

Portfolio Budget Statements 2022–23
Budget Related Paper No. 1.4

**Education, Skills and Employment
Portfolio**

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

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The Hon Stuart Robert MP

Minister for Employment, Workforce, Skills,
Small and Family Business
Acting Minister for Education and Youth

Senator the Hon Bridget McKenzie

Minister for Emergency Management and
National Recovery and Resilience
Minister for Regionalisation, Regional
Communications and Regional Education
Leader of the Nationals in the Senate
Senator for Victoria

Senator the Hon Slade Brockman
President of the Senate
Parliament House
CANBERRA ACT 2600

The Hon Andrew Wallace MP
Speaker
Parliament House
CANBERRA ACT 2600

Dear Mr President and Mr Speaker

We hereby submit Portfolio Budget Statements in support of the 2022–23 Budget for the Education, Skills and Employment 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

A handwritten signature in black ink, appearing to read 'Stuart Robert'.

Stuart Robert

A handwritten signature in blue ink, appearing to read 'Bridget McKenzie'.

Bridget McKenzie

Abbreviations and conventions

The following notation may be used:

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nfp	not for publication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

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

Enquiries

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

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

**User Guide
To The
Portfolio Budget Statements**

User guide

The purpose of the 2022–23 *Portfolio Budget Statements* (PB Statements) is to inform Senators and Members of Parliament of the proposed allocation of resources to government outcomes by entities within the portfolio. Entities receive resources from the annual appropriations acts, special appropriations (including standing appropriations and special accounts), and revenue from other sources.

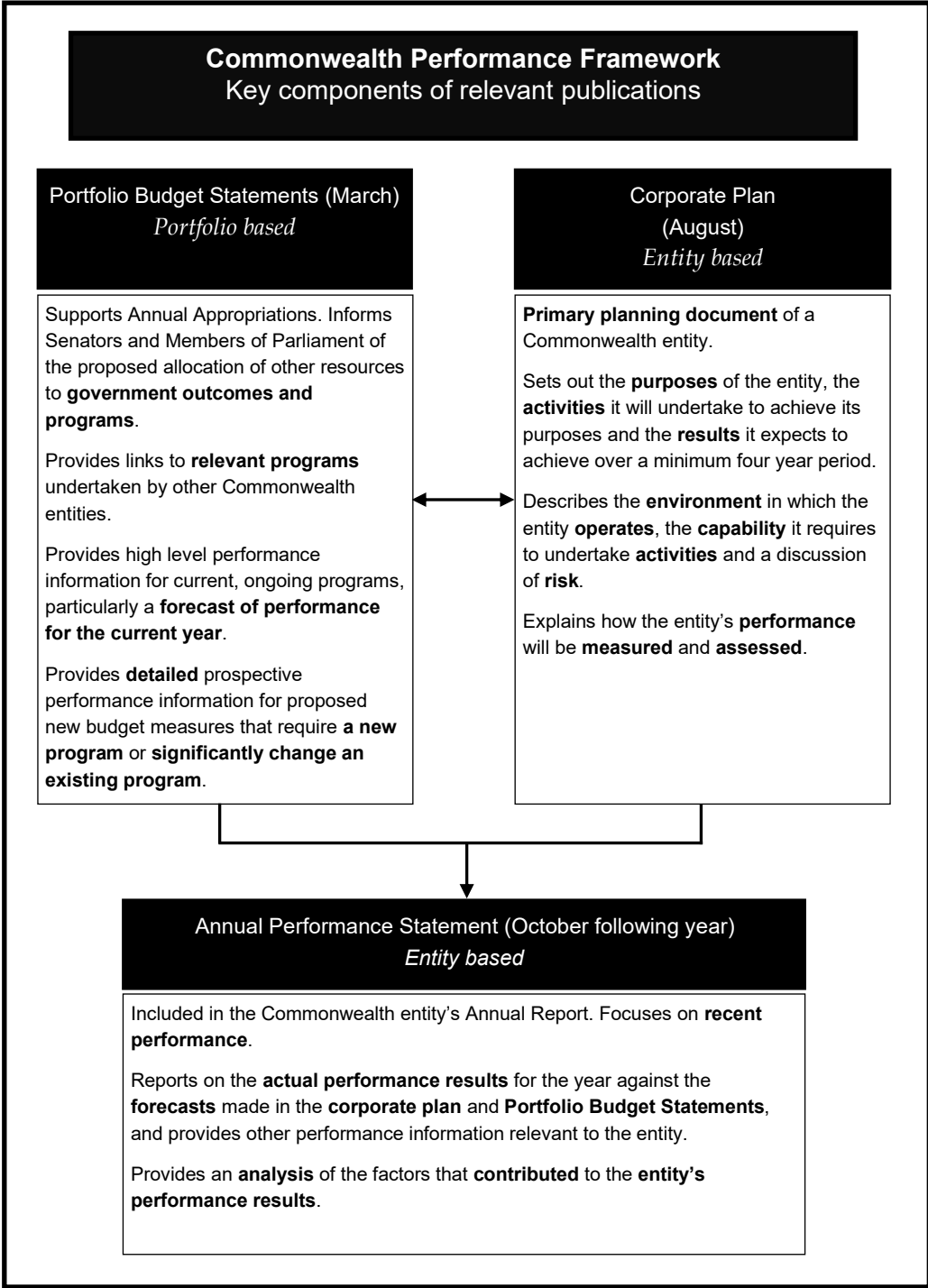
A key role of the PB Statements is to facilitate the understanding of proposed annual appropriations in Appropriation Bills (No. 1 and No. 2) 2022–23 (or Appropriation (Parliamentary Departments) Bill (No. 1) 2022–23 for the parliamentary departments). In this sense, the PB Statements are Budget related papers and are declared by the Appropriation Acts to be ‘relevant documents’ to the interpretation of the Acts according to section 15AB of the *Acts Interpretation Act 1901*.

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

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

The Commonwealth Performance Framework

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



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Portfolio Overview

Education, Skills and Employment Portfolio Overview

Ministers and portfolio responsibilities

The Education, Skills and Employment portfolio's purpose is to contribute to Australia's economic prosperity and social wellbeing by creating opportunities and driving better outcomes for people through education, skills and employment pathways.

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

- Australian Curriculum, Assessment and Reporting Authority
- Australian Institute for Teaching and School Leadership
- Australian Research Council
- Australian Skills Quality Authority
- Tertiary Education Quality and Standards Agency
- Australian National University¹

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

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

¹ The Australian National University is not part of the general government sector included in the Commonwealth general government sector fiscal estimates and does not have a chapter in the PB Statements.

Figure 1: Education, Skills and Employment portfolio structure and outcomes

The Hon Stuart Robert MP Minister for Employment, Workforce, Skills, Small and Family Business	The Hon Alan Tudge MP Minister for Education and Youth	Senator The Hon Bridget McKenzie Minister for Regionalisation, Regional Communications and Regional Education
Department of Education, Skills and Employment Dr Michele Bruniges AM—Secretary Outcome 1: Improved early learning, schooling, student educational outcomes and transitions to and from school through access to quality child care, support, parent engagement, quality teaching and learning environments. Outcome 2: Promote growth in economic productivity and social wellbeing through access to quality higher education, international education, and international quality research. Outcome 3: Promote growth in economic productivity and social wellbeing through access to quality skills and training. Outcome 4: Foster a productive and competitive labour market through policies and programs that assist job seekers into work and meet employer needs.		
Australian Curriculum, Assessment and Reporting Authority David de Carvalho—Chief Executive Officer Outcome: Improved quality and consistency of school education in Australia through a national curriculum, national assessment, data collection, and performance reporting system.		
Australian Institute for Teaching and School Leadership Mark Grant—Chief Executive Officer Outcome: Enhance the quality of teaching and school leadership through developing standards, recognising teaching excellence, providing professional development opportunities, and supporting the teaching profession.		
Australian Research Council Judi Zielke—Acting Chief Executive Officer Outcome: Growth of knowledge and innovation through managing research funding schemes, measuring research excellence and providing advice.		
Australian Skills Quality Authority Saxon Rice—Chief Executive Officer Outcome: Through our regulation and partnership with stakeholders, ensure quality vocational education and training so that students, employers, the community and governments have confidence in the integrity of national qualifications issued by training providers.		
Tertiary Education Quality and Standards Agency Alistair Maclean—Chief Executive Officer Outcome: Contribute to a high quality higher education sector through streamlined and nationally consistent higher education regulatory arrangements; registration of higher education providers; accreditation of higher education courses; and investigation, quality assurance and dissemination of higher education standards and performance.		
Australian National University Professor Brian P. Schmidt AC—Vice-Chancellor, President and Chief Executive Officer		

Entity resources and planned performance

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**Department of Education,
Skills and Employment**

**Entity resources and planned
performance**

Department of Education, Skills and Employment

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Department of Education, Skills and Employment

Section 1: Entity overview and resources

1.1 Strategic direction statement

The Department of Education, Skills and Employment's (the department) purpose is to contribute to Australia's economic prosperity and social wellbeing by creating opportunities and driving better outcomes for people, through education, skills and employment pathways.

The department provides advice to its Ministers and effectively implements Government policies and programs. In doing this, the department draws on the best available research, evidence and data and works collaboratively across Government and with industry, stakeholders, and state and territory governments.

Education, skills and employment initiatives in the 2022–23 Budget reflect the Government's plan for a stronger future for Australia. This includes supporting apprentices and their employers, investing in national skills reform, building workforce capability, investing in regional Australia, continued support for schools and students, as well as continuing to respond to the COVID-19 pandemic. The department is also supporting flood-affected communities and continues to support the provision of essential services upon which Australians rely, including early childhood education and care, schools, skills and training, higher education, and employment services.

Flood relief

The Government is providing financial assistance to support relief and recovery efforts following the floods in New South Wales and Queensland.

The Government is increasing the Community Child Care Fund (CCCF) Special Circumstances from \$4.0 million each year to \$22.4 million in 2021–22 and \$7.7 million in 2022–23 to assist child care services to recover from recent catastrophic flood events and ongoing impacts of the pandemic.

The Government is providing \$6.9 million to provide sector-specific support payments to assist an estimated 650 early childhood education and care services affected by the floods. Grant payments of \$10,000 are available for approved child care providers in flood-affected areas where they have been closed for more than seven days. More severely impacted services will also be able to apply for CCCF Special Circumstances grants.

Investing in Skills Reform

Building on the success of JobTrainer and the Australian Government’s record levels of investment in skills, the Government has committed up to \$12 billion over five years from 2022–23 for a National Skills Agreement (NSA) with state and territory governments. In addition to the \$8.3 billion National Skills and Workforce Development Specific Purpose Payment, the Budget includes provision for a further \$3.7 billion to support the NSA.

The NSA will transform the way the states and territories support vocational education and training (VET), ensuring investment decisions are evidence-based and linked to skills need, funding is transparent, and greater consistency applies across jurisdictions.

The NSA has the capacity to deliver around 800,000 additional training places over five years. It will reduce the number of students facing unreasonably high fees and improve access to free and low-fee training for priority students, including people with disability and Aboriginal and Torres Strait Islander people, and for select priority courses. It will make the VET system simpler and fairer for students.

All governments remain committed to major reform of the VET system through the Heads of Agreement for Skills Reform, which was signed by First Ministers in August 2020. The Australian Government is continuing to negotiate in good faith with jurisdictions and remains committed to securing agreement to the NSA with all states and territories by mid-2022 in line with the National Cabinet deadline. The department will receive \$6.0 million in the 2022–23 Budget to support the NSA.

Ensuring a strong pipeline of apprentices

The Government is investing \$2.4 billion over five years to introduce a new Australian Apprenticeships Incentive System (AAIS), designed to increase commencements and completions in priority occupations and support employers around Australia to fill skill shortages.

From 1 July 2022 to 30 June 2024, employers of apprentices in priority occupations will be able to access a wage subsidy set at 10 per cent for first year apprentices, 10 per cent for second year apprentices, and 5 per cent for third year apprentices.

Apprentices in priority occupations will receive a direct payment – the Australian Apprentice Training Support Payment – to support them in completing their apprenticeship with \$1,250 paid every six months over the first two years of their apprenticeship, up to a total amount of \$5,000. Employers of apprentices in non-priority occupations will also receive a \$3,500 hiring incentive.

From 1 July 2022, young apprentices (aged 15 to 20 years) will receive additional support to complete their apprenticeship. All newly commencing young apprentices will receive a follow-up call within three months of commencing to ensure any issues are identified early. In addition, the Government will fund 2,500 more in-training support places for young Australian apprentices.

As part of the AAIS, several payments from the Australian Apprenticeships Incentives Program will continue, including the Living Away From Home Allowance, Disabled Australian Apprentice Wage Support, and the off-the-job Tutorial, Mentor and Interpreter Assistance available to apprentices with disability.

From 1 July 2024, support will transition to target employers and apprentices in priority occupations, including a \$4,000 hiring incentive for employers and an Australian Apprentice Training Support Payment of up to \$3,000 paid to apprentices.

To support the transition to the new AAIS, the Government will provide \$365.3 million over five years to extend the existing Boosting Apprenticeship Commencements (BAC) wage subsidy measure to 30 June 2022 and extend the Completing Apprenticeship Commencements (CAC) wage subsidy measure to 30 June 2027. This brings the total amount available through the BAC and CAC to \$5.8 billion. BAC and CAC are currently supporting 73,245 employers. This has contributed to the record high number of trade apprentices in training at around 220,000 and total in-training numbers of 352,020 across a range of trade and non-trade occupations and reflects 238,360 commencements in the 12 months since the BAC commenced.

The Government will also provide \$22.5 million to expand eligibility for the Australian Apprenticeship Support Loans (formerly the Trade Support Loans Scheme) to align with the Australian Apprenticeship Priority List, and enable backdating of payments to provide immediate support to recipients.

Supporting women's skills and employment

In line with its priority to improve women's workforce participation and economic security, the Government is providing additional support with \$38.6 million over the forward estimates for women who commence in eligible trade occupations on the Australian Apprenticeships Priority List, in order to boost historically low levels of participation for women in non-traditional trades. The Government is increasing access to comprehensive wraparound support through the Australian Apprenticeship Support Network including personalised advice and information on career options and apprenticeships pathways, pastoral care, career and industry mentoring, counselling and mediation.

The Government will provide \$3.9 million to establish a program to support women to develop and utilise their digital skills and, in partnership with industry, provide free tailored online digital training to pursue a mid-career transition into the 'tech workforce'. The program includes a coaching and mentoring initiative which will provide individual support and advice to women who are considering making – or who have decided to make – a career transition to the tech workforce.

Supporting parents to participate in the workforce

The Government is providing record funding through the child care system, with \$11 billion estimated to be spent in 2022–23, including \$10.7 billion in Child Care Subsidy (CCS) expenditure. This includes the 7 March 2022 commencement of the increased CCS for the second child and subsequent children aged five and under in centre-based child care, family day care, or outside school hours care.

Meeting future workforce needs and opportunities

The Government's response to the COVID-19 pandemic has resulted in a strong labour market recovery, which is contributing to a solid outlook for GDP. The unemployment rate fell to 4.0 per cent in February 2022 whilst the participation rate and employment-to-population ratio were at record highs. As the economy continues to strengthen, immediate and longer-term workforce challenges will persist beyond the impacts of COVID-19. Many businesses are finding it difficult to fill vacancies as a result of skills mismatches and labour shortages.

The Government has developed a National Workforce Strategy that will sit at the centre of a new workforce policy environment. The Strategy will guide the national effort to build the workforce and ensure that a more coordinated and joined-up approach to addressing workforce issues is sustained, including in regional Australia. The Strategy outlines a new vision for a more dynamic, responsive and capable workforce to be realised through its guiding principles, which will benefit employers across Australia in all regions. The Strategy will inform and shape the development of workforce policy and sector-specific workforce strategies across Commonwealth agencies.

The National Workforce Strategy highlights the need to support mobility into regional areas to meet workforce demand and for data disaggregated by location to ensure that the labour market and workforce operate as efficiently as possible. The Strategy also underlines the importance of sector-specific strategies and workforce policy reflecting Government priorities, including regionalisation.

The care and support sector is facing a number of workforce challenges at a time when demand for workers is at record highs. In light of these challenges, the Government has developed a new Care and Support Workforce Strategy.

To support Australia's aged care workforce, the Government is investing a further \$48.5 million over two years from 2022–23, contingent on matched funding from the states, to expand the successful JobTrainer program to provide 15,000 free and low-fee training places for aged care related qualifications.

The Government will also invest a further \$1.7 million in 2022–23 to extend the AgMove pilot program to 31 December 2022, which supports relocation of job seekers and temporary visa holders to regional Australia to boost the seasonal horticultural workforce.

Getting Australians into jobs

To respond to Australia's workforce challenges, including increases in long-term unemployment (despite the low aggregate unemployment rate), particularly for vulnerable cohorts, the Government is transforming employment services to deliver better services for employers and job seekers in the most significant reform in decades. Workforce Australia, the new employment services model, commences on 1 July 2022.

Workforce Australia is transforming the Government's employment services and improving support for job seekers and employers. This includes a modern digital platform that is designed to become a single front door for all Government employment and skills programs and initiatives, and a refreshed and refocussed network of providers to deliver tailored case management.

Workforce Australia centres on helping Australians to find and keep a job, change jobs or create their own job, connecting employers with job seekers, and access to an enhanced network of providers. Underpinned by a digital and data ecosystem, the new model reduces red tape, increases employer engagement, promotes personal responsibility by job seekers, maintains mutual obligations, and will improve alignment with skills and training.

The Government will also provide \$10.7 million to encourage and support employers and job seekers to engage with Workforce Australia, including through the new digital platform.

In addition, the Government will expand the eligibility for access to the Local Recovery Fund under the Local Jobs Program to include job seekers self-managing through digital services in Workforce Australia from 1 July 2022.

Building workforce capability

The Government will invest \$42.1 million over four years to deliver ReBoot, a new pre-employment program to help an estimated 5,000 young people aged 15 to 24. The program will support disadvantaged Australians to overcome obstacles to find work.

Building on the six-month trial of the measure included in the 2021–22 Mid-Year Economic Fiscal Outlook (MYEFO), the Government will extend for a further six months the Career Advice Access pilot within the digital services offering in the new Workforce Australia employment program, extending the provision of career guidance to job seekers aged 25 and over. Extending the career guidance service will ensure all digital job seekers, including those who are mid-career, have up-to-date, accurate advice about career options, including in relation to emerging workforce opportunities.

The Government will provide \$11 million in 2022–23 for critical maintenance of the VET Student Loans (VSL) IT system to ensure the system can continue to support the delivery of the VSL program.

The Government will provide \$3.2 million to extend the Time to Work Employment Service program for 12 months to provide continued in-prison pre-employment services for Aboriginal and Torres Strait Islander prisoners.

Supporting Australia’s research and higher education sectors

On 1 February 2022, the Government launched the University Research Commercialisation Action Plan, a \$2.2 billion package to accelerate reform in the higher education sector for translation and commercialisation research capacity. The Action Plan establishes a new \$1.6 billion stage-gated funding program, Australia’s Economic Accelerator, to support translation and commercialisation activities aligned with national priority areas, in addition to a \$150 million capital injection to expand the CSIRO Main Sequence Ventures program, which back start-up companies and helps create commercial opportunities from Australian research.

The Action Plan also includes \$188.4 million over four years from 2021–22 (and \$55.1 million in 2025–26) to establish the Trailblazer Universities Program to support select universities to boost prioritised research and development and drive commercialisation outcomes with industry partners. A \$296 million suite of industry PhD and research fellowship schemes will create an industry research career pathway and encourage mobility and collaboration.

In support of the Action Plan, \$37.4 million has been provided for a new CSIRO Research Translation Start program to address cultural and skill barriers that hold back researchers in Australia’s publicly funded research system from engaging with business, and vice-versa.

Continued support for students and education

The Government is providing record funding for schools and universities and will invest new funding in targeted programs to support stronger educational outcomes for young Australians.

The Government remains committed to supporting improved education outcomes for school students, particularly vulnerable and disadvantaged students, Aboriginal and Torres Strait Islander students, and students in regional and remote areas. The Government will provide a record of \$25.3 billion in 2022, and \$318.9 billion over 2018 to 2029 under the Government's Quality Schools Package for recurrent funding to Australian schools allocated on the basis of need.

The Government will provide \$62.4 million over two financial years from 2022–23 to continue to support projects that enable better student educational outcomes through the National School Reform Fund and the Non-Government Reform Support Fund. The funds support delivery of national policy initiatives linked to the National School Reform Agreement and the Australian Government's educational priorities. These measures will benefit schools, students, teachers and school communities.

In response to the Quality Initial Teacher Education Review, the Government has established a new Initial Teacher Education (ITE) Quality Assessment Expert Panel, which will develop new minimum and excellence threshold standards for ITE courses.

To support students' return to the classroom after the disruptions of the pandemic, the Government will provide \$7.2 million over three years to help achieve focused, positive and supportive classroom environments for all students through the development of resources to support classroom management.

To assist school communities to respond to emerging priorities in school education, including recovery from COVID-19, the Government will increase funding by \$10.4 million for the Emerging Priorities Program in 2021–22.

