCBs).

[2] Includes the following sources of funding:

- current and prior year Bill 1/3/5 appropriations (excluding amounts from the DCB).
- donations and contributions
- gifts
- internally developed assets
- s31relevant agency receipts (for FMA agencies only)
- proceeds from the sale of assets

Table 3.2.6: Statement of Asset Movements (2012-13)

	Buildings	Other property, plant and equipment	Computer software and intangibles	Total
	$'000	$'000	$'000	$'000
As at 1 July 2012				
Gross book value	9,105	561	1,294	10,960
Accumulated depreciation/amortisation and impairment	(5,745)	(324)	(698)	(6,767)
Opening net book balance	**3,360**	**237**	**596**	**4,193**
CAPITAL ASSET ADDITIONS				
Estimated expenditure on new or replacement assets				
By purchase - appropriation equity [1]	88	79	1,500	1,667
By purchase - appropriation ordinary annual services [2]	-	-	-	-
By purchase - other	-	-	-	-
Total additions	**88**	**79**	**1,500**	**1,667**
Other movements				
Depreciation/amortisation expense	(972)	(122)	(535)	(1,629)
Disposals				
From disposal of entities or operations (including restructuring)	-	-	-	-
Other	-	-	-	
Total other movements	**(972)**	**(122)**	**(535)**	**(1,629)**
As at 30 June 2013				
Gross book value	9,193	640	2,794	12,627
Accumulated depreciation/amortisation and impairment	(6,717)	(446)	(1,233)	(8,396)
Closing net book balance	**2,476**	**194**	**1,561**	**4,231**

Prepared on an Australian Accounting Standards basis.

[1] "Appropriation equity" refers to equity injections or Administered Assets and Liabilities appropriations provided through Appropriation Bill (No.2) 2012-13, including CDABs.

[2] "Appropriation ordinary annual services" refers to funding provided through Appropriation Bill (No.1) 2012-13 for depreciation / amortisation expenses, DCBs or other operational expenses.

Table 3.2.7: Schedule of budgeted income and expenses administered on behalf of Government (for the period ended 30 June)

FWBII has no income and expenses administered on behalf of government. For this reason Table 3.2.7 is not presented.

Table 3.2.8: Schedule of budgeted assets and liabilities administered on behalf of Government (as at 30 June)

FWBII has no assets and liabilities administered on behalf of government. For this reason Table 3.2.8 is not presented.

Table 3.2.9: Schedule of budgeted administered cash flows (for the period ended 30 June)

FWBII has no administered cash flows. For this reason Table 3.2.9 is not presented.

Table 3.2.10: Schedule of Administered Capital Budget

FWBII has no administered capital budget. For this reason Table 3.2.10 is not presented.

Table 3.2.11: Schedule of Asset Movements — Administered

FWBII has no administered assets. For this reason Table 3.2.11 is not presented.

3.2.4 Notes to the financial statements

The budgeted financial statements have been prepared in accordance with the Finance Minister's Orders issued by the Minister for Finance and Deregulation.

The statements have been prepared:

- on an accrual accounting basis
- in compliance with Australian Accounting Standards and Australian Equivalents to International Financial Reporting Standards (AEIFRS) and other authoritative pronouncements of the Australian Accounting Standards Board and the consensus views of the Urgent Issues Group
- having regard to Statements of Accounting Concepts.

Departmental revenue from government

Revenue from government represents the purchase of programs from FWBII by the government.

Departmental own source revenue

Revenue from the sale of goods and services is recognised upon the delivery of the goods and services to the customers.

Departmental expenses – employee benefits

This item represents payments and net increases or decreases in entitlements owed to employees for their services rendered in the financial year.

Departmental expenses - suppliers

This item represents payments to suppliers for goods and services.

Departmental expenses – depreciation and amortisation

Property, plant and equipment assets are written-off to their estimated residual values over their estimated useful lives to FWBII using the straight-line method of depreciation. Forward estimates of depreciation expense are made using forecasts of net capital acquisitions over the forward years.

Departmental assets – financial assets - cash

Cash includes notes and coins held and deposits at call with a bank or financial institution.

Departmental assets – financial assets - receivables

Receivables represent amounts owing to FWBII for cash reserves held in the Official Public Account and prepayments.