As part of a wider package for mental health and wellbeing support, the Government is providing \$9.7 million to develop nationally consistent mechanisms to better manage mental health and wellbeing concerns in schools. This will include measures to develop a national understanding of the state of school student wellbeing, national guidelines for the accreditation of mental health and wellbeing programs, and trauma-informed professional development support for teachers.

The Government will invest \$6 million over four years to support the continued delivery of respectful relationship education materials for primary and secondary school students that align with the Australian Curriculum. This investment aligns with other prevention and consent initiatives under the next National Plan to End Violence against Women and Children 2022–2032 and links with the National Strategy to Prevent and Respond to Child Sexual Abuse through raising awareness, education and building child safe cultures.

The Government supports Life Education Australia to provide health and safety education to around 700,000 primary school aged children each year. The Government will provide \$6.1 million over four years to support the ongoing operation of Life Education Australia and the development of additional learning modules for younger children.

Additionally, the Government will provide \$5.0 million over two years in 2021–22 and 2022–23 to the Australian Human Rights Commission to undertake a survey of secondary school-age students on understanding and experiences of consent education.

Investing in the future of regional Australians

The Government recognises the continued need to support equitable access to quality education for students in regional, remote and very remote Australia. The Government is also investing in skilling regional workforces.

The Government is continuing to support Aboriginal and Torres Strait Islander boarding students from predominantly remote and very remote areas to access school education and enable boarding providers to best support the wellbeing and engagement of students with funding of \$29.4 million over four years.

Funding of \$17.3 million will support a one-year extension of the Indigenous Boarding Providers grants program to better support Aboriginal and Torres Strait Islander boarding students and improve their educational outcomes. This builds on the 2021–22 Budget measure *Schools and Youth – supporting students, teachers and young Australians* cross-portfolio package.

The Government will provide \$10.9 million over four years to establish a Commonwealth Regional Scholarship Program. The scholarship program will support the families of up to 200 students from low socio-economic status regional and remote communities to assist with the cost of boarding school fees. Scholarships will provide \$15,000 each year for three years.

The Government will run an additional grants round of the CCCF Open Competitive Program specifically targeting areas where there are gaps in the supply of child care in disadvantaged regional and remote communities. This will support the establishment of up to 20 new services nationally, facilitating engagement in early childhood education, care outcomes for local children, and increasing workforce participation in these regions.

The Government will invest \$11.3 million over the forward estimates to commence a competitive process to allocate up to 80 new commencing Commonwealth Supported Places each year from 2023–24 for universities with existing medical schools to deliver full medical school programs from new or existing rural training locations. This measure builds on the 2018–19 Budget measure *A Stronger Rural Health Strategy* to better manage the supply of medical school graduates.

1.2 Entity resource statement

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

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

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

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

**Table 1.1: Department of Education, Skills and Employment resource statement
— Budget estimates for 2022–23 as at Budget March 2022**

	2021-22 <i>Estimated actual</i> \$'000 (a)	2022-23 Estimate \$'000
Departmental		
Annual appropriations - ordinary annual services (b)		
Prior year appropriations available (c)	358,636	344,959
Departmental appropriation (d)	878,156	877,020
s74 External Revenue (e)	32,037	31,514
Departmental capital budget (f)	61,816	73,161
Annual appropriations - other services - non-operating (g)		
Prior year appropriations available (c)	48,097	42,668
Equity injection	102,851	39,915
Total departmental annual appropriations	<u>1,481,593</u>	<u>1,409,237</u>
Special accounts (h)		
Opening balance	4,717	4,717
Appropriation receipts (i)	-	-
Non-appropriation receipts	5,523	5,618
Total special accounts	<u>10,240</u>	<u>10,335</u>
Total departmental resourcing	<u>1,491,833</u>	<u>1,419,572</u>
Administered		
Annual appropriations - ordinary annual services (b)		
Outcome 1	460,237	537,808
Outcome 2	343,045	367,959
Outcome 3	3,462,754	3,325,879
Outcome 4	2,445,226	1,911,638
Annual appropriations - other services - specific payments to States, ACT, NT and local government (g)		
Outcome 1 (j)	165,613	194,529
Total administered annual appropriations	<u>6,876,875</u>	<u>6,337,813</u>
Total administered special appropriations	<u>53,606,161</u>	<u>56,362,334</u>
Special accounts (h)		
Opening balance	104,300	93,028
Appropriation receipts (i)	2,265	2,263
Non-appropriation receipts	750	14,378
Total special account receipts	<u>107,315</u>	<u>109,669</u>
<i>less administered appropriations drawn from annual/special appropriations and credited to special accounts</i>	<i>(7,788)</i>	<i>(7,881)</i>
Total administered resourcing	<u>60,582,563</u>	<u>62,801,935</u>
Total resourcing for Department of Education, Skills and Employment	<u>62,074,396</u>	<u>64,221,507</u>
	2021-22	2022-23
Average staffing level (number)	<u>3,651</u>	<u>3,655</u>

Third party payments from and on behalf of other entities

	2021-22 Estimated actual \$'000	2022-23 Estimate \$'000
Payments made on behalf of Education, Skills and Employment Services Australia	10,065,840	10,802,581
Payments made to other entities for the provision of services (disclosed above)		
Department of Social Services	4,942	4,942
Receipts received from other entities for the provision of services (disclosed above in s74 External Revenue section above)	19,887	18,679
Payments made to corporate entities within the Portfolio		
Australian Curriculum, Assessment and Reporting Authority (Annual Appropriation Bill No.1)	14,058	13,845
Australian Institute for Teaching and School Leadership (Annual Appropriation Bill No.1)	12,723	7,988

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

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

(a) Annual appropriation amounts appearing for 2021–22 exclude amounts in Appropriation Bills No. 3 and 4, which are yet to receive Royal Assent.

(b) Appropriation Bill (No. 1) 2022–23.

(c) Excludes \$15.5 million of operating annual appropriations and \$3.5 million of non-operating appropriations subject to administrative quarantine by Finance or withheld under section 51 of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act).

(d) Excludes departmental capital budget (DCB).

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

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

(g) Appropriation Bill (No. 2) 2022–23.

(h) Excludes trust moneys held in Services for Other Entities and Trust Moneys (SOETM). For further information on special accounts, please refer to *Budget Paper No. 4 - Agency Resourcing*. Please see Section 2 for further information on outcome and program expenses broken down by various funding sources, e.g. annual appropriations, special appropriations and special accounts.

(i) Amounts credited to the special accounts from Department of Education, Skills and Employment annual and special appropriations.

(j) Relates to appropriations sought for payment to the States, ACT, NT and local governments in Appropriation Bill (No. 2) 2022–23. The Government continues to grow its investment in Australian schools. This includes \$194.5 million for payments to states and territories in Appropriation Bill (No. 2), for Program 1.3 - Additional Support for Northern Territory Schools (\$12.3 million), for Program 1.4 - Adjustment Assistance (\$0.5 million); Choice and Affordability Fund (\$110.9 million); Non-Government Representative Bodies (\$42.0 million); and for Program 1.5 - Literacy Support for Tasmanian Students (\$2.0 million); Building on Country Boarding Schools (\$26.9 million). Funding for the Additional Support for Northern Territory Schools is for Northern Territory only. The distribution of the funding under the Non-Government Representative Bodies program is based on advice from Independent Schools Australia and the National Catholic Education Commission. The distribution of the Adjustment Assistance program will be determined following consideration of applications from eligible schools for national adjustment assistance funding and based on advice from the ACT Catholic system and ACT Association of Independent Schools for assistance to the ACT non-government sector. Funding under the Literacy Support for Tasmanian Students is for Tasmania only. Terms and conditions are made under the authority from the *Australian Education Act 2013* and the Australian Education Regulation.

1.3 Budget measures

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

**Table 1.2: Entity 2022–23 Budget measures
Measures announced since the 2021–22 Mid-Year Economic and Fiscal Outlook (MYEFO)**

Program	2021-22 \$'000	2022-23 \$'000	2023-24 \$'000	2024-25 \$'000	2025-26 \$'000
Receipt measures					
Guaranteeing Medicare –					
Supporting Rural Health (a)	2.1, 2.4				
Administered receipt	-	-	-	-	-
Departmental receipt	-	-	-	-	-
Total	-	-	-	-	-
Investing in Skills Development and Growing Australia's Workforce	3.1				
Administered receipt	-	-	7	50	210
Departmental receipt	-	-	-	-	-
Total	-	-	7	50	210
Total receipt measures					
Administered	-	-	7	50	210
Departmental	-	-	-	-	-
Total	-	-	7	50	210
Payment measures					
Supporting Regionalisation (b)	1.1				
Administered payment	-	-	-	-	-
Departmental payment	91	691	345	224	84
Total	91	691	345	224	84
Flood Package (c)	1.1, 1.2, 1.4				
Administered payment	29,892	3,700	-	-	-
Departmental payment	449	-	-	-	-
Total	30,341	3,700	-	-	-
Humanitarian Program 2022-23 and Update on Afghan Arrivals (d)	1.3, 1.4 4.1				
Administered payment	-	1,748	8,432	15,153	21,958
Departmental payment	-	-	-	-	-
Total	-	1,748	8,432	15,153	21,958
Changes to Visa Rules – supplementing Australia's workforce during the recovery (d)	1.3, 1.4 4.1				
Administered payment	557	3,637	4,383	5,127	5,244
Departmental payment	-	-	-	-	-
Total	557	3,637	4,383	5,127	5,244

Measures announced since the 2021–22 Mid-Year Economic and Fiscal Outlook (MYEFO) (continued)

	Program	2021-22 \$'000	2022-23 \$'000	2023-24 \$'000	2024-25 \$'000	2025-26 \$'000
Migration Program – 2022-23 planning levels (d)	1.3, 1.4 4.1					
Administered payment		-	698	4,336	4,303	4,266
Departmental payment		-	-	-	-	-
Total		-	698	4,336	4,303	4,266
School Education Support (e)	1.4, 1.5					
Administered payment		-	71,469	41,332	15,150	3,600
Departmental payment		-	1,068	458	263	62
Total		-	72,537	41,790	15,413	3,662
Women's Safety (f)	1.5					
Administered payment		2,000	7,123	196	198	363
Departmental payment		-	501	252	183	184
Total		2,000	7,624	448	381	547
Prioritising Mental Health (a)(g)	1.5					
Administered payment		-	-	-	-	-
Departmental payment		-	-	-	-	-
Total		-	-	-	-	-
Guaranteeing Medicare – Supporting Rural Health (a)	2.1, 2.4					
Administered payment		-	-	1,220	3,724	6,354
Departmental payment		-	-	-	-	-
Total		-	-	1,220	3,724	6,354
Investing in Australia's University Research Commercialisation (h)	2.6					
Administered payment		-	-	-	-	-
Departmental payment		-	-	-	-	-
Total		-	-	-	-	-
Digital Economy Strategy	3.1					
Administered payment		-	3,078	-	-	-
Departmental payment		-	687	151	-	-
Total		-	3,765	151	-	-
Women's Leadership Package	3.1					
Administered payment		-	10,015	10,015	9,297	9,297
Departmental payment		-	-	-	-	-
Total		-	10,015	10,015	9,297	9,297
Skills Reform to Support Future Growth	3.1, 3.2					
Administered payment		-	5,671	7,111	34,774	37,779
Departmental payment		-	5,950	-	-	-
Total		-	11,621	7,111	34,774	37,779

Measures announced since the 2021–22 Mid-Year Economic and Fiscal Outlook (MYEFO) (continued)

	Program	2021-22 \$'000	2022-23 \$'000	2023-24 \$'000	2024-25 \$'000	2025-26 \$'000
Investing in Skills Development and Growing Australia's Workforce (i)	3.1, 4.1					
Administered payment		(30,238)	347,318	355,911	432,857	230,535
Departmental payment		10,288	20,709	9,653	3,852	1,654
Total		(19,950)	368,027	365,564	436,709	232,189
Boosting Participation and Building Australia's Workforce	3.1, 4.1					
Administered payment		-	8,699	14,598	12,423	7,488
Departmental payment		600	4,499	1,572	893	542
Total		600	13,198	16,170	13,316	8,030
Agriculture – continuing to deliver Agriculture 2030 (j)(k)	4.1					
Administered payment		4,054	2,511	-	-	-
Departmental payment		-	-	-	-	-
Total		4,054	2,511	-	-	-
Total payment measures						
Administered		6,265	465,667	447,534	533,006	326,884
Departmental		11,428	34,105	12,431	5,415	2,526
Total		17,693	499,772	459,965	538,421	329,410

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

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

(b) The lead entity for this measure is the Department of Infrastructure, Transport, Regional Development and Communications. The full measure description and package details appear in Budget Paper No. 2 under the Infrastructure, Transport, Regional Development and Communications portfolio.

(c) The full measure and description and package details appear in Budget Paper No.2 under Cross Portfolio.

(d) The lead entity for this measure is the Department of Home Affairs. The full measure description and package details appear in Budget Paper No. 2 under the Home Affairs portfolio.

(e) Partial funding for this measure has already been provided for by the Government.

(f) The lead entity for this measure is the Department of Social Services. The full measure description and package details appear in Budget Paper No. 2 under the Social Services portfolio.

(g) The cost of this measure will be met from within existing resources of the Department of Education, Skills and Employment.

(h) This measure consists of decisions taken but not yet announced in the 2021-22 MYEFO: (i) Increase Workforce Mobility with the following impact: 2021–22 \$0.1 million, 2022–23 \$5.8 million, 2023–24 \$9.7 million, 2024–25 \$15.2 million and 2025–26 \$20.9 million; and (ii) Launch Australia's Economic Accelerator with the following impact: 2021–22 \$2.9 million, 2022–23 \$63.0 million, 2023–24 \$111.3 million, 2024–25 \$162.1 million, 2025–26 \$165.9 million.

(i) This includes amounts previously provisioned for by the Government.

(j) A component of this measure was previously published in the *Education, Skills and Employment 2021–22 Portfolio Additional Estimates Statements*.

(k) The lead entity for this measure is the Department of Agriculture, Water and the Environment. The full measure description and package details appear in Budget Paper No. 2 under the Agriculture, Water and the Environment portfolio.

Section 2: Outcomes and planned performance

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

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

Note:

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

The most recent corporate plan for DESE can be found at: www.dese.gov.au

The most recent annual performance statement can be found at: www.dese.gov.au

2.1 Budgeted expenses and performance for Outcome 1

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

Linked programs

Department of Social Services
Programs
<ul style="list-style-type: none"> • Program 3.1 – Disability and Carers
Contribution to Outcome 1 made by linked programs
The linked program contributes to Outcome 1 by providing key actions, under the Early Childhood Targeted Action Plan that supports Australia's Disability Strategy 2021-2031, to strengthen early identification, information, supports and pathways, as well as collaboration between programs and services. The program supports the development and wellbeing of children and helps them thrive across and between life stages.
Department of the Treasury
Programs
<ul style="list-style-type: none"> • Program 1.9 – National Partnership Payments to the states
Contribution to Outcome 1 made by linked programs
The linked program contributes to Outcome 1 by making National Partnership Payments to the states.
National Indigenous Australians Agency
Programs
<ul style="list-style-type: none"> • Program 1.1 – Jobs, Land and Economy • Program 1.2 – Children and Schooling
Contribution to Outcome 1 made by linked programs
The linked programs contribute to Outcome 1 by supporting school attendance, improved educational outcomes and access to further education, training and employment for Indigenous students.
Services Australia
Programs
<ul style="list-style-type: none"> • Program 1.1 – Strategy and Corporate Enabling • Program 1.2 – Customer Service Delivery • Program 1.3 – Technology and Transformation
Contribution to Outcome 1 made by linked programs
The linked programs contributes to Outcome 1 by administering child care payments to eligible families.

Budgeted expenses for Outcome 1

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

Table 2.1.1: Budgeted expenses for Outcome 1

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
Outcome 1: Improved early learning, schooling, student educational outcomes and transitions to and from school through access to quality child care, support, parent engagement, quality teaching and learning environments.					
Program 1.1: Support for the Child Care System					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	372,071	294,976	295,494	300,053	298,080
Special appropriations <i>A New Tax System (Family Assistance) (Administration) Act 1999</i>	22,392	7,700	4,000	4,000	4,000
Total expenses for program 1.1	394,463	302,676	299,494	304,053	302,080
Program 1.2: Child Care Subsidy					
Administered expenses					
Special appropriations <i>A New Tax System (Family Assistance) (Administration) Act 1999</i>	9,917,781	10,712,844	11,318,500	11,828,119	12,402,954
Total expenses for program 1.2	9,917,781	10,712,844	11,318,500	11,828,119	12,402,954
Program 1.3: Government Schools National Support					
Administered expenses					
Other services (Appropriation Bill No. 2)	14,242	12,263	10,035	7,536	4,745
Special appropriations <i>Australian Education Act 2013</i>	9,711,774	10,272,131	10,798,362	11,212,293	11,647,746
Total expenses for program 1.3	9,726,016	10,284,394	10,808,397	11,219,829	11,652,491
Program 1.4: Non-Government Schools National Support					
Administered expenses					
Other services (Appropriation Bill No. 2)	154,371	153,416	126,244	117,667	121,197
Special appropriations <i>Australian Education Act 2013</i>	15,147,916	15,972,822	16,764,169	17,350,097	17,883,665
Total expenses for program 1.4	15,302,287	16,126,238	16,890,413	17,467,764	18,004,862
Program 1.5: Early Learning and Schools Support					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	186,272	211,523	184,320	119,680	84,360
Other services (Appropriation Bill No. 2)	4,575	28,850	28,850	11,775	2,000
Total expenses for program 1.5	190,847	240,373	213,170	131,455	86,360

Table 2.1.1: Budgeted expenses for Outcome 1 (continued)

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
Outcome 1 Totals by appropriation type					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	558,343	506,499	479,814	419,733	382,440
Other services (Appropriation Bill No. 2)	173,188	194,529	165,129	136,978	127,942
Special appropriations	34,799,863	36,965,497	38,885,031	40,394,509	41,938,365
Administered total	35,531,394	37,666,525	39,529,974	40,951,220	42,448,747
Departmental expenses					
Departmental appropriation	167,066	162,407	149,926	150,953	148,207
s74 External Revenue (a)	3,618	3,654	3,654	3,654	3,654
Expenses not requiring appropriation in the Budget year (b)	3,419	3,494	3,480	3,480	3,480
Departmental total	174,103	169,555	157,060	158,087	155,341
Total expenses for Outcome 1	35,705,497	37,836,080	39,687,034	41,109,307	42,604,088
Movement of administered funds between years (c)					
	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
Outcome 1:					
Preschool Data Framework	(2,480)	2,480	-	-	-
Students Support Package	(3,800)	3,800	-	-	-
Total movement of administered funds	(6,280)	6,280	-	-	-
Average staffing level (number)					
	2021-22 797	2022-23 779			

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

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

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

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

Performance measures for Outcome 1

This section details the performance measures for each program associated with Outcome 1. It also provides the related key activities as expressed in the 2021–22 Corporate Plan. The 2021–22 Corporate Plan also provides further detail about the delivery of the activities related to the program, the context in which these activities are delivered and how the performance of these activities will be measured. Where relevant, details of 2022–23 Budget measures that have created new programs, or materially changed existing programs, are provided.

Program 1.1 Support for the Child Care System

Outcome 1: Improved early learning, schooling, student educational outcomes and transitions to and from school through access to quality child care, support, parent engagement, quality teaching and learning environments.		
Program 1.1 Support for the Child Care System		
The program helps families to participate in the social and economic life of the community by promoting and supporting quality and affordable child care, and assisting services to improve access and inclusion for vulnerable or disadvantaged children and families, including children with disabilities and their families.		
Key activities	Provide targeted support to families, children and child care centres who need it.	
Year	Performance measures	Expected performance results
Current year 2021–22	The proportion of Community Child Care Fund (CCCF) and Inclusion Support Program (ISP) support granted to socio-economically vulnerable and disadvantaged communities.	Target: Increase on previous year Data not yet available Data is not yet available to make an assessment. Further information will be published in the department's 2021–22 Annual Report.
Year	Performance measures	Planned performance results
Budget Year 2022–23	The proportion of Community Child Care Fund (CCCF) and Inclusion Support Program (ISP) support granted to socio-economically vulnerable and disadvantaged communities.	Target: Increase on previous year
Forward Estimates 2023–26	As per 2022–23	Equal to or higher than 2022–23
Material changes to Program 1.1 resulting from 2022–23 Budget Measures:		
<ul style="list-style-type: none"> • Flood Package • Supporting Regionalisation 		

Note: The department has undertaken assessment and assurance activities regarding performance measures since publishing the Department of Education, Skills and Employment 2021–22 Corporate Plan. New or amended measures are included in this document (Education, Skills and Employment 2022–23 PB Statements). Full details of the department's planned performance will be provided in the Department of Education, Skills and Employment 2022–23 Corporate Plan.