Departmental assets – non-financial assets

These items represent future economic benefits that FWBII will consume in producing outputs.

Property, plant and equipment and intangibles are brought to account at cost, except for purchases costing less than $50,000 for internally developed computer software, less than $20,000 for leasehold improvements and less than $2,000 for all other classes, which are expensed in the year of acquisition (other than where they form part of a group of similar items that are significant in total).

Following initial recognition at cost property, plant and equipment are carried at fair value less accumulated depreciation. Valuations are conducted with sufficient frequency to ensure that the carrying amount does not differ materially from the assets' fair values at reporting date.

Departmental liabilities – provisions - employees

Provision has been made for FWBII's liability for employee entitlements arising from services rendered by employees to balance date. This liability encompasses wages and salaries that are yet to be paid, annual and long service leave. No provision is made for sick leave.

Employee entitlements payable are measured as the present value of the estimated future cash outflows to be made in respect of services provided by employees up to the reporting date. Liabilities expected to be settled within twelve months are measured at the nominal amount.

Departmental liabilities – payables - suppliers

Suppliers and other payables are recognised at amortised cost. Liabilities are recognised to the extent that the goods or services have been received (and irrespective of having been invoiced).

SAFE WORK AUSTRALIA

(POSITIONAL ONLY)

SAFE WORK AUSTRALIA

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SAFE WORK AUSTRALIA

Section 1: Agency overview and resources

1.1 STRATEGIC DIRECTION STATEMENT

Safe Work Australia was initially established as an Executive Agency on 1 July 2009 under section 65 of the *Public Service Act 1999* and was transferred from the Portfolio Department. The Executive Agency was abolished and Safe Work Australia was established as a Statutory Agency on 1 November 2009 under the *Safe Work Australia Act 2008* (the Act). The agency operates under the Commonwealth Government's accountability and governance frameworks.

Safe Work Australia is the principal national body leading the development of policy to improve work health and safety and workers' compensation arrangements across Australia. It is responsible for coordinating and developing national policy and strategies, assisting with the implementation of model work health and safety legislation and reforming the legislative framework, undertaking research, and collecting, analysing and reporting data. In doing this, Safe Work Australia works collaboratively with the community, industry and worker associations and regulators to realise the national vision of healthier, safer and more productive workplaces.

The establishment of Safe Work Australia was provided for in the *Intergovernmental Agreement for Regulatory and Operational Reform in Occupational Health and Safety*, agreed by the Council of Australian Governments (COAG) on 3 July 2008. Safe Work Australia replaced the Australian Safety and Compensation Council which operated within the Department of Education, Employment and Workplace Relations. The Australian Government retains the functions specific to implementation of harmonised work health and safety practices within its jurisdiction.

The agency is jointly funded by the Commonwealth, state and territory governments. This funding arrangement promotes collaboration with jurisdictions on policy development, implementation, compliance and enforcement, and communication activities.

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

The CEO manages the agency under section 45 of the Act and in accordance with the *Financial Management and Accountability Act 1997*.

Together, the Safe Work Australia Members and the agency work to achieve:

- significant and continual reductions in the incidence of work-related death, injury and illness through
  - reduced exposure to work-related hazards causing injury and illness
  - improved quality of workplace controls, and
  - an improved work health and safety infrastructure including legislative reform, increased work health and safety knowledge and skills, and an evidence base which informs policy and practice
- improved outcomes for injured workers and their employers through more equitable, effective, efficient, clearly understood and sustainable workers' compensation arrangements.

The focus of Safe Work Australia during 2012-2013 will be on:

- completing Codes of Practice to support the model work health and safety laws
- monitoring and evaluating the implementation of the model work health and safety laws across Australia
- supporting ongoing work health and safety reform to promote continuous improvements in performance and reductions in red tape
- commencing implementation of the Australian Work Health and Safety Strategy 2012-2022
- continuing to implement the National Workers' Compensation Action Plan 2010 – 2013, and
- developing and implementing the National Research, Evaluation and Data Strategy.

The challenge for Safe Work Australia will be in achieving these outcomes in a changing operational environment.

1.2 AGENCY RESOURCE STATEMENT

Table 1.1 shows the total resources from all sources. The table summarises how resources will be applied by outcome and by departmental classification.