Program 1.1: Support for the Child Care System

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
Annual administered expenses:					
Ordinary annual services (Appropriation Bill No. 1)					
Child Care Services Support	372,071	294,976	295,494	300,053	298,080
Special appropriations:					
<i>A New Tax System (Family Assistance) (Administration) Act 1999 (a)</i>	22,392	7,700	4,000	4,000	4,000
Total program expenses	394,463	302,676	299,494	304,053	302,080

(a) From 1 July 2021, the Additional Child Care Subsidy (ACCS) is reported under the Child Care Subsidy (CCS) following administrative changes to improve the way ACCS is administered, resulting from the 2021–22 Budget measure: *Commonwealth's Deregulation Agenda*.

Program 1.2 Child Care Subsidy

Outcome 1: Improved early learning, schooling, student educational outcomes and transitions to and from school through access to quality child care, support, parent engagement, quality teaching and learning environments.		
Program 1.2 Child Care Subsidy		
The Child Care Subsidy (CCS) aims to improve access to quality child care by providing assistance to meet the cost of child care for families engaged in work, training, study or other recognised activity.		
Key activities	Support to families who rely on subsidised child care to work, train, study or volunteer.	
Year	Performance measures	Expected performance results
Current year 2021–22	Proportion of accurate child care payments to all services.	Target: 90% or higher On track
Year	Performance measures	Planned performance results
Budget Year 2022–23	Proportion of accurate child care payments to all services.	Target: 90% or higher
	Average child care hours attended by children that are supported by Additional Child Care Subsidy.	Target: Equal to or higher than the average child care hours attended by children that are supported by Child Care Subsidy.
Forward Estimates 2023–26	As per 2022–23	As per 2022–23
Material changes to Program 1.2 resulting from 2022–23 Budget Measures:		
<ul style="list-style-type: none"> Flood Package 		

Note: The department has undertaken assessment and assurance activities regarding performance measures since publishing the Department of Education, Skills and Employment 2021–22 Corporate Plan. New or amended measures are included in this document (Education, Skills and Employment 2022–23 PB Statements). Full details of the department’s planned performance will be provided in the Department of Education, Skills and Employment 2022–23 Corporate Plan.

Program 1.2: Child Care Subsidy

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
Annual administered expenses:					
Special appropriations:					
<i>A New Tax System (Family Assistance) (Administration) Act 1999 (a)(b)</i>	9,917,781	10,712,844	11,318,500	11,828,119	12,402,954
Total program expenses	9,917,781	10,712,844	11,318,500	11,828,119	12,402,954

(a) From 1 July 2021, the ACCS is reported under the CCS following administrative changes to improve the way ACCS is administered, resulting from the 2021–22 Budget measure: *Commonwealth's Deregulation Agenda*.

(b) Legacy programs Child Care Benefit and Child Care Rebate are reported under the CCS.

Program 1.3 Government Schools National Support

<p>Outcome 1: Improved early learning, schooling, student educational outcomes and transitions to and from school through access to quality child care, support, parent engagement, quality teaching and learning environments.</p>		
<p>Program 1.3 Government Schools National Support</p> <p>The program provides supplementary financial assistance to state and territory governments to facilitate the delivery of a quality education within government schools.</p>		
<p>Key activities</p>	<p>Provide consistent, transparent and needs-based funding to government schools.</p>	
<p>Year</p>	<p>Performance measures</p>	<p>Expected performance results</p>
<p>Current year 2021–22</p>	<p>Lower the proportion of students in the bottom two bands in NAPLAN for reading for Year 3 students.²</p>	<p>Target: Lower than 2018 (8.6%) by the end of 2023</p> <p>Not on track</p> <p>There has been an increase in the proportion of students in the bottom two bands since 2018, if this trend continues the target will not be met. Further information will be published in the department's 2021–22 Annual Report.</p>
	<p>Lower the proportion of students in the bottom two bands in NAPLAN for numeracy for Year 3 students.²</p>	<p>Target: Lower than 2018 (11.5%) by the end of 2023</p> <p>Not on track</p> <p>There has been an increase in the proportion of students in the bottom two bands since 2018, if this trend continues the target will not be met. Further information will be published in the department's 2021–22 Annual Report.</p>
	<p>Increase the proportion of students in the top two bands in NAPLAN for reading for Year 3 students.²</p>	<p>Target: Higher than 2018 (53.2%) by the end of 2023</p> <p>On track</p>
	<p>Increase the proportion of students in the top two bands in NAPLAN for numeracy for Year 3 students.²</p>	<p>Target: Higher than 2018 (39.2%) by the end of 2023</p> <p>Not on track</p> <p>There has been a decrease in the proportion of students in the top two bands since 2018, if this trend continues the target will not be met. Further information will be published in the department's 2021–22 Annual Report.</p>

² This measure contributes to the measurement of programs 1.3, 1.4 and 1.5.

Year	Performance measures	Expected performance results
	Increase the proportion of students attending school 90% or more of the time. ²	Target: Higher than 2018 (75.2%) by the end of 2023 Not on track The attendance level has been declining since the 2018 baseline. Further information will be published in the department's 2021–22 Annual Report.
	Increase the proportion of people (age 20–24) who have completed Year 12 or equivalent or gaining a qualification at Australian Qualifications Framework Certificate III or above. ²	Target: Increase to 96% by 2031 (from 89.4% in 2020) Not on track There has been some improvement in the proportion of people who have completed year 12 or equivalent since 2018, however, based on current trends the target will not be met. Further information will be published in the department's 2021–22 Annual Report.
	Increase the proportion of Aboriginal and Torres Strait Islander people (age 20–24) attaining Year 12 or equivalent or gaining a qualification at Australian Qualifications Framework Certificate III or above. ²	Target: Increase to 96% by 2031 (from 63.2% in 2016) Data not yet available The status of this performance measure will be able to be assessed once 2021 census figures are released by the Australian Bureau of Statistics. Further information will be published in the department's 2021–22 Annual Report.
Year	Performance measures	Planned performance results
Budget Year 2022–23	Lower the proportion of students in the bottom two bands in NAPLAN for reading for Year 3 students. ²	Target: Lower than 2018 (8.6%) by the end of 2023
	Lower the proportion of students in the bottom two bands in NAPLAN for numeracy for Year 3 students. ²	Target: Lower than 2018 (11.5%) by the end of 2023
	Increase the proportion of students in the top two bands in NAPLAN for reading for Year 3 students. ²	Target: Higher than 2018 (53.2%) by the end of 2023
	Increase the proportion of students in the top two bands in NAPLAN for numeracy for Year 3 students. ²	Target: Higher than 2018 (39.2%) by the end of 2023
	Increase the proportion of students attending school 90% or more of the time. ²	Target: Higher than 2018 (75.2%) by the end of 2023

Year	Performance measures	Planned performance results
	Increase the proportion of people (age 20-24) who have completed Year 12 or equivalent or gaining a qualification at Australian Qualifications Framework Certificate III or above. ²	Target: Increase to 96% by 2031 (from 89.4% in 2020)
	Increase the proportion of Aboriginal and Torres Strait Islander people (age 20-24) attaining Year 12 or equivalent or gaining a qualification at Australian Qualifications Framework Certificate III or above. ²	Target: Increase to 96% by 2031 (from 63.2% in 2016)
Forward Estimates 2023–26	As per 2022–23	As per 2022–23

Material changes to Program 1.3 resulting from 2022–23 Budget Measures:

- Changes to Visa Rules — supplementing Australia’s workforce during the recovery
- Humanitarian Program 2022–23 and Update on Afghan Arrivals
- Migration Program — 2022–23 planning levels

Note: The department has undertaken assessment and assurance activities regarding performance measures since publishing the Department of Education, Skills and Employment 2021–22 Corporate Plan. New or amended measures are included in this document (Education, Skills and Employment 2022–23 PB Statements). Full details of the department’s planned performance will be provided in the Department of Education, Skills and Employment 2022–23 Corporate Plan.

Program 1.3: Government Schools National Support

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
Annual administered expenses:					
Other services (Appropriation Bill No. 2)					
Additional Support for Northern Territory	14,242	12,263	10,035	7,536	4,745
Special appropriations:					
Australian Education Act 2013	9,711,774	10,272,131	10,798,362	11,212,293	11,647,746
Total program expenses	9,726,016	10,284,394	10,808,397	11,219,829	11,652,491

Program 1.4 Non-Government Schools National Support

Outcome 1: Improved early learning, schooling, student educational outcomes and transitions to and from school through access to quality child care, support, parent engagement, quality teaching and learning environments.		
Program 1.4 Non-Government Schools National Support		
The program provides financial assistance to approved authorities for non-government schools to facilitate the delivery of a quality education within non-government schools.		
Key activities	Provide consistent, transparent and needs-based funding to non-government schools.	
Year	Performance measures	Expected performance results
Current year 2021–22	Lower the proportion of students in the bottom two bands in NAPLAN for reading for Year 3 students. ³	Target: Lower than 2018 (8.6%) by the end of 2023 Not on track There has been an increase in the proportion of students in the bottom two bands since 2018, if this trend continues the target will not be met. Further information will be published in the department's 2021–22 Annual Report.
	Lower the proportion of students in the bottom two bands in NAPLAN for numeracy for Year 3 students. ³	Target: Lower than 2018 (11.5%) by the end of 2023 Not on track There has been an increase in the proportion of students in the bottom two bands since 2018, if this trend continues the target will not be met. Further information will be published in the department's 2021–22 Annual Report.
	Increase the proportion of students in the top two bands in NAPLAN for reading for Year 3 students. ³	Target: Higher than 2018 (53.2%) by the end of 2023 On track
	Increase the proportion of students in the top two bands in NAPLAN for numeracy for Year 3 students. ³	Target: Higher than 2018 (39.2%) by the end of 2023 Not on track There has been a decrease in the proportion of students in the top two bands since 2018, if this trend continues the target will not be met. Further information will be published in the department's 2021–22 Annual Report.

³ This measure contributes to the measurement of programs 1.3, 1.4 and 1.5.

Year	Performance measures	Expected performance results
	Increase the proportion of students attending school 90% or more of the time. ³	<p>Target: Higher than 2018 (75.2%) by the end of 2023</p> <p>Not on track</p> <p>The attendance level has been declining since the 2018 baseline. Further information will be published in the department's 2021–22 Annual Report.</p>
	Increase the proportion of people (age 20–24) who have completed Year 12 or equivalent or gaining a qualification at Australian Qualifications Framework Certificate III or above. ³	<p>Target: Increase to 96% by 2031 (from 89.4% in 2020)</p> <p>Not on track</p> <p>There has been some improvement in the proportion of people who have completed year 12 or equivalent since 2018, however, based on current trends the target will not be met. Further information will be published in the department's 2021–22 Annual Report.</p>
	Increase the proportion of Aboriginal and Torres Strait Islander people (age 20–24) attaining Year 12 or equivalent or gaining a qualification at Australian Qualifications Framework Certificate III or above. ³	<p>Target: Increase to 96% by 2031 (from 63.2% in 2016)</p> <p>Data not yet available</p> <p>The status of this performance measure will be able to be assessed once 2021 census figures are released by the Australian Bureau of Statistics. Further information will be published in the department's 2021–22 Annual Report.</p>
Year	Performance measures	Planned performance results
Budget Year 2022–23	Lower the proportion of students in the bottom two bands in NAPLAN for reading for Year 3 students. ³	Target: Lower than 2018 (8.6%) by the end of 2023
	Lower the proportion of students in the bottom two bands in NAPLAN for numeracy for Year 3 students. ³	Target: Lower than 2018 (11.5%) by the end of 2023
	Increase the proportion of students in the top two bands in NAPLAN for reading for Year 3 students. ³	Target: Higher than 2018 (53.2%) by the end of 2023
	Increase the proportion of students in the top two bands in NAPLAN for numeracy for Year 3 students. ³	Target: Higher than 2018 (39.2%) by the end of 2023
	Increase the proportion of students attending school 90% or more of the time. ³	Target: Higher than 2018 (75.2%) by the end of 2023

Year	Performance measures	Planned performance results
	Increase the proportion of people (age 20-24) who have completed Year 12 or equivalent or gaining a qualification at Australian Qualifications Framework Certificate III or above. ³	Target: Increase to 96% by 2031 (from 89.4% in 2020)
	Increase the proportion of Aboriginal and Torres Strait Islander people (age 20-24) attaining Year 12 or equivalent or gaining a qualification at Australian Qualifications Framework Certificate III or above. ³	Target: Increase to 96% by 2031 (from 63.2% in 2016)
Forward Estimates 2023–26	As per 2022–23	As per 2022–23

Material changes to Program 1.4 resulting from 2022–23 Budget Measures:

- Changes to Visa Rules — supplementing Australia’s workforce during the recovery
- Flood Package
- Humanitarian Program 2022–23 and Update on Afghan Arrivals
- Migration Program — 2022–23 planning levels
- School Education Support

Note: The department has undertaken assessment and assurance activities regarding performance measures since publishing the Department of Education, Skills and Employment 2021–22 Corporate Plan. New or amended measures are included in this document (Education, Skills and Employment 2022–23 PB Statements). Full details of the department’s planned performance will be provided in the Department of Education, Skills and Employment 2022–23 Corporate Plan.

Program 1.4: Non-Government Schools National Support

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
Annual administered expenses:					
Other services (Appropriation Bill No. 2)					
Non-Government Representative Bodies	45,013	42,013	12,004	-	-
Adjustment Assistance	1,676	491	-	-	-
Choice and Affordability Fund	107,682	110,912	114,240	117,667	121,197
Special appropriations:					
<i>Australian Education Act 2013</i>	15,147,916	15,972,822	16,764,169	17,350,097	17,883,665
Total program expenses	15,302,287	16,126,238	16,890,413	17,467,764	18,004,862

Program 1.5 Early Learning and Schools Support

<p>Outcome 1: Improved early learning, schooling, student educational outcomes and transitions to and from school through access to quality child care, support, parent engagement, quality teaching and learning environments.</p>		
<p>Program 1.5 Early Learning and Schools Support</p> <p>This program supports initiatives that contribute to improved access to high quality teaching and learning in early learning and school education for all Australian students.</p>		
<p>Key activities</p>	<p>Support children to have access to quality early learning, particularly in the year before reaching school.</p> <p>Provide support for a range of curriculum, assessment, teaching and wellbeing programs.</p> <p>Provide national leadership and work with states on national policy reform.</p>	
<p>Year</p>	<p>Performance measures</p>	<p>Expected performance results</p>
<p>Current year 2021–22</p>	<p>Proportion of Indigenous children enrolled in early childhood education in the year before full-time school who are enrolled for 600 hours per year.</p>	<p>Target: 95% or higher</p> <p>Data not yet available</p> <p>Data is not yet available to make an assessment. Further information will be published in the department's 2021–22 Annual Report.</p>
	<p>Proportion of vulnerable and disadvantaged children enrolled in the year before full-time school who are enrolled for 600 hours per year.</p>	<p>Target: 95% or higher</p> <p>Data not yet available</p> <p>Data is not yet available to make an assessment. Further information will be published in the department's 2021–22 Annual Report.</p>
	<p>Lower the proportion of students in the bottom two bands in NAPLAN for reading for Year 3 students.⁴</p>	<p>Target: Lower than 2018 (8.6%) by the end of 2023</p> <p>Not on track</p> <p>There has been an increase in the proportion of students in the bottom two bands since 2018, if this trend continues the target will not be met. Further information will be published in the department's 2021–22 Annual Report.</p>

⁴ This measure contributes to the measurement of programs 1.3, 1.4 and 1.5.

Year	Performance measures	Expected performance results
	Lower the proportion of students in the bottom two bands in NAPLAN for numeracy for Year 3 students. ⁴	<p>Target: Lower than 2018 (11.5%) by the end of 2023</p> <p>Not on track</p> <p>There has been an increase in the proportion of students in the bottom two bands since 2018, if this trend continues the target will not be met. Further information will be published in the department's 2021–22 Annual Report.</p>
	Increase the proportion of students in the top two bands in NAPLAN for reading for Year 3 students. ⁴	<p>Target: Higher than 2018 (53.2%) by the end of 2023</p> <p>On track</p>
	Increase the proportion of students in the top two bands in NAPLAN for numeracy for Year 3 students. ⁴	<p>Target: Higher than 2018 (39.2%) by the end of 2023</p> <p>Not on track</p> <p>There has been a decrease in the proportion of students in the top two bands since 2018, if this trend continues the target will not be met. Further information will be published in the department's 2021–22 Annual Report.</p>
	Increase the proportion of students attending school 90% or more of the time. ⁴	<p>Target: Higher than 2018 (75.2%) by the end of 2023</p> <p>Not on track</p> <p>The attendance level has been declining since the 2018 baseline. Further information will be published in the department's 2021–22 Annual Report.</p>
	Increase the proportion of people (age 20–24) who have completed Year 12 or equivalent or gaining a qualification at Australian Qualifications Framework Certificate III or above. ⁴	<p>Target: Increase to 96% by 2031 (from 89.4% in 2020)</p> <p>Not on track</p> <p>There has been some improvement in the proportion of people who have completed year 12 or equivalent since 2018, however, based on current trends the target will not be met. Further information will be published in the department's 2021–22 Annual Report.</p>

Year	Performance measures	Expected performance results
	Increase the proportion of Aboriginal and Torres Strait Islander people (age 20–24) attaining Year 12 or equivalent or gaining a qualification at Australian Qualifications Framework Certificate III or above. ⁴	<p>Target: Increase to 96% by 2031 (from 63.2% in 2016)</p> <p>Data not yet available</p> <p>The status of this performance measure will be able to be assessed once 2021 census figures are released by the Australian Bureau of Statistics. Further information will be published in the department's 2021–22 Annual Report.</p>
Year	Performance measures	Planned performance results
Budget Year 2022–23	Proportion of Indigenous children enrolled in early childhood education in the year before fulltime school who are enrolled for 600 hours per year.	Target: 95% or higher
	Proportion of vulnerable and disadvantaged children enrolled in the year before full-time school who are enrolled for 600 hours per year.	Target: 95% or higher
	Lower the proportion of students in the bottom two bands in NAPLAN for reading for Year 3 students.	Target: Lower than 2018 (8.6%) by the end of 2023
	Lower the proportion of students in the bottom two bands in NAPLAN for numeracy for Year 3 students.	Target: Lower than 2018 (11.5%) by the end of 2023
	Increase the proportion of students in the top two bands in NAPLAN for reading for Year 3 students.	Target: Higher than 2018 (53.2%) by the end of 2023
	Increase the proportion of students in the top two bands in NAPLAN for numeracy for Year 3 students.	Target: Higher than 2018 (39.2%) by the end of 2023
	Increase the proportion of students attending school 90% or more of the time.	Target: Higher than 2018 (75.2%) by the end of 2023
	Increase the proportion of people (age 20–24) who have completed Year 12 or equivalent or gaining a qualification at Australian Qualifications Framework Certificate III or above.	Target: Increase to 96% by 2031 (from 89.4% in 2020)

Year	Performance measures	Planned performance results
	Increase the proportion of Aboriginal and Torres Strait Islander people (age 20–24) attaining Year 12 or equivalent or gaining a qualification at Australian Qualifications Framework Certificate III or above.	Target: Increase to 96% by 2031 (from 63.2% in 2016)
Forward Estimates 2023–26	As per 2022–23	As per 2022–23

Material changes to Program 1.5 resulting from 2022–23 Budget Measures:

- Prioritising Mental Health
- School Education Support
- Women's Safety

Note: The department has undertaken assessment and assurance activities regarding performance measures since publishing the Department of Education, Skills and Employment 2021–22 Corporate Plan. New or amended measures are included in this document (Education, Skills and Employment 2022–23 PB Statements). Full details of the department's planned performance will be provided in the Department of Education, Skills and Employment 2022–23 Corporate Plan.

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Program 1.5: Early Learning and Schools Support

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
Annual administered expenses:					
Ordinary annual services (Appropriation Bill No. 1)					
Early Learning Support					
Universal Access	2,679	1,000	-	-	-
Preschools Data Framework	2,770	8,903	6,591	4,581	4,691
Australian Early Development Census	12,315	4,496	12,508	10,559	6,018
Total Early Learning Support	17,764	14,399	19,099	15,140	10,709
Schools Support					
English Language Learning for Indigenous Children (ELLIC)	1,084	-	-	-	-
Grants and Awards	1,408	1,430	1,452	1,474	1,496
Helping Children with Autism	6,139	6,237	6,330	6,425	6,522
High Achieving Teachers Program and Future Leaders Program	15,900	2,250	-	-	-
National Assessment Reform	2,200	2,200	2,200	2,200	2,200
National Schools Reform	14,885	20,159	13,584	6,906	-
Australian Education Research Organisation	10,000	10,000	10,000	10,000	10,000
National School Resourcing Board	960	979	994	1,012	1,030
Quality Outcomes	32,983	35,965	36,032	36,420	34,651
Science, Technology, Engineering and Mathematics (STEM)	550	550	700	-	-
Students Support Package	42,717	40,480	38,376	5,450	-
Delivering Respect Matters	1,875	-	-	-	-
Life Education - Being Healthy, Being Active	700	900	1,700	1,700	1,700
Online Teaching and Learning Courses to Support Mathematics	2,825	2,824	-	-	-
Rural Inspire Initiative	500	-	-	-	-
National Phonics Check	4,300	-	-	-	-
Respectful Interfaith School Education	1,000	500	-	-	-
Supporting Australia's Teacher Workforce	3,113	2,213	2,216	2,229	2,453
Schools & Youth Closing the Gap Initiatives	12,219	16,264	14,465	4,014	1,900
Supporting Quality Boarding for Rural and Remote Students	-	19,250	3,500	3,450	1,900
Engaged Classrooms	3,650	2,050	300	-	-
Respectful Relationships Education	2,000	7,123	196	198	363
School Education Support	7,500	25,750	33,176	23,062	9,436
Other services (Appropriation Bill No. 2)					
Literacy Support for Tasmanian Students	2,000	2,000	2,000	2,000	2,000
Closing the Gap - Schools and Youth Initiatives	2,575	26,850	26,850	9,775	-
Total Schools Support	173,083	225,974	194,071	116,315	75,651
Total program expenses	190,847	240,373	213,170	131,455	86,360

2.2 Budgeted expenses and performance for Outcome 2

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

Linked programs

<p>Australian Trade and Investment Commission (Austrade)</p>
<p>Programs</p> <ul style="list-style-type: none"> • Program 1.1 – Promotion of Australia's export and other international economic interests
<p>Contribution to Outcome 2 made by linked programs</p> <p>The linked program contributes to Outcome 2 by promoting the Australian education sector in international markets.</p>
<p>Department of Foreign Affairs and Trade</p>
<p>Programs</p> <ul style="list-style-type: none"> • Program 1.1 – Foreign Affairs and Trade Operations • Program 1.5 – New Colombo Plan - Transforming Regional Relationships
<p>Contribution to Outcome 2 made by linked programs</p> <p>The linked programs contribute to Outcome 2 by promoting international education through advocacy and coordination roles at overseas missions.</p>
<p>Department of Home Affairs</p>
<p>Programs</p> <ul style="list-style-type: none"> • Program 2.2 – Visas
<p>Contribution to Outcome 2 made by linked programs</p> <p>The linked program contributes to Outcome 2 by supporting a sustainable international education sector through administering student visas.</p>
<p>Department of Social Services</p>
<p>Programs</p> <ul style="list-style-type: none"> • Program 1.6 – Student Payments
<p>Contribution to Outcome 2 made by linked programs</p> <p>The linked program contributes to Outcome 2 by providing financial support to individuals and families to undertake further education. This also includes enhancing educational outcomes for Aboriginal and Torres Strait Islander students by increasing their access and participation in further education.</p>

National Indigenous Australians Agency
Programs <ul style="list-style-type: none">• Program 1.1 – Jobs, Land and Economy• Program 1.2 – Children and Schooling
Contribution to Outcome 2 made by linked programs <p>The linked programs contribute to Outcome 2 by supporting school attendance, improved educational outcomes and access to further education and employment for Indigenous students.</p>
Services Australia
Programs <ul style="list-style-type: none">• Program 1.1 – Strategy and Corporate Enabling• Program 1.2 – Customer Service Delivery• Program 1.3 – Technology and Transformation
Contribution to Outcome 2 made by linked programs <p>The linked programs contributes to Outcome 2 by making payments to eligible job seekers.</p>

Budgeted expenses for Outcome 2

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

Table 2.2.1: Budgeted expenses for Outcome 2

Outcome 2: Promote growth in economic productivity and social wellbeing through access to quality higher education, international education, and international quality research.					
	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
Program 2.1: Commonwealth Grant Scheme					
Administered expenses					
Special appropriations					
<i>Higher Education Support Act 2003</i>	7,555,325	7,352,954	7,221,793	7,362,284	7,678,388
Total expenses for program 2.1	7,555,325	7,352,954	7,221,793	7,362,284	7,678,388
Program 2.2: Higher Education Superannuation Program					
Administered expenses					
Special appropriations					
<i>Higher Education Support Act 2003</i>	131,494	125,148	118,512	111,800	105,029
Total expenses for program 2.2	131,494	125,148	118,512	111,800	105,029
Program 2.3: Higher Education Support					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	53,883	57,165	63,474	65,668	67,307
Special appropriations					
<i>Higher Education Support Act 2003</i>	845,426	803,935	803,438	805,984	825,206
Total expenses for program 2.3	899,309	861,100	866,912	871,652	892,513
Program 2.4: Higher Education Loan Program					
Administered expenses					
Special appropriations					
<i>Higher Education Support Act 2003</i>	2,044,656	1,790,635	1,873,465	1,959,727	1,897,762
Special accounts					
Higher Education Tuition Protection Fund	2,679	2,783	2,892	3,008	3,129
Total expenses for program 2.4	2,047,335	1,793,418	1,876,357	1,962,735	1,900,891

Table 2.2.1: Budgeted expenses for Outcome 2 (continued)

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
Program 2.5: Investment in Higher Education Research					
Administered expenses					
Special appropriations					
<i>Higher Education Support Act 2003</i>	1,999,841	2,043,954	2,103,018	2,154,577	2,209,383
Total expenses for program 2.5	1,999,841	2,043,954	2,103,018	2,154,577	2,209,383
Program 2.6: Research Capacity					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	273,567	286,043	396,826	496,739	454,441
Special appropriations					
<i>Higher Education Support Act 2003</i>	44,057	173,113	202,079	245,766	258,212
Total expenses for program 2.6	317,624	459,156	598,905	742,505	712,653
Program 2.7: International Education Support					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	47,505	23,519	23,179	23,201	22,260
Special accounts					
Overseas Students Tuition Fund	9,153	4,350	4,556	4,772	4,999
SOETM - Cheung Kong	1,538	982	980	979	977
Total expenses for program 2.7	58,196	28,851	28,715	28,952	28,236

Table 2.2.1: Budgeted expenses for Outcome 2 (continued)

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
Outcome 2 Totals by appropriation type					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	374,955	366,727	483,479	585,608	544,008
Special appropriations	12,620,799	12,289,739	12,322,305	12,640,138	12,973,980
Special accounts	13,370	8,115	8,428	8,759	9,105
Administered total	13,009,124	12,664,581	12,814,212	13,234,505	13,527,093
Departmental expenses					
Departmental appropriation	110,695	119,794	119,622	115,188	115,056
s74 External Revenue (a)	2,603	2,804	2,654	2,493	2,493
Expenses not requiring appropriation in the Budget year (b)	5,997	6,313	6,319	6,319	6,319
Departmental total	119,295	128,911	128,595	124,000	123,868
Total expenses for Outcome 2	13,128,419	12,793,492	12,942,807	13,358,505	13,650,961
<hr/>					
Average staffing level (number)	513	535			

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

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

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

Performance measures for Outcome 2

This section details the performance measures for each program associated with Outcome 2. It also provides the related key activities as expressed in the 2021–22 Corporate Plan. The 2021–22 Corporate Plan also provides further detail about the delivery of the activities related to the program, the context in which these activities are delivered and how the performance of these activities will be measured. Where relevant, details of 2022–23 Budget measures that have created new programs, or materially changed existing programs, are provided.

Program 2.1 Commonwealth Grant Scheme

<p>Outcome 2: Promote growth in economic productivity and social wellbeing through access to quality higher education, international education and international quality research.</p>		
<p>Program 2.1 Commonwealth Grant Scheme</p> <p>A highly skilled workforce and educated community is important for economic productivity and social wellbeing. The Commonwealth Grant Scheme (CGS) contributes to achieving this objective through:</p> <ul style="list-style-type: none"> making a direct contribution to the cost of educating Commonwealth-supported students enrolled in undergraduate and postgraduate degrees increasing the number of regional students participating in higher education by providing additional funding to regional universities to meet the higher costs associated with delivery of higher education in regional locations supporting educationally disadvantaged students to prepare for and successfully complete higher education through funding for enabling courses meeting medical workforce training needs through the provision of targeted support for initial-entry medical programs. 		
<p>Key activities</p>	<p>Enhance the quality of the higher education system.</p> <p>Support students' access to higher education and transition to employment.</p>	
<p>Year</p>	<p>Performance measures</p>	<p>Expected performance results</p>
<p>Current year 2021–22</p>	<p>The proportion of the 25 to 34 year-old population with a tertiary qualification.</p>	<p>Target: Increase from previous year</p> <p>Not achieved</p> <p>2021 results have been affected by the COVID-19 pandemic.</p>
	<p>The rate of attrition for domestic bachelor students.</p>	<p>Target: Lower than 15%</p> <p>Data not yet available</p> <p>Data is not yet available to make an assessment, further information will be published in the department's 2021–22 Annual Report.</p>

Year	Performance measures	Expected performance results
	Proportion of undergraduates who are employed within four months of completing a degree.	Target: 85% or higher Not achieved The impact of the COVID-19 pandemic continued to be felt in the Australian labour market throughout the period covered by the 2021 Graduate Outcomes Survey (GOS).
Year	Performance measures	Expected performance results
Budget Year 2022–23	The proportion of the 25 to 34 year-old population with a tertiary qualification.	Target: Increase from previous year
	The rate of attrition for domestic bachelor students.	Target: Lower than 15%
	Proportion of undergraduates who are employed within four months of completing a degree.	Target: 85% or higher
Forward Estimates 2023–26	As per 2022–23	As per 2022–23
Material changes to Program 2.1 resulting from 2022–23 Budget Measures:		
<ul style="list-style-type: none"> Guaranteeing Medicare — Supporting Rural Health 		

Note: The department has undertaken assessment and assurance activities regarding performance measures since publishing the Department of Education, Skills and Employment 2021–22 Corporate Plan. New or amended measures are included in this document (Education, Skills and Employment 2022–23 PB Statements). Full details of the department's planned performance will be provided in the Department of Education, Skills and Employment 2022–23 Corporate Plan.

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Program 2.1: Commonwealth Grant Scheme

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
Special appropriations:					
<i>Higher Education Support Act 2003</i>					
Cluster Fund and Place Loadings	7,206,905	7,198,709	7,172,847	7,362,284	7,678,388
Transition Fund Loading	348,420	154,245	48,946	-	-
Total program expenses	7,555,325	7,352,954	7,221,793	7,362,284	7,678,388

Program 2.2 Higher Education Superannuation Program

Outcome 2: Promote growth in economic productivity and social wellbeing through access to quality higher education, international education and international quality research.		
<p>Program 2.2 Higher Education Superannuation Program</p> <p>The program provides supplementary funding to assist eligible universities to meet certain superannuation expenses for eligible current and former university employees who are members of identified state government emerging cost superannuation schemes.</p> <p>Cost-share arrangements are in place with relevant state governments and a proportion of Higher Education Superannuation Program (HESP) funding is recovered from these states as a result of their historical responsibilities for funding higher education.</p> <p>These schemes have been closed to new members for some time but are still active for existing members.</p>		
Key activities	Support eligible current and former university employees for certain superannuation expenses.	
Year	Performance measures	Expected performance results
Current year 2021–22	Proportion of eligible universities able to meet specified superannuation expenses.	Target: 100% Data not yet available Data is not yet available to make an assessment. Further information will be published in the department's 2021–22 Annual Report.
Year	Performance measures	Planned performance results
Budget Year 2022–23	Proportion of eligible universities able to meet specified superannuation expenses.	Target: 100%
Forward Estimates 2023–26	As per 2022–23	As per 2022–23

Note: The department has undertaken assessment and assurance activities regarding performance measures since publishing the Department of Education, Skills and Employment 2021–22 Corporate Plan. New or amended measures are included in this document (Education, Skills and Employment 2022–23 PB Statements). Full details of the department's planned performance will be provided in the Department of Education, Skills and Employment 2022–23 Corporate Plan.

Program 2.2: Higher Education Superannuation Program

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
Special appropriations:					
<i>Higher Education Support Act 2003</i>					
Higher Education Superannuation Program	131,494	125,148	118,512	111,800	105,029
Total program expenses	131,494	125,148	118,512	111,800	105,029

Program 2.3 Higher Education Support

Outcome 2: Promote growth in economic productivity and social wellbeing through access to quality higher education, international education and international quality research.		
Program 2.3 Higher Education Support		
The program aims to ensure the quality of our higher education system is maintained and improved, including improving the quality of training for teachers of mathematics and science. The program also aims to improve access to, and education outcomes for, students from disadvantaged backgrounds.		
Key activities	Enhance the quality of the higher education system. Support students' access to higher education and transition to employment.	
Year	Performance measures	Expected performance results
Current year 2021–22	Proportion of domestic undergraduates who are from a low socio-economic background (based on Statistical Area level 1).	Target: 16% or higher Data not yet available Data is not yet available to make an assessment. Further information will be published in the department's 2021–22 Annual Report.
	Proportion of higher education students who are Indigenous.	Target: 2% or higher Achieved
	Proportion of undergraduate students who rate the teaching quality at their institution positively.	Target: 80% or higher Not achieved Student ratings of teaching quality continue to be impacted by restrictions introduced due to the COVID-19 pandemic.
	Proportion of employers who are satisfied with the skills of graduates (overall across all skills).	Target: 85% or higher Achieved
Year	Performance measures	Planned performance results
Budget Year 2022–23	Proportion of domestic undergraduates who are from a low socio-economic background (based on Statistical Area level 1).	Target: 16% or higher
	Proportion of higher education students who are Indigenous.	Target: 2% or higher
	Proportion of undergraduate students who rate the teaching quality at their institution positively.	Target: 80% or higher

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Year	Performance measures	Planned performance results
	Proportion of employers who are satisfied with the skills of graduates (overall across all skills).	Target: 85% or higher
Forward Estimates 2023–26	As per 2022–23	As per 2022–23

Note: The department has undertaken assessment and assurance activities regarding performance measures since publishing the Department of Education, Skills and Employment 2021–22 Corporate Plan. New or amended measures are included in this document (Education, Skills and Employment 2022–23 PB Statements). Full details of the department’s planned performance will be provided in the Department of Education, Skills and Employment 2022–23 Corporate Plan.

Program 2.3: Higher Education Support

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
Annual administered expenses:					
Ordinary annual services (Appropriation Bill No. 1)					
National Disability Coordination Officer	4,480	4,556	4,624	4,698	4,769
National Microcredentials Marketplace	1,060	530	-	-	-
Quality Indicators for Learning and Teaching	7,126	7,281	7,920	8,071	9,714
Rural and Regional Enterprise Scholarships	15,449	4,500	-	-	-
Tertiary Access Payment	25,768	40,298	50,930	52,899	52,824
Special appropriations:					
<i>Higher Education Support Act 2003</i>					
Central Coast Health and Wellbeing Precinct	2,500	2,500	750	-	-
Central Queensland School of Mining and Manufacturing	15,000	1,500	-	-	-
Collaboration Pilots - Industry 4.0	3,560	3,140	-	-	-
Collaboration Pilots - Naval Shipbuilding	521	-	-	-	-
Disability Support Program	8,023	8,132	8,367	8,572	8,791
Higher Education and Offshore Microcredentials	-	9,036	6,131	4,696	6,888
Improved Support for Regional Universities	14,021	10,862	12,561	14,640	14,522
Indigenous, Regional and Low SES Attainment Fund	267,749	265,033	272,725	278,928	286,018
Jobs and Growth in Tasmania	65,000	25,000	12,000	-	-
National Institutes	233,895	239,055	245,962	251,993	258,417
National Priorities and Industry Linkage Fund	226,264	231,255	237,938	243,771	249,986
Quality Initiatives	528	540	556	569	584
Tertiary Access Payment	1,816	-	-	-	-
Women in STEM	6,549	7,882	6,448	2,815	-
Total program expenses	899,309	861,100	866,912	871,652	892,513

Program 2.4 Higher Education Loan Program

Outcome 2: Promote growth in economic productivity and social wellbeing through access to quality higher education, international education and international quality research.		
Program 2.4 Higher Education Loan Program		
The program aims to remove the up-front cost barriers to tertiary education in order to increase access and participation. This is achieved through the provision of income contingent loans for students undertaking higher education courses.		
Key activities	Support students' access to higher education and transition to employment.	
Year	Performance measures	Expected performance results
Current year 2021–22	The proportion of HELP debt not expected to be repaid.	Target: Equal to or lower than 2020-21 (15.07%) ⁵ Data not yet available Data is not yet available to make an assessment. Further information will be published in the department's 2021–22 Annual Report.
Year	Performance measures	Planned performance results
Budget Year 2022–23	The proportion of HELP debt not expected to be repaid.	Target: Equal to or lower than previous year
Forward Estimates 2023–26	As per 2022–23	As per 2022–23
Material changes to Program 2.4 resulting from 2022–23 Budget Measures:		
<ul style="list-style-type: none"> Guaranteeing Medicare — Supporting Rural Health 		

Note: The department has undertaken assessment and assurance activities regarding performance measures since publishing the Department of Education, Skills and Employment 2021–22 Corporate Plan. New or amended measures are included in this document (Education, Skills and Employment 2022–23 PB Statements). Full details of the department's planned performance will be provided in the Department of Education, Skills and Employment 2022–23 Corporate Plan.

⁵ The target for the performance measure 'The proportion of HELP debt not expected to be repaid' on page 32 of the DESE 2021-22 Corporate Plan, published August 2021, was incorrectly stated as 'Equal to or lower than 2019-20 (14.69%)'. The target has been corrected and the measure will be reported against the target 'Equal to or lower than 2020-21 (15.07%)' in the 2021-22 Annual Performance Statement.

Program 2.4: Higher Education Loan Program

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
Annual administered expenses:					
Special appropriations:					
<i>Higher Education Support Act 2003</i>					
Higher Education Loan Program	2,044,656	1,790,635	1,873,465	1,959,727	1,897,762
Special account expenses:					
Higher Education Tuition Protection Fund	2,679	2,783	2,892	3,008	3,129
Total program expenses	2,047,335	1,793,418	1,876,357	1,962,735	1,900,891

Program 2.5 Investment in Higher Education Research

<p>Outcome 2: Promote growth in economic productivity and social wellbeing through access to quality higher education, international education and international quality research.</p>		
<p>Program 2.5 Investment in Higher Education Research</p> <p>The Australian Government is committed to a world-class research system, that encourages innovation and economic growth. Quality collaboration, engagement, diversity, impact and sustainability are the key priorities for the Government and drive its investment in Australian research and research capacity.</p>		
<p>Key activities</p>	<p>Support the research sector, research training and national research infrastructure.</p>	
<p>Year</p>	<p>Performance measures</p>	<p>Expected performance results</p>
<p>Current year 2021–22</p>	<p>The proportion of research publications in Australia that are among the world's top 10% most highly-cited journals.</p>	<p>Target: Above the OECD average (2.8%) On track</p>
	<p>Proportion of research postgraduates who are employed within four months of completing their degree.</p>	<p>Target: 90% or higher Not achieved Ongoing challenges due to the COVID-19 pandemic have seen a reduction in employment opportunities for recent research postgraduates.</p>
	<p>Indigenous Higher Degree by Research (HDR) completions.</p>	<p>Target: Increase from previous year (67 completions in 2020) Data not yet available Data is not yet available to make an assessment. Further information will be published in the department's 2021–22 Annual Report.</p>

Year	Performance measures	Planned performance results
Budget Year 2022–23	The proportion of research publications in Australia that are among the world's top 10% most highly-cited journals.	Target: Above the OECD average
	Proportion of research postgraduates who are employed within four months of completing their degree.	Target: 90% or higher
	Indigenous Higher Degree by Research (HDR) completions.	Target: Increase from previous year
Forward Estimates 2023–26	As per 2022–23	As per 2022–23

Note: The department has undertaken assessment and assurance activities regarding performance measures since publishing the Department of Education, Skills and Employment 2021–22 Corporate Plan. New or amended measures are included in this document (Education, Skills and Employment 2022–23 PB Statements). Full details of the department's planned performance will be provided in the Department of Education, Skills and Employment 2022–23 Corporate Plan.

Program 2.5: Investment in Higher Education Research

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
Special appropriations:					
<i>Higher Education Support Act 2003</i>					
Research Support Program	930,659	951,188	978,674	1,002,668	1,028,230
Research Training Program	1,069,182	1,092,766	1,124,344	1,151,909	1,181,153
Total program expenses	1,999,841	2,043,954	2,103,018	2,154,577	2,209,383

Program 2.6 Research Capacity

Outcome 2: Promote growth in economic productivity and social wellbeing through access to quality higher education, international education and international quality research.		
<p>Program 2.6 Research Capacity</p> <p>Research advances our knowledge and drives our potential for innovation, economic competitiveness and social change. The program aims to increase the production, use and awareness of research knowledge and to improve collaboration between government, industry and the research sector in the production of research knowledge.</p>		
Key activities	Support the research sector, research training and national research infrastructure.	
Year	Performance measures	Expected performance results
Current year 2021–22	Proportion of researchers who report that access to NCRIS facilities and projects improved their research quality and outputs.	Target: 90% or higher Data not yet available Data is not yet available to make an assessment. Further information will be published in the department's 2021–22 Annual Report.
Year	Performance measures	Planned performance results
Budget Year 2022–23	Proportion of researchers who report that access to NCRIS facilities and projects improved their research quality and outputs.	Target: 90% or higher
Forward Estimates 2023–26	As per 2022–23	As per 2022–23
<p>Material changes to Program 2.6 resulting from 2022–23 Budget Measures:</p> <ul style="list-style-type: none"> Investing in Australia's University Research Commercialisation 		

Note: The department has undertaken assessment and assurance activities regarding performance measures since publishing the Department of Education, Skills and Employment 2021–22 Corporate Plan. New or amended measures are included in this document (Education, Skills and Employment 2022–23 PB Statements). Full details of the department's planned performance will be provided in the Department of Education, Skills and Employment 2022–23 Corporate Plan.