Table 1.1: Safe Work Australia Resource Statement — Budget Estimates for 2012-13 as at Budget May 2012

	Estimate of prior year amounts available in 2012-13 $'000	+ Proposed at Budget 2012-13 $'000	= Total estimate 2012-13 $'000	Actual available appropriation 2011-12 $'000
Ordinary annual services[1]				
Departmental appropriation				
Departmental appropriation[2]	-	9,293	9,293	8,932
Total	**-**	**9,293**	**9,293**	**8,932**
Total ordinary annual services	**-**	**9,293**	**9,293**	**8,932**
Total other services	**-**	**-**	**-**	**-**
Total available annual appropriations	**-**	**9,293**	**9,293**	**8,932**
Total special appropriations	**-**	**-**	**-**	**-**
Total appropriations excluding Special Accounts	**-**	**9,293**	**9,293**	**8,932**
Special Accounts				
Opening balance[3]	-	6,422	6,422	8,507
Appropriation receipts[4]	-	9,293	9,293	8,932
Non-appropriation receipts to Special Accounts	-	9,617	9,617	9,313
Total Special Account	**-**	**25,332**	**25,332**	**26,752**
Total resourcing	-	**34,625**	**34,625**	**35,684**
Less appropriations drawn from				
annual or special appropriations above	-	-	-	-
and credited to special accounts	-	-	-	-
and/or CAC Act bodies through	-	-	-	-
annual appropriations	-	-	-	-
Total net resourcing for Safe Work Australia	**-**	**25,332**	**25,332**	**26,752**

[1] Appropriation Bill (No.1) 2012-13

[2] Includes an amount of $0.051m in 2012-13 for the Departmental Capital Budget (refer to table 3.2.5 for further details). For accounting purposes this amount has been designated as 'contributions by owners'.

[3] Estimated opening balance for special accounts (less 'Special Public Money' held in accounts like

[4] Appropriation receipts from Safe Work Australia annual appropriations for 2012-13 included above

Reader note: All figures are GST exclusive.

1.3 BUDGET MEASURES

Safe Work Australia does not have any new measures since the 2011-12 Budget. For this reason Table 1.2 is not presented.

Section 2: Outcomes and planned performance

2.1 OUTCOMES AND PERFORMANCE INFORMATION

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 agencies achieve the intended results of their outcome statements. Agencies 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, specifying the performance indicators and targets used to assess and monitor the performance of Safe Work Australia in achieving Government outcomes.

Outcome 1: Safer and more productive Australian workplaces through harmonising national occupational health and safety and workers' compensation arrangements.

Outcome 1 Strategy

Safe Work Australia works in partnership with representatives of the Commonwealth, state and territory governments, employees and employers so that:

- strategic national work health and safety policy and practice is supported by the activities of the Australian Work Health and Safety Strategy 2012-2022
- Australia has harmonised and improved work health and safety laws that provide a consistent, equitable and high level of protection to all workers
- the national work health and safety research and data program supports evidence informed policy, programs and practice
- community awareness and knowledge of work health and safety is increased
- assistance is provided to other policy agencies to promote consistent and improved approaches to managing health and safety hazards and risks, and
- opportunities for improvements in workers' compensation arrangements are identified and assessed particularly for employers with workers in more than one jurisdiction.

Outcome 1 Expense Statement

Table 2.1 provides an overview of the total expenses for Outcome 1.

Table 2.1: Budgeted Expenses for Outcome 1

Outcome 1: Safer and more productive Australian workplaces through harmonising national occupational health and safety and workers' compensation arrangements.	2011-12 Estimated actual expenses $'000	2012-13 Estimated expenses $'000
Program 1: Education Services and Compliance Activities		
Departmental Expenses		
Departmental appropriation [1]	8,932	9,242
Special Accounts	11,656	9,617
Expenses not requiring appropriation in the Budget year [2]	492	543
Total for Program 1	**21,080**	**19,402**
Outcome 1 Totals by appropriation type		
Departmental expenses		
Departmental appropriation [1]	8,932	9,242
Special Accounts	11,656	9,617
Expenses not requiring appropriation in the Budget year [2]	492	543
Total expenses for Outcome 1	**21,080**	**19,402**
	2011-12	2012-13
Average Staffing Level (number)	**110**	**110**

[1] Departmental Appropriation combines "Ordinary annual services (Appropriation Bill No. 1)" and "Revenue from

[2] Expenses not requiring appropriation in the Budget year is made up of Depreciation Expense, Amortisation Expense and Audit Fees

Contributions to Outcome 1

Program 1: Reform of and improvements to Australian work health and safety and workers' compensation arrangements.