Program 2.6: Research Capacity

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
Annual administered expenses:					
Ordinary annual services (Appropriation Bill No. 1)					
National Collaborative Research Infrastructure Strategy	273,567	286,043	396,826	496,739	454,441
Special appropriations:					
<i>Higher Education Support Act 2003</i>					
Centre for Augmented Reasoning	5,000	5,000	5,000	-	-
Enhance Research Capacity of Regional Universities	13,255	15,254	18,429	20,527	20,577
Higher Education Research Promotion	5,700	5,898	6,032	6,187	6,341
Strategic University Reform Fund	20,090	10,381	10,483	-	-
Trailblazer Universities Program	-	81,760	53,044	54,371	55,729
Increase Workforce Mobility	-	5,660	9,647	15,183	20,964
Launch Australia's Economic Accelerator	12	49,160	99,444	149,498	154,601
Total program expenses	317,624	459,156	598,905	742,505	712,653

Program 2.7 International Education Support

Outcome 2: Promote growth in economic productivity and social wellbeing through access to quality higher education, international education and international quality research.		
Program 2.7 International Education Support		
International education is increasingly important to Australia's prosperity and our engagement with the world. The program aims to support the sustainable growth of Australia's high-quality international education, training and research through strong government-to-government engagement, international mobility, strategic policy and legislation.		
Key activities	Support a high-quality and sustainable international education sector.	
Year	Performance measures	Expected performance results
Current year 2021–22	Proportion of international students employed or enrolled in further study after graduation.	Target: 85% or higher Not achieved Student employment outcomes continued to be affected by restrictions introduced due to the COVID-19 pandemic which saw disruptions to the arrival of temporary graduate visa holders and declines in international students in Australia.
	Number of students enrolled in offshore and transnational education and training delivered by Australian providers.	Target: Numbers stabilised Achieved
Year	Performance measures	Planned performance results
Budget Year 2022–23	Proportion of international students employed or enrolled in further study after graduation.	Target: 85% or higher
	Number of students enrolled in offshore and transnational education and training delivered by Australian providers.	Target: Numbers stabilised
Forward Estimates 2023–26	As per 2022–23	As per 2022–23

Note: The department has undertaken assessment and assurance activities regarding performance measures since publishing the Department of Education, Skills and Employment 2021–22 Corporate Plan. New or amended measures are included in this document (Education, Skills and Employment 2022–23 PB Statements). Full details of the department's planned performance will be provided in the Department of Education, Skills and Employment 2022–23 Corporate Plan.

Program 2.7: International Education Support

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
Annual administered expenses:					
Ordinary annual services (Appropriation Bill No. 1)					
International Education Support	47,505	23,519	23,179	23,201	22,260
Special account expenses:					
Overseas Students Tuition Fund	9,153	4,350	4,556	4,772	4,999
SOETM - Cheung Kong	1,538	982	980	979	977
Total program expenses	58,196	28,851	28,715	28,952	28,236

2.3 Budgeted expenses and performance for Outcome 3

Outcome 3: Promote growth in economic productivity and social wellbeing through access to quality skills and training.

Linked programs

Department of Home Affairs
Programs
<ul style="list-style-type: none"> • Program 2.2 – Visas
The linked program contributes to Outcome 3 by supporting a sustainable international education sector through administering student visas.
Department of Social Services
Programs
<ul style="list-style-type: none"> • Program 1.6 – Student Payments • Program 3.1 – Disability and Carers • Program 3.2 – National Disability Insurance Scheme
Contribution to Outcome 3 made by linked programs
The Department of Social Services contributes to Outcome 3 by providing financial support to individuals and families to undertake further education and training. This includes enhancing educational outcomes for Aboriginal and Torres Strait Islander students by increasing their access and participation in further education. The Department of Social Services also provides support to people with disability, their family and carers to build their knowledge, skills and confidence to participate in social and economic life.
Department of the Treasury
Programs
<ul style="list-style-type: none"> • Program 1.9 – National Partnership Payments to the states
Contribution to Outcome 3 made by linked programs
The linked program contributes to Outcome 3 by making National Partnership Payments to the states.
Services Australia
Programs
<ul style="list-style-type: none"> • Program 1.1 – Strategy and Corporate Enabling • Program 1.2 – Customer Service Delivery • Program 1.3 – Technology and Transformation
Contribution to Outcome 3 made by linked programs
The linked programs contributes to Outcome 3 by making payments to eligible job seekers participating in foundation skills programs.

Budgeted expenses for Outcome 3

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

Table 2.3.1: Budgeted expenses for Outcome 3

Outcome 3: Promote growth in economic productivity and social wellbeing through access to quality skills and training.					
	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
Program 3.1: Building Skills and Capability					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	4,664,959	3,322,793	1,806,004	1,621,773	1,370,215
Special appropriations <i>Trade Support Loans Act 2014</i>	61,106	63,543	70,415	75,050	75,602
Total expenses for program 3.1	4,726,065	3,386,336	1,876,419	1,696,823	1,445,817
Program 3.2: VET Student Loans					
Administered expenses					
Special appropriations <i>VET Student Loans Act 2016</i>	134,563	133,580	144,575	152,213	156,774
Special accounts VSL Tuition Protection Fund Special Account	917	2,478	2,580	2,687	2,791
Total expenses for program 3.2	135,480	136,058	147,155	154,900	159,565
Outcome 3 Totals by appropriation type					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	4,664,959	3,322,793	1,806,004	1,621,773	1,370,215
Special appropriations	195,669	197,123	214,990	227,263	232,376
Special accounts	917	2,478	2,580	2,687	2,791
Administered total	4,861,545	3,522,394	2,023,574	1,851,723	1,605,382
Departmental expenses					
Departmental appropriation	229,709	226,208	186,225	177,115	177,386
s74 External Revenue (a)	8,556	8,389	8,388	8,388	8,388
Special accounts Unique Student Identifiers Special Account - s80 PGPA Act 2013	5,523	5,618	5,705	5,793	5,880
Expenses not requiring appropriation in the Budget year (b)	12,226	13,240	13,321	13,321	12,019
Departmental total	256,014	253,455	213,639	204,617	203,673
Total expenses for Outcome 3	5,117,559	3,775,849	2,237,213	2,056,340	1,809,055

Table 2.3.1: Budgeted expenses for Outcome 3 (continued)

Movement of administered funds between years (c)	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
Outcome 3:					
Nationally Consistent and Accessible Subsidy and Apprenticeship Information	(2,229)	2,229	-	-	-
VET Information Strategy	(156)	156	-	-	-
National Skills Commission	(2,000)	2,000			
Total movement of administered funds	(4,385)	4,385	-	-	-
	2021-22	2022-23			
Average staffing level (number)	924	956			

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

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

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

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

Performance measures for Outcome 3

This section details the performance measures for each program associated with Outcome 3. It also provides the related key activities as expressed in the 2021–22 Corporate Plan. The 2021–22 Corporate Plan also provides further detail about the delivery of the activities related to the program, the context in which these activities are delivered and how the performance of these activities will be measured. Where relevant, details of 2022–23 Budget measures that have created new programs, or materially changed existing programs, are provided.

Program 3.1 Building Skills and Capability

Outcome 3: Promote growth in economic productivity and social wellbeing through access to quality skills and training.		
Program 3.1 Building Skills and Capability		
The Australian Government is working to create an effective and efficient skills and training system that is industry-led and delivers the skills Australian employers need. Building skills and capabilities is central to Australia's economic growth, competitiveness, and business productivity. The national training system provides employees or potential employees with the skills and capabilities required for a job or pathway into a job.		
Key activities	<p>Respond to national future skills needs through access to VET graduates with the required skills.</p> <p>Enhance the quality of vocational education and training.</p> <p>Reduce barriers to undertaking quality vocational education and training.</p>	
Year	Performance measures	Expected performance results
Current year 2021–22	Proportion of employers that report use of the VET system. ⁶	Target: 50% or higher Achieved
	Proportion of graduates who are satisfied with the overall quality of the training.	Target: 85% or higher Achieved
	Proportion of VET graduates who are employed or enrolled in further study after training.	Target: 80% or higher Achieved
	Maintain the number of apprenticeship commencements.	Target: Maintain numbers from 2019–20 Data not yet available Data is not yet available to make an assessment. Further information will be published in the department's 2021–22 Annual Report.
	Proportion of participants assessed in targeted programs that increase one or more levels on the Australian Core Skills Framework (ACSF) or the Digital Literacy Skills Framework (DLSF).	Target: 80% or higher On track

Outcome 3: Promote growth in economic productivity and social wellbeing through access to quality skills and training.		
Program 3.1 Building Skills and Capability		
The Australian Government is working to create an effective and efficient skills and training system that is industry-led and delivers the skills Australian employers need. Building skills and capabilities is central to Australia's economic growth, competitiveness, and business productivity. The national training system provides employees or potential employees with the skills and capabilities required for a job or pathway into a job.		
Year	Performance measures	Planned performance results
Budget Year 2022–23	Proportion of graduates who are satisfied with the overall quality of the training.	Target: 85% or higher
	Proportion of VET graduates who are employed or enrolled in further study after training.	Target: 80% or higher
	Maintain the number of apprenticeship commencements.	Target: Maintain numbers from 2019–20
	Proportion of participants assessed in targeted programs that increase one or more levels on the Australian Core Skills Framework (ACSF) or the Digital Literacy Skills Framework (DLSF).	Target: 80% or higher
Forward Estimates 2023–26	Proportion of employers that report use of the VET system. ⁶	Target: 50% or higher
	Proportion of graduates who are satisfied with the overall quality of the training.	Target: 85% or higher
	Proportion of VET graduates who are employed or enrolled in further study after training.	Target: 80% or higher
	Maintain the number of apprenticeship commencements.	Target: Maintain numbers from 2019–20
	Proportion of participants assessed in targeted programs that increase one or more levels on the Australian Core Skills Framework (ACSF) or the Digital Literacy Skills Framework (DLSF).	Target: 80% or higher
Material changes to Program 3.1 resulting from 2022–23 Budget Measures:		
<ul style="list-style-type: none"> • Boosting Participation and Building Australia's Workforce • Digital Economy Strategy 		

⁶ The performance measure 'Proportion of employers that report use of the VET system' will not be reported in 2022–23 as the survey used to calculate results is only conducted once every two years. It will be reported next in 2023–24.

Outcome 3: Promote growth in economic productivity and social wellbeing through access to quality skills and training.

Program 3.1 Building Skills and Capability

The Australian Government is working to create an effective and efficient skills and training system that is industry-led and delivers the skills Australian employers need. Building skills and capabilities is central to Australia's economic growth, competitiveness, and business productivity. The national training system provides employees or potential employees with the skills and capabilities required for a job or pathway into a job.

- Investing in Skills Development and Growing Australia's Workforce
- Skills Reform to Support Future Growth
- Women's Leadership Package

Note: The department has undertaken assessment and assurance activities regarding performance measures since publishing the Department of Education, Skills and Employment 2021–22 Corporate Plan. New or amended measures are included in this document (Education, Skills and Employment 2022–23 PB Statements). Full details of the department's planned performance will be provided in the Department of Education, Skills and Employment 2022–23 Corporate Plan.

Program 3.1: Building Skills and Capability

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
<i>Sub-program 3.1.1 - Skills Development</i>					
Annual administered expenses:					
Ordinary annual services (Appropriation Bill No. 1)					
Australian Apprenticeship Support Network	329,563	263,869	235,797	214,387	205,807
Australian Apprenticeships Incentives Program	3,946,458	2,600,511	1,169,201	1,050,560	803,572
Commonwealth Scholarships Program for South Australia	100	-	-	-	-
Commonwealth Scholarships Program for Young Australians	5,582	-	-	-	-
Mid-Career Checkpoint	12,150	24,747	36,473	-	-
Skills Checkpoint for Older Workers Program	5,687	7,428	7,489	4,222	4,287
Trades Recognition Australia	44,491	41,159	42,510	43,885	43,885
Accelerating Australian Apprenticeships Pilot	2,955	6,895	-	-	-
Migrant Skills Incentive	11,476	6,681	100	-	-
Special appropriations:					
<i>Trade Support Loans Act 2014</i>					
Trade Support Loans (a)	61,106	63,543	70,415	75,050	75,602
Total component 3.1.1 expenses	4,419,568	3,014,833	1,561,985	1,388,104	1,133,153
<i>Sub-program 3.1.2 - Access to Training</i>					
Annual administered expenses:					
Ordinary annual services (Appropriation Bill No. 1)					
Skills for Education and Employment	99,461	125,418	132,094	140,118	142,221
Foundation Skills for Your Future Program	14,283	14,283	12,139	-	-
Foundation Skills for Your Future - Remote Community Pilots	3,284	3,326	-	-	-
Total component 3.1.2 expenses	117,028	143,027	144,233	140,118	142,221

Program 3.1: Building Skills and Capability (continued)

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
Sub-program 3.1.3 - Support for the National Training System					
Annual administered expenses:					
Ordinary annual services (Appropriation Bill No. 1)					
Australian Industry and Skills Committee	1,550	787	-	-	-
Industry Training Hubs	14,722	16,735	-	-	-
Industry Workforce Training	40,025	29,094	9,145	8,794	8,925
Integrated Information Service	1,820	847	876	903	916
Licensing of International Vocational Education and Training (VET) Courses	1,193	1,193	1,193	1,193	1,193
My Skills Website	585	594	604	612	-
National Careers Institute and Ambassador	14,009	16,601	1,067	-	-
National Centre for Vocational Education Research	715	726	737	748	759
National Skills Commission	7,200	4,365	2,400	1,900	1,900
National Training System COPE	46,980	53,867	37,792	38,158	38,731
Skills Communication Campaign	19,433	-	-	-	-
Skills Organisation Pilots	15,195	9,839	-	-	-
VET Data Streamlining	16,111	13,032	9,001	6,678	6,778
VET Information Strategy	787	1,024	574	589	603
Nationally Consistent and Accessible Subsidy and Apprenticeship Information	2,100	5,645	1,547	1,547	1,547
Industry Clusters	7,044	74,127	105,265	107,479	109,091
Total component 3.1.3 expenses	189,469	228,476	170,201	168,601	170,443
Total program expenses	4,726,065	3,386,336	1,876,419	1,696,823	1,445,817

(a) Subject to the passing of legislation, the Trade Support Loans Scheme will transition to the Australian Apprenticeship Support Loans Scheme from 1 January 2023.

Program 3.2 VET Student Loans

Outcome 3: Promote growth in economic productivity and social wellbeing through access to quality skills and training.		
Program 3.2 VET Student Loans		
The program aims to remove the up-front cost barriers to training to increase access and participation. This is achieved through the provision of income-contingent loans for students undertaking certain higher level vocational education and training (VET) courses.		
Key activities	Reduce barriers to undertaking quality vocational education and training.	
Year	Performance measures	Expected performance results
Current year 2021–22	Proportion of VET student loans students who are satisfied with the quality of their training provider.	Target: 80% or higher On track
	Proportion of VET student loans students who complete units of study.	Target: 70% or higher On track
Year	Performance measures	Planned performance results
Budget Year 2022–23	Proportion of VET student loans students who are satisfied with the quality of their training provider.	Target: 80% or higher
	Proportion of VET student loans students who complete units of study.	Target: 70% or higher
Forward Estimates 2023–26	As per 2022–23	As per 2022–23
Material changes to Program 3.2 resulting from 2022–23 Budget Measures:		
<ul style="list-style-type: none"> Skills Reform to Support Future Growth 		

Note: The department has undertaken assessment and assurance activities regarding performance measures since publishing the Department of Education, Skills and Employment 2021–22 Corporate Plan. New or amended measures are included in this document (Education, Skills and Employment 2022–23 PB Statements). Full details of the department’s planned performance will be provided in the Department of Education, Skills and Employment 2022–23 Corporate Plan.

Program 3.2: VET Student Loans

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
Annual administered expenses:					
Special appropriations:					
<i>VET Student Loans Act 2016</i>					
VET Student Loans	134,563	133,580	144,575	152,213	156,774
Special account expenses:					
VSL Tuition Protection Fund Special Account (a)	917	2,478	2,580	2,687	2,791
Total program expenses	135,480	136,058	147,155	154,900	159,565

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

2.4 Budgeted expenses and performance for Outcome 4

Outcome 4: Foster a productive and competitive labour market through policies and programs that assist job seekers into work and meet employer needs.

Linked programs

<p>Department of Social Services</p> <hr/> <p>Programs</p> <ul style="list-style-type: none"> • Program 1.5 – Working Age Payments • Program 3.1– Disability and Carers • Program 3.2 – National Disability Insurance Scheme
<p>Contribution to Outcome 4 made by linked programs</p> <p>The Department of Social Services contributes to Outcome 4 by providing support to job seekers while they find work and by providing support to people with disability, their family and carers to build their knowledge, skills and confidence to participate in social and economic life. This includes:</p> <ul style="list-style-type: none"> • Building the capacity of the community to create opportunities for people with disability to contribute to community prosperity and participate in community life, with initiatives that create pathways to employment and drive more inclusive practices by employers through the Information Linkages and Capacity Building Economic and Community Participation program. • Activities that build foundation skills and work expectations of people with disability as well as activities that increase the capacity of employers and workplaces to be more inclusive.
<p>Services Australia</p> <hr/> <p>Programs</p> <ul style="list-style-type: none"> • Program 1.1 – Strategy and Corporate Enabling • Program 1.2 – Customer Service Delivery • Program 1.3 – Technology and Transformation
<p>Contribution to Outcome 4 made by linked programs</p> <p>The linked programs contributes to Outcome 4 by making payments on behalf of the department.</p>

Budgeted expenses for Outcome 4

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

Table 2.4.1: Budgeted expenses for Outcome 4

Outcome 4: Foster a productive and competitive labour market through policies and programs that assist job seekers into work and meet employer needs.

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
Program 4.1: Employment Services					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)					
jobactive	1,792,603	124,632	-	-	-
Workforce Australia (a)	8,456	1,310,350	1,575,177	1,514,093	1,554,165
Seasonal Worker Programme (b)	500	-	-	-	-
Transition to Work	236,173	290,148	301,989	277,868	291,096
Time to Work	3,422	2,681	-	-	-
ParentsNext	103,185	110,998	115,231	113,069	111,542
Skills and Training Incentive	10,864	17,424	17,382	-	-
Entrepreneurship Facilitators	4,927	-	-	-	-
Career Revive Initiative	937	1,073	1,073	-	-
Local Jobs - COVID-19 Recovery	58,361	49,072	49,072	48,975	-
ReBoot	-	5,260	12,598	12,423	7,488
Administered total	2,219,428	1,911,638	2,072,522	1,966,428	1,964,291
Total expenses for program 4.1	2,219,428	1,911,638	2,072,522	1,966,428	1,964,291

Table 2.4.1: Budgeted expenses for Outcome 4 (continued)

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
Outcome 4 Totals by appropriation type					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	2,219,428	1,911,638	2,072,522	1,966,428	1,964,291
Administered total	2,219,428	1,911,638	2,072,522	1,966,428	1,964,291
Departmental expenses					
Departmental appropriation	407,615	362,485	293,561	294,769	284,881
s74 External Revenue (c)	17,260	16,742	16,527	16,509	16,422
Expenses not requiring appropriation in the Budget year (d)	76,644	80,001	74,574	74,574	74,574
Departmental total	501,519	459,228	384,662	385,852	375,877
Total expenses for Outcome 4	2,720,947	2,370,866	2,457,184	2,352,280	2,340,168

	2021-22	2022-23
Average staffing level (number)	1,417	1,385

(a) Formerly reported as New Employment Services Model.

(b) Due to a Machinery of Government change completed on 28 January 2022, this program has been transferred to the Department of Foreign Affairs and Trade. The forward estimates for this program are published in the Department of Foreign Affairs and Trade's Portfolio Budget Statements.

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

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

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

Performance measures for Outcome 4

This section details the performance measures for each program associated with Outcome 4. It also provides the related key activities as expressed in the 2021–22 Corporate Plan. The 2021–22 Corporate Plan also provides further detail about the delivery of the activities related to the program, the context in which these activities are delivered and how the performance of these activities will be measured. Where relevant, details of 2022–23 Budget measures that have created new programs, or materially changed existing programs, are provided.

Program 4.1 Employment Services

Outcome 4: Foster a productive and competitive labour market through policies and programs that assist job seekers into work and meet employer needs.		
Program 4.1 Employment Services		
The Employment Services system has the following key objectives: to help job seekers find and keep a job; deliver high quality and efficient employment services; and to support target groups to improve their work readiness and find employment.		
Key activities⁷	Support job seekers to achieve sustainable employment. Reduce risk of long-term unemployment. Provide quality services to job seekers and employers. Support parents to improve their work readiness and find employment.	
Year	Performance measures	Expected performance results
Current year 2021–22	Proportion of job placements sustained to 26 weeks.	Target: 30% or higher On track
	Proportion of job seekers employed three months following participation in employment services.	Target: 45% or higher On track
	Proportion of Work for the Dole participants who report increased motivation to find a job.	Target: 75% or higher Data not yet available Data is not yet available to make an assessment. Further information will be published in the department's 2021–22 Annual Report.

⁷ Key activities have been updated to reflect the move to the digital services in Workforce Australia and will be reflected in the 2022-23 Corporate Plan.

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Year	Performance measures	Expected performance results
	Proportion of job seekers (with mutual obligation requirements) who are actively looking for work.	Target: 90% or higher Not on track The target for this measure is unlikely to be achieved, based on year-to-date results. Due to mutual obligation requirements being lifted as a result of impacts from the COVID-19 pandemic and natural disasters, the calculation of this measure for 2021–22 has remained volatile.
	Proportion of jobactive organisations that meet their service delivery commitments.	Target: 80% or higher On track
	Cost per employment outcome.	Target: \$2,500 On track
	Proportion of ParentsNext participants who increase their work readiness.	Target: 75% or higher On track
	Number of participants who improve their education (completion of an Education course higher than the participant's previous education level) or find employment (Overall).	Target: 5,000 or higher Achieved
	Transition to Work - Proportion of placements that are converted to sustainability outcomes.	Target: 40% or higher On track

Year	Performance measures⁸	Planned performance results
Budget Year 2022–23	Proportion of ParentsNext participants who increase their work readiness. ⁹	Target: 75% or higher
	<i>Proportion of ParentsNext participants who complete training or education or participate in employment.⁹</i>	<i>Target: 20%</i>
	<i>Percentage of Enhanced Services participants who achieved a 26 week Employment Outcome (over a 12 month period).</i>	<i>Target: 15%</i>
	<i>Percentage of job seekers in work or study three months after exiting services.</i>	<i>Target:</i> <i>(a) Digital Services: 80%</i> <i>(b) Enhanced Services: 60%</i> <i>(c) Transition to Work: 60%</i>
	<i>Number of registered Workforce Australia Digital Platform users who log in to the platform during the 12 month period.</i>	<i>Target: 2,000,000</i>
	<i>Proportion of Enhanced Services participants who receive a service during the month.</i>	<i>Target: 80%</i>
	<i>Proportion of job seekers who are satisfied or very satisfied with the overall quality of services delivered by their provider.</i>	<i>Target: 66%</i>
	<i>The number of employers who lodge a vacancy through the Workforce Australia Digital Platform per year.</i>	<i>Target: 25,000</i>
Forward Estimates 2023-26	As per 2022-23 ⁹	As per 2022-23

⁸ New performance measures for this program are required by the replacement of jobactive and the launch of Workforce Australia on 1 July 2022. Development of these measures was noted on page 43 of the DESE 2021–22 Corporate Plan. As these performance criteria reflect a materially changed program, they are shown in italics.

⁹ Measures for the ParentsNext program ('Proportion of ParentsNext participants who increase their work readiness' and 'Proportion of ParentsNext participants who complete training or education or participate in employment.') will cease prior to 2026.

Material changes to Program 4.1 resulting from 2022–23 Budget Measures:

- Agriculture — continuing to deliver Agriculture 2030
- Boosting Participation and Building Australia's Workforce
- Changes to Visa Rules — supplementing Australia's workforce during the recovery
- Humanitarian Program 2022–23 and Update on Afghan Arrivals
- Investing in Skills Development and Growing Australia's Workforce
- Migration Program — 2022–23 planning levels

Note: The department has undertaken assessment and assurance activities regarding performance measures since publishing the Department of Education, Skills and Employment 2021–22 Corporate Plan. New or amended measures are included in this document (Education, Skills and Employment 2022–23 PB Statements). Full details of the department's planned performance will be provided in the Department of Education, Skills and Employment 2022–23 Corporate Plan.

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2022–23 budget year, including the impact of budget measures and resourcing on financial statements.

3.1 Budgeted financial statements

3.1.1 Differences between entity resourcing and financial statements

The difference between the entity resources table and the budgeted financial statements is due to amounts in Annual Appropriation Bill (No. 3) 2021–22 and Annual Appropriation Bill (No. 4) 2021–22 being excluded from the entity resource table as they have not yet received Royal Assent. In addition, differences may also arise because the entity resourcing table is presented on a resourcing basis while the budgeted financial statements are based on Australian Accounting Standards.

3.1.2 Explanatory notes and analysis of Budgeted Financial Statements

An analysis of the department's budgeted financial statements, which consists of the budgeted departmental statements and administered schedules, is provided below. The 2021–22 estimated actual is used as the comparative year.

Budgeted departmental comprehensive income statement

The department's income statement reflects a deficit across the forward estimates. These deficits are attributed to depreciation and amortisation expenses, including the application of the lease accounting standard, AASB16.

Total expenses for 2022–23 are estimated to be \$1.011 billion. This is a decrease of \$39.8 million from the 2021–22 estimated actual, due to a reduction in supplier expenses.

Budget departmental balance sheet

The budgeted net asset position of \$630.5 million for 2022–23 is an increase of \$11.1 million from the 2021–22 estimated actual. The accumulated deficit apparent in the balance sheet predominately represents the accounting treatment applicable to depreciation expenses and AASB 16 Leases.

The structure of the balance sheet reflects the nature of the organisation. Key assets are office fit-out (included in land and buildings), computer software (included in intangibles) and computer and office machines (included in property, plant and equipment). The most significant liability relates to leases as a consequence of AASB 16 Leases. Other significant liabilities relate to employees and the leave provisions that are accrued.

Schedule of budgeted income and expenses administered on behalf of Government

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

The administered revenue predominately relates to indexation on loan programs administered by the department, such as Higher Education Loan Program (HELP), Australian Apprenticeship Support Loans (formerly the Trade Support Loans Scheme) and VET Student Loans.

Schedule of budgeted assets and liabilities administered on behalf of Government

Total administered assets are projected to increase by \$9.2 billion from \$61.2 billion to \$70.4 billion over the period 2021–22 to 2025–26, mainly attributable to HELP and VET Student Loans.

The total administered liabilities are projected to decrease from \$7.0 billion to \$5.9 billion over the period 2021–22 to 2025–26, and predominantly relate to the unfunded superannuation provision for Australian Universities.

3.2. Budgeted financial statements tables

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
EXPENSES					
Employee benefits	475,286	481,401	473,982	471,042	467,554
Suppliers	419,014	366,816	252,421	243,961	233,652
Depreciation and amortisation (a)	150,201	156,498	151,119	151,119	151,119
Finance costs	6,430	6,434	6,434	6,434	6,434
Total expenses	1,050,931	1,011,149	883,956	872,556	858,759
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	27,074	27,010	26,475	26,296	26,209
Rental income	4,963	4,579	4,748	4,748	4,748
Other	10,730	10,825	10,912	11,000	11,087
Total own-source revenue	42,767	42,414	42,135	42,044	42,044
Total own-source income	42,767	42,414	42,135	42,044	42,044
Net (cost of)/contribution by services	(1,008,164)	(968,735)	(841,821)	(830,512)	(816,715)
Revenue from Government	910,112	866,710	745,176	733,867	720,070
Surplus/(deficit) attributable to the Australian Government	(98,052)	(102,025)	(96,645)	(96,645)	(96,645)
Total comprehensive income/(loss)	(98,052)	(102,025)	(96,645)	(96,645)	(96,645)
Total comprehensive income/(loss) attributable to the Australian Government	(98,052)	(102,025)	(96,645)	(96,645)	(96,645)

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

Note: Impact of net cash appropriation arrangements

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
Total comprehensive income/(loss) - as per statement of Comprehensive Income	(98,052)	(102,025)	(96,645)	(96,645)	(96,645)
plus: depreciation/amortisation of assets funded through appropriations (departmental capital budget funding and/or equity injections) (a)	93,079	97,841	92,487	92,487	91,185
plus: depreciation of ROU (b)	57,122	58,657	58,632	58,632	59,934
less: lease principal repayments (b)	51,793	54,119	54,119	54,119	54,119
Net Cash Operating Surplus/ (Deficit)	356	354	355	355	355

Prepared on Australian Accounting Standards basis.

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

(b) Applies leases under AASB 16 Leases.

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	1,086	12,215	12,215	12,215	12,215
Trade and other receivables	418,639	416,450	416,592	416,589	416,556
Other financial assets	5,167	-	-	-	-
Total financial assets	424,892	428,665	428,807	428,804	428,771
Non-financial assets					
Land and buildings	346,138	319,823	294,300	226,949	159,623
Property, plant and equipment	67,136	67,922	68,776	68,032	67,330
Intangibles	339,511	360,559	343,083	311,737	280,652
Other non-financial assets	29,303	29,303	29,303	29,303	29,303
Total non-financial assets	782,088	777,607	735,462	636,021	536,908
Assets held for sale					
Total assets	1,206,980	1,206,272	1,164,269	1,064,825	965,679
LIABILITIES					
Payables					
Suppliers	70,139	70,139	70,139	70,139	70,139
Other payables	839	914	915	915	915
Total payables	70,978	71,053	71,054	71,054	71,054
Interest bearing liabilities					
Leases	342,760	330,453	318,134	264,015	209,896
Total interest bearing liabilities	342,760	330,453	318,134	264,015	209,896
Provisions					
Employee provisions	173,745	174,218	174,359	174,356	174,323
Total provisions	173,745	174,218	174,359	174,356	174,323
Total liabilities	587,483	575,724	563,547	509,425	455,273
Net assets	619,497	630,548	600,722	555,400	510,406
EQUITY*					
Parent entity interest					
Contributed equity	878,467	991,543	1,058,362	1,109,685	1,161,336
Reserves	1,380	1,380	1,380	1,380	1,380
Retained surplus (accumulated deficit)	(260,350)	(362,375)	(459,020)	(555,665)	(652,310)
Total parent entity interest	619,497	630,548	600,722	555,400	510,406
Total equity	619,497	630,548	600,722	555,400	510,406

Prepared on Australian Accounting Standards basis.

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

Table 3.3: Departmental statement of changes in equity — summary of movement (Budget year 2022–23)

	Retained earnings	Asset revaluation reserve	Other reserves	Contributed equity/capital	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000
Opening balance as at 1 July 2022					
Balance carried forward from previous period	(260,350)	1,380	-	878,467	619,497
Opening Balance adjustments	-	-	-	-	-
Adjusted opening balance	(260,350)	1,380	-	878,467	619,497
Comprehensive income					
Other comprehensive income	-	-	-	-	-
Surplus/(deficit) for the period	(102,025)	-	-	-	(102,025)
Total comprehensive income	(102,025)	-	-	-	(102,025)
of which:					
Attributable to the Australian Government	(102,025)	-	-	-	(102,025)
Transactions with owners					
Contributions by owners					
Equity injection - Appropriation	-	-	-	39,915	39,915
Departmental Capital Budget (DCB)	-	-	-	73,161	73,161
Sub-total transactions with owners	-	-	-	113,076	113,076
Estimated closing balance as at 30 June 2023	(362,375)	1,380	-	991,543	630,548
Closing balance attributable to the Australian Government	(362,375)	1,380	-	991,543	630,548

Prepared on Australian Accounting Standards basis

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	920,986	874,141	745,034	733,870	720,103
Sale of goods and rendering of services	32,037	31,589	31,223	31,044	30,957
Net GST received	22,250	19,875	8,168	-	-
Other	5,523	5,543	5,705	5,793	5,880
Total cash received	980,796	931,148	790,130	770,707	756,940
Cash used					
Employees	474,565	480,928	473,841	471,045	467,587
Suppliers	436,057	381,409	255,381	238,754	228,445
Interest payments on lease liability	6,430	6,434	6,434	6,434	6,434
Total cash used	917,052	868,771	735,656	716,233	702,466
Net cash from/(used by) operating activities	63,744	62,377	54,474	54,474	54,474
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant and equipment and intangibles	189,929	110,205	67,174	51,678	52,006
Total cash used	189,929	110,205	67,174	51,678	52,006
Net cash from/(used by) investing activities	(189,929)	(110,205)	(67,174)	(51,678)	(52,006)
FINANCING ACTIVITIES					
Cash received					
Contributed equity	173,323	113,076	66,819	51,323	51,651
Total cash received	173,323	113,076	66,819	51,323	51,651
Cash used					
Principal payments on lease liability	51,793	54,119	54,119	54,119	54,119
Total cash used	51,793	54,119	54,119	54,119	54,119
Net cash from/(used by) financing activities	121,530	58,957	12,700	(2,796)	(2,468)
Net increase/(decrease) in cash held	(4,655)	11,129	-	-	-
Cash and cash equivalents at the beginning of the reporting period	5,741	1,086	12,215	12,215	12,215
Cash and cash equivalents at the end of the reporting period	1,086	12,215	12,215	12,215	12,215

Prepared on Australian Accounting Standards basis.

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
NEW CAPITAL APPROPRIATIONS					
Capital budget - Bill 1 (DCB)	65,044	73,161	51,143	51,323	51,651
Equity injections - Bill 2	102,851	39,915	15,676	-	-
Total new capital appropriations	167,895	113,076	66,819	51,323	51,651
<i>Provided for:</i>					
<i>Purchase of non-financial assets</i>	167,895	113,076	66,819	51,323	51,651
Total items	167,895	113,076	66,819	51,323	51,651
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriations (a)	113,092	42,803	15,676	-	-
Funded by capital appropriation DCB (b)	76,482	67,047	51,143	51,323	51,651
Funded internally from departmental resources (c)	355	355	355	355	355
TOTAL	189,929	110,205	67,174	51,678	52,006
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	189,929	110,205	67,174	51,678	52,006
Total cash used to acquire assets	189,929	110,205	67,174	51,678	52,006

Prepared on Australian Accounting Standards basis.

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

(b) Includes purchases from current and previous years' Departmental capital budgets (DCBs).

(c) Includes the following:

- s74 external receipts;
- sponsorship, subsidy, gifts or similar contribution;
- internally developed assets; and
- proceeds from the sale of assets.

Table 3.6: Statement of departmental asset movements (Budget year 2022–23)

	Buildings \$'000	Other property, plant and equipment \$'000	Computer software and intangibles \$'000	Total \$'000
As at 1 July 2022				
Gross book value	49,414	74,884	652,722	777,020
Gross book value - ROU assets	470,002	19	-	470,021
Accumulated depreciation/ amortisation and impairment	(17,066)	(7,652)	(313,211)	(337,929)
Accumulated depreciation/amortisation and impairment - ROU assets	(156,212)	(115)	-	(156,327)
Opening net book balance	346,138	67,136	339,511	752,785
Capital asset additions				
Estimated expenditure on new or replacement assets				
By purchase - appropriation equity (a)	-	-	42,803	42,803
By purchase - appropriation ordinary annual services (b)	6,509	8,532	52,006	67,047
By purchase - donated funds	-	-	-	-
By purchase - other	-	-	355	355
By purchase - other - ROU assets	41,805	7	-	41,812
Total additions	48,314	8,539	95,164	152,017
Other movements				
Depreciation/amortisation expense	(16,075)	(7,650)	(74,116)	(97,841)
Depreciation/amortisation on ROU assets	(58,554)	(103)	-	(58,657)
Other - ROU assets	-	-	-	-
Total other movements	(74,629)	(7,753)	(74,116)	(156,498)
As at 30 June 2023				
Gross book value	55,923	83,416	747,886	887,225
Gross book value - ROU assets	511,807	26	-	511,833
Accumulated depreciation/ amortisation and impairment	(33,141)	(15,302)	(387,327)	(435,770)
Accumulated depreciation/amortisation and impairment - ROU assets	(214,766)	(218)	-	(214,984)
Closing net book balance	319,823	67,922	360,559	748,304

Prepared on Australian Accounting Standards basis.

(a) 'Appropriation equity' refers to equity injections appropriations provided through Appropriation Bill (No. 2) 2022–23.

(b) 'Appropriation ordinary annual services' refers to funding provided through Appropriation Bill (No.1) 2022–23 for depreciation/amortisation expenses, Departmental Capital Budget or other operational expenses.

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
EXPENSES					
Suppliers	2,716,011	2,415,902	2,468,495	2,288,637	2,274,922
Subsidies	4,324,965	2,617,350	1,187,677	1,066,020	815,649
Personal benefits	9,854,851	10,959,410	11,603,143	12,117,165	12,696,773
Grants	36,413,737	37,732,156	39,051,916	40,313,552	41,604,876
Depreciation and amortisation	92	92	92	92	92
Finance costs	131,519	125,173	118,537	111,825	105,054
Write-down and impairment of assets	2,180,316	1,915,055	2,010,422	2,106,585	2,048,147
Total expenses administered on behalf of Government	55,621,491	55,765,138	56,440,282	58,003,876	59,545,513
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Taxation revenue					
Other taxes	219	13,628	13,971	14,348	14,090
Total taxation revenue	219	13,628	13,971	14,348	14,090
Non-taxation revenue					
Interest	1,895,930	1,485,381	1,505,367	1,573,656	1,624,712
Other revenue	122,870	185,363	240,415	249,720	249,509
Total non-taxation revenue	2,018,800	1,670,744	1,745,782	1,823,376	1,874,221
Total own-source revenue administered on behalf of Government	2,019,019	1,684,372	1,759,753	1,837,724	1,888,311
Gains					
Other gains	760,806	715,764	628,725	520,082	397,626
Total gains administered on behalf of Government	760,806	715,764	628,725	520,082	397,626
Total own-sourced income administered on behalf of Government	2,779,825	2,400,136	2,388,478	2,357,806	2,285,937
Net (cost of)/contribution by services	(52,841,666)	(53,365,002)	(54,051,804)	(55,646,070)	(57,259,576)
Surplus/(deficit) before income tax	(52,841,666)	(53,365,002)	(54,051,804)	(55,646,070)	(57,259,576)
Surplus/(deficit) after income tax	(52,841,666)	(53,365,002)	(54,051,804)	(55,646,070)	(57,259,576)
Total comprehensive income/(loss)	(52,841,666)	(53,365,002)	(54,051,804)	(55,646,070)	(57,259,576)

Prepared on Australian Accounting Standards basis.

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	93,266	99,314	102,501	105,557	107,884
Trade and other receivables	57,327,070	60,374,470	63,042,693	65,097,367	66,540,835
Other investments	2,901,288	2,901,288	2,901,288	2,901,288	2,901,288
Other financial assets	872,446	860,483	847,767	837,441	828,863
Total financial assets	61,194,070	64,235,555	66,894,249	68,941,653	70,378,870
Non-financial assets					
Other non-financial assets	1,079	1,067	1,055	1,043	1,031
Total non-financial assets	1,079	1,067	1,055	1,043	1,031
Total assets administered on behalf of Government	61,195,149	64,236,622	66,895,304	68,942,696	70,379,901
LIABILITIES					
Payables					
Suppliers	204,338	204,338	204,338	204,338	204,338
Subsidies	62,794	62,794	62,794	62,794	62,794
Personal benefits	81,274	116,068	230,787	259,567	126,965
Grants	19,448	19,448	19,448	19,448	19,448
Other payables	4,077	4,077	4,077	4,077	4,077
Total payables	371,931	406,725	521,444	550,224	417,622
Interest bearing liabilities					
Leases	1,196	1,196	1,196	1,196	1,196
Total interest bearing liabilities	1,196	1,196	1,196	1,196	1,196
Provisions					
Personal benefit provisions	508,009	566,630	608,376	644,367	669,449
Grants provisions	6,113,449	5,792,619	5,465,603	5,132,450	4,794,607
Total provisions	6,621,458	6,359,249	6,073,979	5,776,817	5,464,056
Total liabilities administered on behalf of Government	6,994,585	6,767,170	6,596,619	6,328,237	5,882,874
Net assets/(liabilities)	54,200,564	57,469,452	60,298,685	62,614,459	64,497,027

Prepared on Australian Accounting Standards basis.