Program 1 Objective

The objective of Safe Work Australia is to monitor and evaluate harmonised laws, coordinate and develop national policy and strategies, undertake research and collect, analyse and report data to improve work health and safety and workers' compensation arrangements in Australia.

To be able to meet its objectives, Safe Work Australia works collaboratively with regulators, industry and worker associations and the community to achieve healthier, safer and more productive workplaces.

The Act prescribes that Safe Work Australia performs its functions in accordance with its Strategic and Operational plans. These plans are approved by Safe Work Australia Members and the Select Council on Workplace Relations.

Program 1 Expenses

The work of the agency continues to focus on the objectives of Program 1 and as prescribed by legislation. The agency has not identified any significant trends or variances over the forward years.

Table 2.2 Budgeted Expenses for Program 1

	2011-12 Revised budget $'000	2012-13 Budget $'000	2013-14 Forward year 1 $'000	2014-15 Forward year 2 $'000	2015-16 Forward year 3 $'000
Special Account Expenses:					
Safe Work Australia Special Account (D)	11,656	9,617	9,863	10,104	10,192
Annual departmental expenses:					
Ordinary annual services (Appropriation Bill No. 1)	8,932	9,242	9,489	9,732	9,818
Expenses not requiring appropriation in the Budget year [1]	492	543	525	472	446
Total program expenses	**21,080**	**19,402**	**19,877**	**20,308**	**20,456**

(D) = Departmnental

[1] Expenses not requiring appropriation in the Budget year is made up of Depreciation Expense, Amortisation Expense, and Audit Fees.

Program 1 Deliverables

The deliverables for Safe Work Australia are highlighted in its operational plan and include:

- completion of the Codes of Practice to support the model work health and safety laws
- assistance with the implementation and evaluation of the model work health and safety laws
- policy proposals to support reform of the work health and safety legislative framework
- implementation of the Australian Work Health and Safety Strategy 2012 -2022
- implementation of the National Workers' Compensation Action Plan 2010 – 2013, and
- development and implementation of the National Research, Evaluation and Data Strategy.

Program 1 Key Performance Indicators

The Key Performance Indicators are framed around how the agency works to achieve the key deliverables in the Safe Work Australia Strategic and Operational Plans.

Key Performance Indicators	
Quality	**2012-13 Estimate**
Model legislation continues to be developed in accordance with COAG timelines	COAG agreed timelines are met
Level of satisfaction of the Chair of Safe Work Australia with how the services of the Agency are directed at achieving the outcomes of its Strategic and Operational Plans.	Very good or above
Level of satisfaction of the members of Safe Work Australia with how the services of the Agency are directed at achieving the outcomes of its Strategic and Operational Plans.	80% of members agree the services of the Agency are appropriately directed at achieving the outcomes.

Section 3: Explanatory tables and budgeted financial statements

Section 3 presents explanatory tables and budgeted financial statements which provide a comprehensive snapshot of agency finances for the 2012-13 budget year. It explains how budget plans are incorporated into the financial statements and provides further details of the reconciliation between appropriations and program expenses, movements in administered funds, special accounts and government indigenous expenditure.

3.1 EXPLANATORY TABLES

3.1.1 Special Accounts

Special Accounts provide a means to set aside and record amounts used for specified purposes. Special Accounts can be created by a Finance Minister's Determination under the FMA Act or under separate enabling legislation. Table 3.1.2 shows the expected additions (receipts) and reductions (payments) for each account used by Safe Work Australia.

Table 3.1.1: Estimates of Special Account Flows and Balances

	Outcome	Opening balance **2012-13** *2011-12* $'000	Receipts **2012-13** *2011-12* $'000	Payments **2012-13** *2011-12* $'000	Adjustments **2012-13** *2011-12* $'000	Closing balance **2012-13** *2011-12* $'000
Safe Work Australia Special Account (D)		**6,422**	**19,872**	**(19,487)**	**-**	**6,807**
		8,507	*19,340*	*(21,425)*	*-*	*6,422*
Total Special Accounts 2012-13 Budget estimate		**6,422**	**19,872**	**(19,487)**	**-**	**6,807**
Total Special Accounts 2011-12 estimate actual		*8,507*	*19,340*	*(21,425)*	*-*	*6,422*

(D) = Departmental

3.1.2 Australian Government Indigenous Expenditure

The 2012-13 Australian Government Indigenous Statement is not applicable because Safe Work Australia has no Indigenous specific expenses.

3.2 BUDGETED FINANCIAL STATEMENTS

3.2.1 Differences in agency resourcing and financial statements

The agency receives funds from states and territories and matched appropriation funding from the Commonwealth as provided for in the Intergovernmental Agreement

3.2.2 Budgeted Departmental Financial Statements Tables

Table 3.2.1 Comprehensive Income Statement (Showing Net Cost of Services) (for the period ended 30 June)

	Estimated actual 2011-12 $'000	Budget estimate 2012-13 $'000	Forward estimate 2013-14 $'000	Forward estimate 2014-15 $'000	Forward estimate 2015-16 $'000
EXPENSES					
Employee benefits	13,146	12,530	12,778	13,023	13,198
Suppliers	7,422	6,289	6,534	6,773	6,772
Grants	70	100	100	100	100
Depreciation and amortisation	442	483*	465*	412*	386*
Write-down and impairment of assets	-	-	-	-	-
Total expenses	**21,080**	**19,402**	**19,877**	**20,308**	**20,456**
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	9,477	9,617	9,863	10,104	10,192
Total own-source revenue	**9,477**	**9,617**	**9,863**	**10,104**	**10,192**
Gains					
Other (ANAO Resources Free of Charge)	50	60	60	60	60
Total gains	**50**	**60**	**60**	**60**	**60**
Total own-source income	**9,527**	**9,677**	**9,923**	**10,164**	**10,252**
Net cost of (contribution by) services	**(11,553)**	**(9,725)***	**(9,954)***	**(10,144)***	**(10,204)***
Revenue from Government	8,932	9,242	9,489	9,732	9,818
Surplus (Deficit) attributable to the Australian Government	**(2,621)**	**(483)***	**(465)***	**(412)***	**(386)***

Note: Impact of Net Cash Apppropriation Arrangements	2011-12 $'000	2012-13 $'000	2013-14 $'000	2014-15 $'000	2015-16 $'000
Total Comprehensive Income (loss) less depreciation/amortisation expenses previously funded through revenue appropriations.	**(2,179)**	**-**	**-**	**-**	**-**
plus depreciation/amortisation expenses previously funded through revenue appropriations[1]	(442)	(483)	(465)	(412)	(386)
Total Comprehensive Income (loss) - as per the Statement of Comprehensive Income	**(2,621)**	**(483)**	**(465)**	**(412)**	**(386)**

[1] From 2010-11, the Government introduced net cash appropriation arrangements where Bill 1 revenue appropriations for the depreciation/amortisation expenses of FMA Act agencies 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 3.2.5 Departmental Capital Budget Statement.

Table 3.2.2: Budgeted Balance Sheet (as at 30 June)

	Estimated actual 2011-12 $'000	Budget estimate 2012-13 $'000	Forward estimate 2013-14 $'000	Forward estimate 2014-15 $'000	Forward estimate 2015-16 $'000
ASSETS					
Financial assets					
Cash and cash equivalents	280	280	280	280	280
Trade and other receivables	6,438	6,823	7,199	7,515	8,032
Total financial assets	**6,718**	**7,103**	**7,479**	**7,795**	**8,312**
Non-financial assets					
Buildings	1,324	1,023	722	421	120
Property, plant and equipment	94	69	20	121	64
Intangibles	280	165	50	50	33
Other non-financial assets	86	86	86	86	86
Total non-financial assets	**1,784**	**1,343**	**878**	**678**	**303**
Total assets	**8,502**	**8,446**	**8,357**	**8,473**	**8,615**
LIABILITIES					
Payables					
Suppliers	928	928	928	928	928
Total payables	**928**	**928**	**928**	**928**	**928**
Provisions					
Employee provisions	3,528	3,904	4,280	4,580	4,880
Total provisions	**3,528**	**3,904**	**4,280**	**4,580**	**4,880**
Total liabilities	**4,456**	**4,832**	**5,208**	**5,508**	**5,808**
Net assets	**4,046**	**3,614**	**3,149**	**2,965**	**2,807**
EQUITY					
Contributed equity	3,849	3,900	3,900	4,128	4,356
Reserves	636	636	636	636	636
Retained surplus (accumulated deficit)	(439)	(922)	(1,387)	(1,799)	(2,185)
Total Equity	**4,046**	**3,614**	**3,149**	**2,965**	**2,807**