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Interest	1,012,432	1,120,680	1,269,217	1,428,213	1,586,758
Taxes	219	13,628	13,971	14,348	14,090
Net GST received	1,644,724	1,716,075	1,674,548	1,732,210	1,785,898
Other	98,061	113,420	118,486	123,628	118,426
Total cash received	2,755,436	2,963,803	3,076,222	3,298,399	3,505,172
Cash used					
Grant	38,369,010	39,790,757	41,186,485	42,505,282	43,848,234
Subsidies paid	4,324,965	2,617,350	1,187,677	1,066,020	815,649
Personal benefits	9,834,576	10,871,003	11,451,205	12,059,587	12,813,514
Suppliers	2,850,392	2,550,675	2,468,495	2,288,637	2,274,922
Interest payments on lease liability	25	25	25	25	25
Total cash used	55,378,968	55,829,810	56,293,887	57,919,551	59,752,344
Net cash from/(used by) operating activities	(52,623,532)	(52,866,007)	(53,217,665)	(54,621,152)	(56,247,172)
INVESTING ACTIVITIES					
Cash received					
Repayments of advances and loans	4,300,923	4,710,233	5,308,955	5,956,947	6,705,530
Total cash received	4,300,923	4,710,233	5,308,955	5,956,947	6,705,530
Cash used					
Advances and loans made	7,738,347	8,503,307	8,983,553	9,309,070	9,612,683
Total cash used	7,738,347	8,503,307	8,983,553	9,309,070	9,612,683
Net cash from/(used by) investing activities	(3,437,424)	(3,793,074)	(3,674,598)	(3,352,123)	(2,907,153)
FINANCING ACTIVITIES					
Cash used					
Other	80	80	80	80	80
Total cash used	80	80	80	80	80
Net cash from/(used by) financing activities	(80)	(80)	(80)	(80)	(80)
Net increase/(decrease) in cash held	(56,061,036)	(56,659,161)	(56,892,343)	(57,973,355)	(59,154,405)
Cash and cash equivalents at beginning of reporting period	104,319	93,266	99,314	102,501	105,557
Cash from Official Public Account for:					
- Appropriations	61,763,957	62,920,464	63,782,192	65,689,341	67,795,059
Total cash from Official Public Account	61,763,957	62,920,464	63,782,192	65,689,341	67,795,059
Cash to Official Public Account for:					
- Appropriations	(5,713,974)	(6,255,255)	(6,886,662)	(7,712,930)	(8,638,327)
Total cash to Official Public Account	(5,713,974)	(6,255,255)	(6,886,662)	(7,712,930)	(8,638,327)
Cash and cash equivalents at end of reporting period	93,266	99,314	102,501	105,557	107,884

Prepared on Australian Accounting Standards basis.

Table 3.10: Schedule of administered capital budget statement (for the period ended 30 June)

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

Table 3.11: Statement of administered asset movements (Budget year 2022–23)

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

**Australian Curriculum,
Assessment and Reporting
Authority**

**Entity resources and planned
performance**

Australian Curriculum, Assessment and Reporting Authority

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Australian Curriculum, Assessment and Reporting Authority

Section 1: Entity overview and resources

1.1 Strategic direction statement

The Australian Curriculum, Assessment and Reporting Authority (ACARA) was established under the *Australian Curriculum, Assessment and Reporting Authority Act 2008* of the Parliament of the Commonwealth of Australia. The legislation was assented to on 8 December 2008.

ACARA's vision is to inspire improvement in the learning of all young Australians through world-class curriculum, assessment, and reporting.

ACARA's strategic directions are set through its Charter, issued by all Education Ministers. The Charter reflects ACARA's role as an independent statutory authority and provides guidance about the nature of the activities ACARA is expected to undertake in fulfilling its functions and executing the policy directions set by Education Ministers.

ACARA's strategic directions outlined in the Charter, endorsed by Education Ministers in November 2016, are:

National Curriculum

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

National Assessment

- provide a quality, comprehensive and cohesive suite of assessments (including National Assessment Program – Literacy and Numeracy (NAPLAN) and National Assessment Program (NAP) Sample).

National Data and Reporting

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

National Collaboration and leadership

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

ACARA's budget is agreed to by all Education Ministers and provided in accordance with an agreed national funding formula. ACARA's 2021–22 to 2024–25 work plan and related budget was endorsed by Education Ministers in August 2021. Additional funding to improve the National Assessment Program was endorsed by Education Ministers in November 2021. Revisions to ACARA's 2022–23 to 2024–25 work plan and budget and its new fourth year out (2025–26) work plan and related annual budget are yet to be endorsed by Education Ministers.

Priorities for ACARA during 2022–23 are ensuring directions agreed by all Education Ministers relating to the National Assessment Program are undertaken and work relating to the Australian Curriculum Version 9 such as collecting and annotating new work samples, ensuring enhancements are made to the functionality of the new Australian Curriculum website, and reviewing and revising the Australian Curriculum: Languages F-10 in the remaining languages for endorsement.

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

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

1.2 Entity resource statement

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

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

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

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

Table 1.1: ACARA resource statement — Budget estimates for 2022–23 as at Budget March 2022

	2021-22 Estimated actual \$'000	2022-23 Estimate \$'000
Opening balance/cash reserves at 1 July	10,418	5,596
Funds from Government		
Amounts received from related entities		
Amounts from portfolio department (a)	14,058	13,845
Amounts from other entities	-	-
Total amounts received from related entities	14,058	13,845
Total funds from Government	14,058	13,845
Funds from other sources		
Interest	140	100
Other	14,021	14,211
Total funds from other sources	14,161	14,311
Total net resourcing for Australian Curriculum, Assessment and Reporting Authority	38,637	33,752
	2021-22	2022-23
Average staffing level (number)	98	101

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

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

1.3 Budget measures

There are no 2022–23 Budget Measures for the Australian Curriculum, Assessment and Reporting Authority.

Section 2: Outcomes and planned performance

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

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

Note:

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

The most recent corporate plan for ACARA can be found at: www.acara.edu.au

The most recent annual performance statement can be found at: www.acara.edu.au

2.1 Budgeted expenses and performance for Outcome 1

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

Budgeted expenses for Outcome 1

This table shows how much ACARA intends to spend (on an accrual basis) on achieving the outcome, broken down by program.

Table 2.1.1: Budgeted expenses for Outcome 1

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
Program 1.1: National Curriculum					
Revenue from Government					
Payment from related entities	3,519	2,620	2,665	2,710	-
Revenues from other independent sources	3,552	2,639	2,691	2,737	-
Total expenses for Program 1.1	7,071	5,259	5,356	5,447	-
Program 1.2: National Assessment					
Revenue from Government					
Payment from related entities	8,222	8,073	8,211	8,350	-
Revenues from other independent sources	7,799	8,498	8,291	8,432	-
Total expenses for Program 1.2	16,021	16,571	16,502	16,782	-
Program 1.3: National Data Collection and Reporting					
Revenue from Government					
Payment from related entities	2,055	2,128	2,164	2,201	-
Revenues from other independent sources	2,075	2,143	2,186	2,222	-
Total expenses for Program 1.3	4,130	4,271	4,350	4,423	-
Program 1.4: National Collaboration and Leadership					
Revenue from Government					
Payment from related entities	988	1,023	1,041	1,059	-
Revenues from other independent sources	998	1,031	1,051	1,069	-
Total expenses for Program 1.4	1,986	2,054	2,092	2,128	-
Outcome 1 totals by resource type					
Revenue from Government					
Payment from related entities	14,784	13,844	14,081	14,320	-
Revenues from other independent sources	14,424	14,311	14,219	14,460	-
Total expenses for Outcome 1	29,208	28,155	28,300	28,780	-
	2021-22	2022-23			
Average staffing level (number)	98	101			

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

Table 2.1.2: Performance measure for Outcome 1

Table 2.1.2 details the performance measures for each program associated with Outcome 1. It also provides the related key activities as expressed in the current corporate plan where further detail is provided about the delivery of the activities related to the program, the context in which these activities are delivered and how the performance of these activities will be measured. Where relevant, details of 2022–23 Budget measures that have created new programs or materially changed existing programs are provided.

Outcome 1 – Improved quality and consistency of school education in Australia through a national curriculum, national assessment, data collection, and performance reporting system.		
Program 1.1 – National Curriculum		
The program aims to improve the quality, equity, and transparency of Australia's education system. A national curriculum ensures that every child in Australia, regardless of where they live or the school they attend, has access to a world-class curriculum.		
Key activities	<ul style="list-style-type: none"> • Delivering the Foundation – Year 10 and Senior Secondary Australian Curriculum. • Supporting implementation of the Foundation – Year 10 Australian Curriculum. • Providing authoritative Australian Curriculum advice to stakeholders and facilitating information sharing, collaboration and support for the Australian Curriculum. • Monitoring the effectiveness of the Australian Curriculum and undertaking research to inform national policy and practice. 	
Year	Performance measures	Expected performance results
Current year 2021–22	<ul style="list-style-type: none"> • Agreed refinements to the F–10 Australian Curriculum undertaken. • Refinements to the F–10 Australian Curriculum undertaken in collaboration with jurisdictions and stakeholders. • Activities related to maintaining and enhancing the curriculum support resources available on, and the functionality of, the new Australian Curriculum website (released in January 2022) completed each year. 	<ul style="list-style-type: none"> • Actions for refinements to the F–10 Australian Curriculum undertaken and completed. • F–10 Australian Curriculum reviewed and approved by all Education Ministers and the revised version published on updated Australian Curriculum website as agreed by Education Ministers. • Implementation support activities that have been endorsed by Education Ministers as part of ACARA's work plan delivered and accessible through the Australian Curriculum website – with release of the website deferred in line with timing of Education Ministers' Meeting date for consideration of revisions to the curriculum.

Year	Performance measures	Planned performance results
Budget Year 2022–23	<ul style="list-style-type: none"> Activities related to maintaining and enhancing the curriculum support resources available on, and the online functionality of, the new Australian Curriculum website completed each year. Refinements to the F–10 Australian Curriculum in all Languages subjects undertaken in collaboration with jurisdictions and stakeholders. 	<ul style="list-style-type: none"> Implementation support activities that have been endorsed by Education Ministers as part of ACARA's work plan delivered and accessible through the Australian Curriculum website. F–10 Australian Curriculum in the remaining 12 Languages subjects reviewed, and revised version published on Australian Curriculum website as agreed by Education Ministers.
Forward Estimates 2023–26	<ul style="list-style-type: none"> Activities related to maintaining and enhancing the curriculum support resources available on, and the online functionality of, the new Australian Curriculum website completed each year. Maintain research into international and national curriculum trends and developments and conduct annual monitoring processes to inform future refinements to the Australian Curriculum. 	<ul style="list-style-type: none"> Implementation support activities that have been endorsed by Education Ministers as part of ACARA's work plan delivered and accessible through the Australian Curriculum website. Research and monitoring activities that have been endorsed by Education Ministers as part of ACARA's work plan are completed.
Material changes to Program 1.1 resulting from 2022–23 Budget Measures: Nil		

Program 1.2 – National Assessment		
<p>The program aims to provide school education leaders, teachers, and parents with the means to periodically assess students against previous performance, national benchmarks and their peers using an objective measure.</p>		
Key activities	<ul style="list-style-type: none"> • Researching, developing and supporting activities required for assessment, especially online testing. • Managing the planning and development and overseeing the delivery and reporting for the National Assessment Program (NAP) – Literacy and Numeracy (NAPLAN), including the transition from pencil and paper to online delivery. • Managing the development and overseeing the delivery of assessments and reporting for the National Assessment Program (NAP) sample assessments. 	
Year	Performance measures	Expected performance results
Current year 2021–22	<ul style="list-style-type: none"> • National Assessment Program (NAP) – NAPLAN and NAP sample assessments delivered as agreed by Education Ministers. • Transition to NAPLAN Online completed, as agreed by Education Ministers. 	<ul style="list-style-type: none"> • National NAPLAN summary and 2020 NAPLAN reports were reviewed by jurisdictions and published in the reporting period. There was no 2020 NAP sample assessment report published in 2021 as the 2020 sample was not held due to COVID-19. • NAPLAN online undertaken in May 2021 by all schools.
Year	Performance measures	Planned performance results
Budget Year 2022–23	<ul style="list-style-type: none"> • National Assessment Program (NAP) – NAPLAN and NAP sample assessments delivered as agreed by Education Ministers. • An enhanced writing assessment model for NAPLAN implemented on timeframe determined by Education Ministers. 	<ul style="list-style-type: none"> • National reports on results of NAPLAN and NAP sample assessments are reviewed by jurisdictions and published. • An enhanced NAPLAN writing model endorsed by Education Ministers in the second half of 2022.
Forward Estimates 2023–26	<ul style="list-style-type: none"> • National Assessment Program (NAP) – NAPLAN and NAP sample assessments delivered as agreed by Education Ministers. • Proficiency standards as agreed by Education Ministers introduced for NAPLAN 2023 reports. • Approved enhancements to NAP, as agreed by Education Ministers, are implemented. 	<ul style="list-style-type: none"> • National reports on results of NAPLAN and NAP sample assessments are reviewed by jurisdictions and published. • NAPLAN scale reset and results reported against proficiency standards in NAPLAN reports. • Enhancements approved and agreed by Education Ministers implemented for NAP.
Material changes to Program 1.2 resulting from 2022–23 Budget Measures: Nil		

Program 1.3 – National Data and Reporting		
<p>The program aims to provide public reporting to promote accountability and engagement in school education. Provision of quality information on schooling is important for schools and their students, for parents and their families and for the community and governments.</p>		
Key activities	<ul style="list-style-type: none"> Monitoring and, where necessary, reviewing the existing national key performance measures for schools, and producing a comprehensive and authoritative national report on schooling in Australia related to national key performance measures. Managing the collection and quality assurance of data, and providing national school information including through the My School website. Managing the sharing and dissemination of data. 	
Year	Performance measures	Expected performance results
Current year 2021–22	<ul style="list-style-type: none"> The National Report on Schooling in Australia is published. The redesign of ACARA's suite of websites includes a reporting channel. 	<ul style="list-style-type: none"> Publication of the 2020 National Report on Schooling before the end of 2021–22 and updates made to the National Report on Schooling data portal. Re-build of the reporting channel has commenced.
Year	Performance measures	Planned performance results
Budget Year 2022–23	<ul style="list-style-type: none"> The National Report on Schooling in Australia is published. Level of stakeholder satisfaction with the My School website. 	<ul style="list-style-type: none"> Publication of the National Report on Schooling before the end of 2021–22 and updates made to the National Report on Schooling data portal. Level of satisfaction with the My School website is at 60% or above.
Forward Estimates 2023–26	<ul style="list-style-type: none"> The National Report on Schooling in Australia is published. The Measurement Framework for Schooling in Australia is reviewed and updated, in consultation with stakeholders and advisory groups. Review of reporting website and mechanisms. 	<ul style="list-style-type: none"> Publication of the National Report on Schooling before the end of 2021–22 and updates made to the National Report on Schooling data portal. Publication of Revised Measurement Framework for Schooling in Australia. Revision of ACARA reporting mechanisms commenced.
Material changes to Program 1.3 resulting from 2022–23 Budget Measures: Nil		

Program 1.4 – National Collaboration and Leadership		
<p>The program aims to ensure ACARA works in a transparent and collaborative manner with Commonwealth/state/territory departments of education and government and non-government school authorities. ACARA will share its proposals and work with a range of advisory groups to enable all stakeholders to provide input.</p>		
Key activities	<ul style="list-style-type: none"> • Communicating information about ACARA's work and achievements to partners, stakeholders and the broader community. • Providing national leadership in curriculum, assessment, data collection and reporting directly and in collaboration with the Commonwealth, states, territories, non-government sector, AITSL, Education Services Australia and other stakeholder groups and ensure liaison with key stakeholders across all matters relating to curriculum, assessment and reporting. 	
Year	Performance measures	Expected performance results
Current year 2021–22	<ul style="list-style-type: none"> • An advisory structure that is fit for purpose is in place. • A transparent reporting process and structure are maintained and timely provision of advice to jurisdictions. • Collaboration with partners (government and non-government school sectors), national stakeholders and international education bodies is clearly maintained. • Research relating to curriculum, assessment or reporting to advance ACARA's work in these areas commissioned and published. 	<ul style="list-style-type: none"> • Advisory structure reviewed in September 2021 with 72% of stakeholders agreeing ACARA's governance and advisory structure was clear and fit for purpose. • Progress reports against the annual work plan submitted to EMM/AESOC at the end of 2021 and at each meeting of the ACARA Board, with advice provided to these groups as requested throughout the reporting period. • Increased frequency of engagement evident through ACARA holding meetings with groups/experts/peak bodies relating to the Review of the Australian Curriculum and holding joint forums of the Schools Policy Group (SPG) and the National Assessment, Data, Analysis and Reporting Reference Group in addition to regular meetings with advisory groups. ACARA attends all meetings of SPG, AESOC and Education Ministers Meetings in relation to ACARA's work and meets with peak bodies and key stakeholders. • Two pieces of research (Socio-Education Advantage analysis and parental perspectives of NAPLAN Online) available through ACARA's website(s) and availability communicated to stakeholders by end of June 2022.
Year	Performance measures	Planned performance results
Budget Year 2022–23	<ul style="list-style-type: none"> • As above 	<ul style="list-style-type: none"> • As above

<p>Program 1.4 – National Collaboration and Leadership</p> <p>The program aims to ensure ACARA works in a transparent and collaborative manner with Commonwealth/state/territory departments of education and government and non-government school authorities. ACARA will share its proposals and work with a range of advisory groups to enable all stakeholders to provide input.</p>		
Forward Estimates 2023–26	<ul style="list-style-type: none"> • An advisory structure that is fit for purpose is in place; and • As above 	<ul style="list-style-type: none"> • Advisory structure reviewed and level of satisfaction received is at 65% or above as measured through surveys in 2023 and 2025; and • As above
Material changes to Program 1.4 resulting from 2022–23 Budget Measures: Nil		

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2022–23 budget year, including the impact of budget measures and resourcing on financial statements.

3.1 Budgeted financial statements

3.1.1 Differences between entity resourcing and financial statements

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

3.1.2 Explanatory notes and analysis of budgeted financial statements

ACARA's work is undertaken through agreement by all Education Ministers and set through its Charter, its rolling quadrennial plan, and any other written instructions from Education Ministers. ACARA's budget is agreed to by Education Ministers and provided in accordance with Ministers agreed funding formula. Revisions to ACARA's 2022–23 to 2024–25 work plan and budget and its new fourth year out (2025–26) work plan and related annual budget are yet to be endorsed by Education Ministers.

3.2. Budgeted financial statements tables

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
EXPENSES					
Employee benefits	16,611	16,386	16,248	16,669	-
Suppliers	10,707	9,866	10,079	10,148	-
Depreciation and amortisation	1,218	1,223	1,237	1,243	-
Finance costs	673	680	736	720	-
Total expenses	29,209	28,155	28,300	28,780	-
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Interest	140	100	140	140	-
Other	28,116	28,055	28,160	28,640	-
Total own-source revenue	28,256	28,155	28,300	28,780	-
Total gains	-	-	-	-	-
Total own-source income	28,256	28,155	28,300	28,780	-
Net (cost of)/contribution by services	(953)	-	-	-	-
Surplus/(deficit) attributable to the Australian Government	(953)	-	-	-	-
OTHER COMPREHENSIVE INCOME					
Total other comprehensive income	-	-	-	-	-
Total comprehensive income/(loss)	(953)	-	-	-	-
Total comprehensive income/(loss) attributable to the Australian Government	(953)	-	-	-	-

Note: Impact of net cash appropriation arrangements

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
Total comprehensive income/(loss)					
- as per statement of Comprehensive Income	(953)	-	-	-	-
plus: depreciation/amortisation expenses for ROU assets (a)	968	983	983	983	-
less: lease principal repayments (a)	951	1,008	1,069	1,132	-
Net Cash Operating Surplus/ (Deficit)	(936)	(25)	(86)	(149)	-

Prepared on Australian Accounting Standards basis

(a) Applies leases under AASB 16 Leases.

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	5,596	5,081	5,489	6,046	6,046
Trade and other receivables	211	211	211	211	211
Other financial assets	5	5	5	5	5
Total financial assets	5,812	5,297	5,705	6,262	6,262
Non-financial assets					
Land and buildings	3,940	4,110	3,127	2,144	2,144
Property, plant and equipment	171	181	177	177	177
Intangibles	3,380	3,444	2,744	2,044	2,044
Other non-financial assets	1,599	1,599	1,599	1,599	1,599
Total non-financial assets	9,090	9,334	7,647	5,964	5,964
Total assets	14,902	14,631	13,352	12,226	12,226
LIABILITIES					
Payables					
Suppliers	3,579	3,158	2,942	2,942	2,942
Grants	234	234	234	234	234
Total payables	3,813	3,392	3,176	3,176	3,176
Interest bearing liabilities					
Leases	4,412	4,557	3,488	2,356	2,356
Total interest bearing liabilities	4,412	4,557	3,488	2,356	2,356
Provisions					
Employee provisions	2,836	2,836	2,836	2,836	2,836
Other provisions	444	449	455	461	461
Total provisions	3,280	3,285	3,291	3,297	3,297
Total liabilities	11,505	11,234	9,955	8,829	8,829
Net assets	3,397	3,397	3,397	3,397	3,397
EQUITY*					
Parent entity interest					
Retained surplus (accumulated deficit)	3,397	3,397	3,397	3,397	3,397
Total parent entity interest	3,397	3,397	3,397	3,397	3,397
Total equity	3,397	3,397	3,397	3,397	3,397

Prepared on Australian Accounting Standards basis.

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

Table 3.3: Departmental statement of changes in equity - summary of movement (Budget year 2022–23)

	Retained earnings	Asset revaluation reserve	Other reserves	Contributed equity/capital	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000
Opening balance as at 1 July 2022					
Balance carried forward from previous period	3,397	-	-	-	3,397
Adjustment for changes in accounting policies	-	-	-	-	-
Adjusted opening balance	3,397	-	-	-	3,397
Comprehensive income					
Other comprehensive income	-	-	-	-	-
Surplus/(deficit) for the period	-	-	-	-	-
Total comprehensive income	-	-	-	-	-
Estimated closing balance as at 30 June 2023	3,397	-	-	-	3,397
Closing balance attributable to the Australian Government	3,397	-	-	-	3,397

Prepared on Australian Accounting Standards basis.