Table 3.2.3: Statement of Changes in Equity — Summary of Movement (Budget Year 2012-13)

	Retained earnings	Asset revaluation reserve	Other reserves	Contributed equity/ capital	Total equity
	$'000	$'000	$'000	$'000	$'000
Opening balance as at 1 July 2012					
Balance carried forward from previous period	(439)	636	-	3,849	4,046
Adjusted opening balance	(439)	636	-	3,849	4,046
Comprehensive income					
Surplus (deficit) for the period	(483)	-	-	-	(483)
Total comprehensive income	(483)	-	-	-	(483)
Transactions with owners					
Contributions by owners					
Departmental Capital Budget (DCBs)	-	-	-	51	51
Sub-total transactions with owners	-	-	-	51	51
Estimated closing balance as at 30 June 2013	(922)	636	-	3,900	3,614
Less: non-controlling interests *	-	-	-	-	-
Closing balance attributable to the Australian Government	(922)	636	-	3,900	3,614

Table 3.2.4: Budgeted Statement of Cash Flows (for the period ended 30 June)

	Estimated actual 2011-12 $'000	Budget estimate 2012-13 $'000	Forward estimate 2013-14 $'000	Forward estimate 2014-15 $'000	Forward estimate 2015-16 $'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	8,932	9,242	9,489	9,732	9,818
Sale of goods and rendering of services	10,408	10,579	10,849	11,114	11,211
Total cash received	**19,340**	**19,821**	**20,338**	**20,846**	**21,029**
Cash used					
Employees	13,146	12,530	12,778	13,023	13,198
Suppliers	7,422	6,289	6,534	6,773	6,772
Grants - Cash Used	70	100	100	100	100
Net GST paid	749	652	676	700	692
Total cash used	**21,387**	**19,571**	**20,088**	**20,596**	**20,762**
Net cash from (used by) operating activities	**(2,047)**	**250**	**250**	**250**	**267**
INVESTING ACTIVITIES					
Cash received					
Proceeds from sales of property, plant and equipment	-	-	-	-	-
Total cash received	-	-	-	-	-
Cash used					
Purchase of property, plant and equipment	21	42	-	162	11
Purchase/development of software	150	-	-	50	-
Total cash used	**171**	**42**	**-**	**212**	**11**
Net cash from (used by) investing activities	**(171)**	**(42)**	**-**	**(212)**	**(11)**
FINANCING ACTIVITIES					
Cash received					
Contributed equity	-	51	-	228	228
Transfers from the OPA	2,207	-	-	-	-
Total cash received	**2,207**	**51**	**-**	**228**	**228**
Cash used					
Transfers to the OPA	-	259	250	266	484
Total cash used	-	**259**	**250**	**266**	**484**
Net cash from (used by) financing activities	**2,207**	**(208)**	**(250)**	**(38)**	**(256)**
Net increase (decrease) in cash held	(11)	-	-	-	-
Cash and cash equivalents at the beginning of the reporting period	291	280	280	280	280
Cash and cash equivalents at the end of the reporting period	**280**	**280**	**280**	**280**	**280**

Table 3.2.5: Departmental Capital Budget Statement

	Estimated actual 2011-12 $'000	Budget estimate 2012-13 $'000	Forward estimate 2013-14 $'000	Forward estimate 2014-15 $'000	Forward estimate 2015-16 $'000
NEW CAPITAL APPROPRIATIONS					
Capital budget - Bill 1 (DCB)	-	51	-	228	228
Total new capital appropriations	-	**51**	-	228	228
Provided for:					
Purchase of non-financial assets	-	51	-	228	228
Total Items	-	**51**	-	228	228
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriation - DCB [1]	-	42	-	212	11
Funded internally from departmental resources [2]	171	**-**	-	-	-
TOTAL	171	**42**	**-**	**212**	11
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	171	42	-	212	11
Total cash used to acquire assets	171	**42**	**-**	212	11

(DCB) = Departmental Capital Budget

[1] Does not include annual finance lease costs. Include purchase from current and previous years' Departmental Capital Budgets (DCBs).

[2] Includes the following sources of funding:

- current and prior year Bill 1/3/5 appropriations (excluding amounts from the DCB).

Table 3.2.6: Statement of Asset Movements (2012-13)

	Buildings	Other property, plant and equipment	Computer software and intangibles	Total
	$'000	$'000	$'000	$'000
As at 1 July 2012				
Gross book value	1,625	172	357	2,154
Accumulated depreciation/amortisation and impairment	(301)	(78)	(77)	(456)
Opening net book balance	**1,324**	**94**	**280**	**1,698**
CAPITAL ASSET ADDITIONS				
Estimated expenditure on new or replacement assets				
By purchase - appropriation ordinary annual services [1]	-	42	-	42
Disposals	-	(18)		(18)
Total additions	**-**	**24**	**-**	**24**
Other movements				
Depreciation/amortisation expense	(301)	(67)	(115)	(483)
Disposals		18		18
Total other movements	**(301)**	**(49)**	**(115)**	**(465)**
As at 30 June 2013				
Gross book value	1,625	196	357	2,178
Accumulated depreciation/amortisation and impairment	(602)	(127)	(192)	(921)
Closing net book balance	**1,023**	**69**	**165**	**1,257**

[1] "Appropriation ordinary annual services" refers to funding provided through Appropriation Bill (No.1) 2012-13 for depreciation / amortisation expenses, DCBs or other operational expenses.

3.2.3 Notes to the financial statements

Other gains represented in the Comprehensive Income Statement are resources received free of charge from other Commonwealth agencies.

PORTFOLIO GLOSSARY

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.
Accumulated Depreciation	The aggregate depreciation recorded for a particular depreciating asset.
Additional Estimates	Where amounts appropriated at Budget time are insufficient, Parliament may appropriate more funds to portfolios through the Additional Estimates Acts.
Additional Estimates Bills or Acts	These are Appropriation Bills 3 and 4, and a separate Bill for the Parliamentary Departments [Appropriations (Parliamentary Departments) Bill (No. 2)]. These Bills are introduced into Parliament sometime after the Budget Bills.
Administered Items	Expenses, revenues, assets or liabilities managed by agencies on behalf of the Commonwealth. Agencies do not control administered items. Administered expenses include grants, subsidies and benefits. In many cases, administered expenses fund the delivery of third party outputs.
Appropriation	An authorisation by Parliament to spend moneys from the Consolidated Revenue Fund for a particular purpose.
Annual Appropriation	Two Appropriation Bills are introduced into Parliament in May and comprise the Budget for the financial year beginning 1 July. Further Bills are introduced later in the financial year as part of the additional estimates. Parliamentary departments have their own appropriations.
Assets	Assets are physical objects and legal rights it is expected will provide benefits in the future or alternatively items of value owned by an Agency.
Budget Measure	A decision by Cabinet or Ministers and has resulted in a cost or savings to outlays.

Capital expenditure	Expenditure by an agency on capital projects, for example purchasing a building.
Consolidated Revenue Fund	Section 81 of the Constitution stipulates that all revenue raised or money received by the Commonwealth forms the one consolidated revenue fund (CRF). The CRF is not a bank account. The Official Public Account reflects most of the operations of the CRF.
Departmental items	Assets, liabilities, revenues and expenses that are controlled by the agency in providing its outputs. Departmental items would generally include computers, plant and equipment assets used by agencies in providing goods and services and most employee expenses, supplier costs and other administrative expenses incurred.
Depreciation	Apportionment of an asset's capital value as an expense over its estimated useful life to take account of normal usage, obsolescence, or the passage of time.
Effectiveness indicators	Measures the joint or independent contribution of outputs and administered items to the achievement of their specified outcome.
Efficiency indicators	Measures the adequacy of an agency's management of its outputs (and where applicable, administered items). Includes Price, Quality and Quantity indicators. The interrelationship between the three efficiency indicators of any one output should be considered when judging efficiency.
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.
Financial Management and Accountability (FMA) Act 1997	The principal legislation governing the proper use and management of public money and public property and other Australian Government resources. FMA Regulations and FMA Orders are made pursuant to the Act.
Financing transactions	The Government funds shortfalls in revenue over outlays by borrowing from financial markets or running down financial assets. Such activities are regarded as financing transactions. If a surplus of revenue over outlays is recorded then financing transactions will show how the surplus is used.
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.
Government Finance Statistics (GFS)	The GFS reporting framework is a specialised statistical system designed to support economic analysis of the public sector. It allows comprehensive assessments to be made of the economic impact of government and is consistent with international statistical standards (the System of National Accounts 1993 (SNA93) and the International Monetary Funds' A Manual on Government Finance Statistics 2001).
Liabilities	Liabilities represent amounts owing on goods or services that have been received but not yet paid for. A liability shows the future commitment of the Agency's assets.
Loan Fund	Established by the FMA Act 1997, the Loan Fund contains all monies raised by loans on the public credit of the Australian Government. Expenditure from the Loan Fund is limited to the purpose for which monies were raised.

Net annotated appropriation (Section 31 Receipts)	Section 31 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 31 Receipts, reflecting their authority under Section 31 of the FMA Act 1997.
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.
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 31 Receipts	See net annotated appropriation.
Special Account	Balances existing within the Consolidated Revenue Fund (CRF) that are supported by standing appropriations (FMA Act 1997, ss.20 and 21). 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 (s.20 of the FMA Act 1997) or through an Act of Parliament (referred to in s.21 of the FMA Act 1997).

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

AAO	Administrative Arrangements Order
ABCC	Office of the Australian Building and Construction Commissioner
ABS	Australian Bureau of Statistics
ACARA	Australian Curriculum Assessment and Reporting Authority
AEIFRS	Australian Equivalents to International Financial Reporting Standards
AGIE	Australian Government Indigenous Expenditure
AIRC	Australian Industrial Relations Commission
AITSL	Australian Institute for Teaching and School Leadership
ANAO	Australian National Audit Office
ATO	Australian Taxation Office
CAC	Commonwealth Authorities and Companies
CAS	Commonwealth Accommodation Scholarship
CCB	Child Care Benefit
CCR	Child Care Rebate
CECs	Commonwealth Education Costs Scholarships
CGS	Commonwealth Grants Scheme
COAG	Council of Australian Governments
CPI	Consumer Price Index
CSI	Centre for Social Impact
DEEWR	Department of Education, Employment and Workplace Relations

DES	Disability Employment Services
DoFD	Department of Finance and Deregulation
FaHCSIA	Department of Families, Housing, Community Services and Indigenous Affairs
FWBII	Office of the Fair Work Building Industry Inspectorate
FFR	Federal Financial Relations
FMA	Financial Management and Accountability
FTB	Family Tax Benefit
FWA	Fair Work Australia
FWO	Fair Work Ombudsman
GFS	Government Finance Statistics
GST	Goods and Services Tax
HECS	Higher Education Contribution Scheme
HELP	Higher Education Loan Program
ICT	Information and Communications Technology
IESIP	Indigenous Education Strategic Initiatives Program
ICT	Information and Communication Technology
IEP	Indigenous Employment Program
ITAS	Indigenous Tutorial Assistance Scheme
IYMP	Indigenous Youth Mobility Program
JET	Jobs Education and Training
JETCCFA	Jobs Education and Training, Child Care Fee Assistance
JSA	Jobs Services Australia
KPI	Key Performance Indicator

LCP's	Local Community Partnerships
LLNP	Language, Literacy and Numeracy Program
MCEEDYA	Ministerial Council for Education, Early childhood Development and Youth Affairs
MYEFO	Mid-Year Economic and Fiscal Outlook
NP	National Partnership
NTER	Northern Territory Emergency Response
OECD	Organisation for Economic Co-operation and Development
OECECC	Office of Early Childhood Education and Child Care
PAES	Portfolio Additional Estimates Statements
PBS	Portfolio Budget Statements
PEFO	Pre-Election Economic and Fiscal Outlook
RJCP	Remote Jobs and Communities Program
SES	Socio-economic status
SPP	Specific Purpose Payment
SRCC	Safety, Rehabilitation and Compensation Commission
SWA	Safe Work Australia
TAFE	Technical and Further Education
VET	Vocational Education and Training
WRA	*Workplace Relations Act 1996*