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Receipts from Government	28,079	28,055	28,160	28,640	-
Interest	140	100	140	140	-
Total cash received	28,219	28,155	28,300	28,780	-
Cash used					
Employees	16,781	16,386	16,248	16,669	-
Suppliers	11,011	10,287	10,295	10,157	-
Interest payments on lease liability	53	44	36	20	-
Total cash used	27,845	26,717	26,579	26,846	-
Net cash from/(used by) operating activities	374	1,438	1,721	1,934	-
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant and equipment and intangibles	4,245	945	244	245	-
Total cash used	4,245	945	244	245	-
Net cash from/(used by) investing activities	(4,245)	(945)	(244)	(245)	-
Cash used					
Principal payments on lease liability	951	1,008	1,069	1,132	-
Total cash used	951	1,008	1,069	1,132	-
Net cash from/(used by) financing activities	(951)	(1,008)	(1,069)	(1,132)	-
Net increase/(decrease) in cash held	(4,822)	(515)	408	557	-
Cash and cash equivalents at the beginning of the reporting period	10,418	5,596	5,081	5,489	6,046
Cash and cash equivalents at the end of the reporting period	5,596	5,081	5,489	6,046	6,046

Prepared on Australian Accounting Standards basis.

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

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

Table 3.6: Statement of departmental asset movements (Budget 2022–23)

	Buildings	Other property, plant and equipment	Computer software and intangibles	Total
	\$'000	\$'000	\$'000	\$'000
As at 1 July 2022				
Gross book value	-	2,795	4,008	6,803
Gross book value - ROU assets	6,664	-	-	6,664
Accumulated depreciation/ amortisation and impairment	-	(2,624)	(628)	(3,252)
Accumulated depreciation/amortisation and impairment - ROU assets	(2,724)	-	-	(2,724)
Opening net book balance	3,940	171	3,380	7,491
Capital asset additions				
Estimated expenditure on new or replacement assets				
By purchase - appropriation equity - ROU assets	1,153	-	-	1,153
By purchase - other	-	250	700	950
Total additions	1,153	250	700	2,103
Other movements				
Depreciation/amortisation expense	-	(240)	(636)	(876)
Depreciation/amortisation on ROU assets	(983)	-	-	(983)
Total other movements	(983)	(240)	(636)	(1,859)
As at 30 June 2023				
Gross book value	-	3,045	4,708	7,753
Gross book value - ROU assets	7,817	-	-	7,817
Accumulated depreciation/ amortisation and impairment	-	(2,864)	(1,264)	(4,128)
Accumulated depreciation/amortisation and impairment - ROU assets	(3,707)	-	-	(3,707)
Closing net book balance	4,110	181	3,444	7,735

Prepared on Australian Accounting Standards basis.

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

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

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

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

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

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

Table 3.10: Schedule of administered capital budget statement (for the period ended 30 June)

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

Table 3.11: Statement of administered asset movements (Budget year 2022–23)

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

**Australian Institute for
Teaching and School
Leadership**

**Entity resources and planned
performance**

Australian Institute for Teaching and School Leadership

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Australian Institute for Teaching and School Leadership

Section 1: Entity overview and resources

1.1 Strategic direction statement

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

AITSL is a public company limited by guarantee under the *Corporations Act 2001* and is subject to the *Public Governance, Performance and Accountability Act 2013*. The Commonwealth of Australia is the sole member of the company and is represented by the Minister for Education and Youth. AITSL operates under its own constitution, with priorities set through instruction from the Minister. Its mission is to promote excellence so that teachers and leaders have the maximum impact on learning in all Australian schools.

The seven-member Board, appointed by the Minister for Education and Youth for their educational expertise, includes a Chair and Deputy Chair and five further Directors.

AITSL plays a key role in leading significant national educational reform so that teachers and school leaders have the maximum impact on student learning in all Australian schools. AITSL continues to lead significant reforms in initial teacher education, to promote national certification of highly accomplished and lead teachers, and to provide support to teachers and school leaders in their important work. The experience of remote learning through the COVID-19 pandemic has increased public appreciation of the role teachers play, and AITSL has focussed on providing support specific to the challenges teachers and school leaders have faced in 2021–22.

AITSL's Corporate Plan identifies seven key focus areas for its work:

- Placing impact of initial teacher education, teaching, and leadership at the centre of our work
- Building, enhancing, and sustaining effective teaching and leadership at every level
- Advocating for quality and rigour in the design and implementation of national policies, tools and resources
- Undertaking and engaging with national and international research and innovation developments in best practice
- Affirming the status of the profession
- Building cultural competency
- Conducting assessments for skilled migration to Australia.

1.2 Entity resource statement

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

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

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

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

Table 1.1: AITSL resource statement — Budget estimates for 2022–23 as at Budget March 2022

	2021-22 <i>Estimated actual</i> \$'000	2022-23 Estimate \$'000
Opening balance/cash reserves at 1 July	5,624	5,935
Funds from Government		
Amounts received from related entities		
Amounts from portfolio department (a)	12,723	7,988
Total amounts received from related entities	12,723	7,988
Total funds from Government	12,723	7,988
Funds from other sources		
Interest	95	95
Royalties	-	-
Sale of goods and services	4,333	3,526
Other	98	1,500
Total funds from other sources	4,526	5,121
Total net resourcing for AITSL	22,873	19,044
	2021-22	2022-23
Average staffing level (number)	71	69

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

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

1.3 Budget measures

There are no 2022–23 Budget Measures for the Australian Institute for Teaching and School Leadership.

Section 2: Outcomes and planned performance

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

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

Note:

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

The most recent corporate plan for AITSL can be found at: www.aitsl.edu.au

The most recent annual performance statement can be found at: www.aitsl.edu.au

2.1 Budgeted expenses and performance for Outcome 1

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

Table 2.1.1 Budgeted expenses for Outcome 1

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

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.					
	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forw ard estimate \$'000	2024-25 Forw ard estimate \$'000	2025-26 Forw ard estimate \$'000
Program 1.1: Assistance for Quality Teaching and Learning					
Revenue from Government					
Payment from related entities	12,036	9,312	8,049	8,111	-
Revenues from other independent sources	4,428	3,621	3,504	3,538	-
Total expenses for Program 1.1	16,464	12,933	11,553	11,649	-
Outcome 1 totals by resource type					
Revenue from Government					
Payment from related entities	12,036	9,312	8,049	8,111	-
Revenues from other independent sources	4,428	3,621	3,504	3,538	-
Total expenses for Outcome 1	16,464	12,933	11,553	11,649	-
	2021-22	2022-23			
Average staffing level (number)	71	69			

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

Table 2.2.2: Performance measure for Outcome 1

Table 2.2.2 details the performance measures for each program associated with Outcome 1. It also provides the related key activities as expressed in the current corporate plan where further detail is provided about the delivery of the activities related to the program, the context in which these activities are delivered and how the performance of these activities will be measured. Where relevant, details of 2022–23 Budget measures that have created new programs or materially changed existing programs are provided.

Outcome 1: Enhance the quality of teaching and school leadership through developing standards, recognising teaching excellence, providing professional development opportunities and supporting the teaching profession.		
Program 1.1: This program enables AITSL to work collaboratively with the eight state and territory education departments and their Ministers, the Catholic and independent school sectors, teacher educators, teacher regulatory authorities, teacher unions, professional and community organisations and teachers and principals throughout Australia to strengthen the profession.		
Key activities	The program includes a range of targeted initiatives which lead, shape and complement the work of other education agencies, to enhance the quality of initial teacher education, teaching and school leadership.	
Year	Performance measures	Expected performance results
Current year 2021–22	AITSL continues to promote excellence in the profession of teaching and school leadership.	<p>Initial Teacher Education Programs in Australia</p> <p>Implement Education Ministers' decisions on national quality assurance, consistency and transparency of initial teacher education.</p> <p>Monitor and evaluate the implementation of the strengthened approach to the Accreditation of Initial Teacher Education programs.</p> <p>Quality Teaching</p> <p>Improve access to high quality professional learning aligned to the Australian Professional Standards for Teachers (Teacher Standards).</p> <p>Improve consistency in the implementation of the national teacher registration framework and Teacher Standards.</p> <p>Support and promote the National Certification of Highly Accomplished and Lead Teachers.</p> <p>Develop tools for schools to better understand teacher effectiveness.</p> <p>School Leadership</p> <p>Support improvements to the quality of preparation and professional learning of school leaders aligned to the Australian Professional Standard for Principals, and promote access to key tools and resources.</p>

Outcome 1: Enhance the quality of teaching and school leadership through developing standards, recognising teaching excellence, providing professional development opportunities and supporting the teaching profession.		
Program 1.1: This program enables AITSL to work collaboratively with the eight state and territory education departments and their Ministers, the Catholic and independent school sectors, teacher educators, teacher regulatory authorities, teacher unions, professional and community organisations and teachers and principals throughout Australia to strengthen the profession.		
Current year 2021–22 (continued)		<p>Undertake and engage with national and international research and innovation developments in best practice</p> <p>Strengthen the evidence base for AITSL's work through enhanced research and involvement with national and international agencies and experts.</p> <p>Assessment for Migration</p> <p>Perform the role of assessing authority under the Migration Regulations 1994 for the purpose of skilled migration to Australia, for relevant teaching occupations successfully fulfilled.</p>
Year	Performance measures	Planned performance results
Budget Year 2022–23	As per 2021–22.	As per 2021–22.
Forward Estimates 2023–25	As per 2021–22.	As per 2021–22.

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2022–23 budget year, including the impact of budget measures and resourcing on financial statements.

3.1 Budgeted financial statements

3.1.1 Differences between entity resourcing and financial statements

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

3.1.2 Explanatory notes and analysis of budgeted financial statements

In October 2021 the Department of Education, Skills and Employment provided AITSL with a new funding agreement of \$36.871 million for the financial years 2021–22 to 2024–25. The purpose of the funding is to enable AITSL to continue to pursue its objectives in teaching and school leadership.

The funding for the 2022–23 budget year will be \$7.988 million. The comparative funding in the 2021–22 year is \$12.723 million. In the 2022–23 year the income from Overseas Skills Assessment is budgeted at \$1.675 million and \$1.85 million is included for contributing to create a longitudinal data set on the teaching workforce. Comparative income from other sources in the 2021–22 year included \$1.915 million from Overseas Skills Assessment and \$2.050 million to create a longitudinal data set.

AITSL is forecast to report a surplus of \$0.687 million in the financial year 2021–22. This surplus is a technical surplus and has arisen because of revenue recognised in the 2021–22 year that was in regard to work and expenses that will be incurred in 2022–23. AITSL is budgeting a technical deficit in 2022–23 of \$1.324 million which will utilise the technical surplus from 2021–22 and prior years.

The net asset position at 30 June 2022 is forecast to be \$5.831 million. Total assets are forecast to be \$9.682 million, comprising \$8.032 million of financial assets and \$1.65 million of non-financial assets.

Total liabilities at 30 June 2022 are forecast to be \$3.851 million, of which \$1.068 million is accrued employee provisions, \$0.639 million is supplier payables, \$1.412 million of lease liabilities and \$0.732 million of other provisions and liabilities.

3.2 Budgeted financial statements tables

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forw ard estimate \$'000	2024-25 Forw ard estimate \$'000	2025-26 Forw ard estimate \$'000
EXPENSES					
Employee benefits	9,595	8,153	7,583	7,956	-
Suppliers	5,797	3,875	3,160	2,890	-
Depreciation and amortisation	1,047	880	785	778	-
Finance costs	25	25	25	25	-
Total expenses	16,464	12,933	11,553	11,649	-
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	4,333	3,526	3,409	3,443	-
Interest	95	95	95	95	-
Other	12,723	7,988	8,049	8,111	-
Total own-source revenue	17,151	11,609	11,553	11,649	-
Total own-source income	17,151	11,609	11,553	11,649	-
Net (cost of)/contribution by services	687	(1,324)	-	-	-
Revenue from Government	-	-	-	-	-
Surplus/(deficit) attributable to the Australian Government	687	(1,324)	-	-	-
OTHER COMPREHENSIVE INCOME					
Changes in asset revaluation surplus	-	-	-	-	-
Total other comprehensive income	-	-	-	-	-
Total comprehensive income/(loss)	687	(1,324)	-	-	-
Total comprehensive income/(loss) attributable to the Australian Government	687	(1,324)	-	-	-

Note: Impact of net cash appropriation arrangements

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forw ard estimate \$'000	2024-25 Forw ard estimate \$'000	2025-26 Forw ard estimate \$'000
Total comprehensive income/(loss) - as per statement of Comprehensive Income	687	(1,324)	-	-	-
plus: depreciation/amortisation expenses for ROU assets (a)	679	679	709	709	-
less: lease principal repayments (a)	626	720	736	720	-
Net Cash Operating Surplus/ (Deficit)	740	(1,365)	(27)	(11)	-

Prepared on Australian Accounting Standards basis.

(a) Applies leases under AASB 16 Leases.

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	5,935	5,815	5,910	5,969	5,969
Trade and other receivables	1,678	160	132	122	122
Other financial assets	419	464	464	464	464
Total financial assets	8,032	6,439	6,506	6,555	6,555
Non-financial assets					
Property, plant and equipment	1,587	1,912	1,127	387	387
Other non-financial assets	63	70	70	70	70
Total non-financial assets	1,650	1,982	1,197	457	457
Assets held for sale	-	-	-	-	-
Total assets	9,682	8,421	7,703	7,012	7,012
LIABILITIES					
Payables					
Suppliers	639	145	117	107	107
Other payables	298	298	298	298	298
Total payables	937	443	415	405	405
Interest bearing liabilities					
Leases	1,412	1,897	1,161	441	441
Total interest bearing liabilities	1,412	1,897	1,161	441	441
Provisions					
Employee provisions	1,068	1,109	1,124	1,132	1,132
Other provisions	434	465	496	527	527
Total provisions	1,502	1,574	1,620	1,659	1,659
Total liabilities	3,851	3,914	3,196	2,505	2,505
Net assets	5,831	4,507	4,507	4,507	4,507
EQUITY*					
Parent entity interest					
Retained surplus (accumulated deficit)	5,831	4,507	4,507	4,507	4,507
Total parent entity interest	5,831	4,507	4,507	4,507	4,507
Total non-controlling interest	-	-	-	-	-
Total equity	5,831	4,507	4,507	4,507	4,507

Prepared on Australian Accounting Standards basis.

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

Table 3.3: Departmental statement of changes in equity — summary of movement (Budget year 2022–23)

	Retained earnings	Asset revaluation reserve	Other reserves	Contributed equity/capital	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000
Opening balance as at 1 July 2022					
Balance carried forward from previous period	5,831	-	-	-	5,831
Adjusted opening balance	5,831	-	-	-	5,831
Comprehensive income					
Other comprehensive income					-
Surplus/(deficit) for the period	(1,324)	-	-	-	(1,324)
Total comprehensive income	(1,324)	-	-	-	(1,324)
of which:					
Attributable to the Australian Government	(1,324)	-	-	-	(1,324)
Estimated closing balance as at 30 June 2023	4,507	-	-	-	4,507
Less: non-controlling interests*	-	-	-	-	-
Closing balance attributable to the Australian Government	4,507	-	-	-	4,507

Prepared on Australian Accounting Standards basis.

* The non-controlling interest disclosure is not required if an entity does not have non-controlling interests.

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Receipts from Government	12,523	9,488	8,049	8,111	-
Sale of goods and rendering of services	4,351	3,526	3,409	3,443	-
Interest	95	95	95	95	-
Net GST received	604	406	346	299	-
Other	-	-	-	-	-
Total cash received	17,573	13,515	11,899	11,948	-
Cash used					
Employees	9,813	8,112	7,568	7,948	-
Suppliers	6,639	4,757	3,506	3,189	-
Other	25	32	25	32	-
Total cash used	16,477	12,901	11,099	11,169	-
Net cash from/(used by) operating activities	1,096	614	800	779	-
INVESTING ACTIVITIES					
Cash received					
Investments	-	-	31	-	-
Total cash received	-	-	31	-	-
Cash used					
Purchase of property, plant and equipment and intangibles	159	-	-	-	-
Investments	-	14	-	-	-
Total cash used	159	14	-	-	-
Net cash from/(used by) investing activities	(159)	(14)	31	-	-
FINANCING ACTIVITIES					
Cash used					
Principal payments on lease liability	626	720	736	720	-
Total cash used	626	720	736	720	-
Net cash from/(used by) financing activities	(626)	(720)	(736)	(720)	-
Net increase/(decrease) in cash held	311	(120)	95	59	-
Cash and cash equivalents at the beginning of the reporting period	5,624	5,935	5,815	5,910	-
Cash and cash equivalents at the end of the reporting period	5,935	5,815	5,910	5,969	-

Prepared on Australian Accounting Standards basis.

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

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

Table 3.6: Statement of departmental asset movements (Budget year 2022–23)

	Buildings	Other property, plant and equipment	Heritage and cultural	Computer software and intangibles	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
As at 1 July 2022					
Gross book value	-	2,365	12	177	2,554
Gross book value - ROU assets	3,346	-	-	-	3,346
Accumulated depreciation/ amortisation and impairment	-	(2,073)	-	(177)	(2,250)
Accumulated depreciation/amortisation and impairment - ROU assets	(2,063)	-	-	-	(2,063)
Opening net book balance	1,283	292	12	-	1,587
Capital asset additions					
Estimated expenditure on new or replacement assets					
By purchase - other	-	-	-	-	-
By purchase - other - ROU assets	1,205	-	-	-	1,205
Total additions	1,205	-	-	-	1,205
Other movements					
Depreciation/amortisation expense	-	(201)	-	-	(201)
Depreciation/amortisation on ROU assets	(679)	-	-	-	(679)
Total other movements	(679)	(201)	-	-	(880)
As at 30 June 2023					
Gross book value	-	2,365	12	177	2,554
Gross book value - ROU assets	4,551	-	-	-	4,551
Accumulated depreciation/ amortisation and impairment	-	(2,274)	-	(177)	(2,451)
Accumulated depreciation/amortisation and impairment - ROU assets	(2,742)	-	-	-	(2,742)
Closing net book balance	1,809	91	12	-	1,912

Prepared on Australian Accounting Standards basis.

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

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

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

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

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

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

Table 3.10: Schedule of administered capital budget statement (for the period ended 30 June)

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

Table 3.11: Statement of administered asset movements (Budget year 2022–23)

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

Australian Research Council

Entity resources and planned performance

Australian Research Council

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Australian Research Council

Section 1: Entity overview and resources

1.1 Strategic direction statement

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

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

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

The ARC is focused on driving the research contribution of universities to areas of national interest and to achieve improved economic and social outcomes. Central to this is undertaking action to strengthen the translation pipeline for Australian research, including encouraging greater collaboration with industry to stimulate research and development activity. This will be done by further aligning funding schemes with national priorities, ensuring funded research can demonstrate value, implementation of a more efficient and robust research quality and impact assessments, and enhancing the governance of the ARC.

Consistent with this, on 1 February 2022, the Prime Minister announced the University Research Commercialisation Action Plan which includes three new Industry Fellowship schemes to be delivered by the ARC. These schemes will support researchers to develop cutting edge innovations and apply their research to addressing industry challenges. The fellowships will provide industry with increased access to individuals with strong technical skills, knowledge, and research capacity.

The ARC's priorities for 2022–23 include:

- delivering the NCGP effectively and efficiently to support excellent research in the national interest
- enhancing the processes and procedures of the NCGP, including strengthening understanding of the value and processes relating to the National Interest Test
- commencing three new Industry Fellowship schemes
- providing high quality advice to the Minister on research matters including in areas of Government focus (for example, strengthening linkages between research and business to stimulate more research and development across the economy)
- fast-tracking implementation of outcomes of the review of ERA and EI including by adopting a new rating scale and benchmarks for ERA assessments, and developing robust quantitative metrics focused on the impact of research for the next EI assessment in 2024
- working with a designated ARC Advisory Committee to develop a three-year strategic plan for the ARC
- ensuring that the NCGP supports participation by all researchers, including Aboriginal and Torres Strait Islander researchers, women researchers and early and mid-career researchers
- providing specialist research-based grants administration services to other Australian Government agencies that is standardised, streamlined and supports Australian Government standards and requirements.

The ARC acknowledges the ongoing impact of COVID-19 on the research sector, and continues to monitor and adapt processes as necessary to best support the Australian research community through 2022–23.

1.2 Entity resource statement

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

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

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

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

Table 1.1: Australian Research Council resource statement - Budget estimates for 2022–23 as at Budget March 2022

	2021-22 <i>Estimated actual</i> \$'000	2022-23 Estimate \$'000
Departmental		
Annual appropriations - ordinary annual services		
Prior year appropriations available	17,868	15,488
Departmental appropriation (a)	21,326	22,504
s74 External Revenue (b)	343	333
Departmental capital budget (c)	1,235	1,240
Total departmental annual appropriations	<u>40,772</u>	<u>39,565</u>
Total departmental resourcing	40,772	39,565
Administered		
Annual appropriations - ordinary annual services		
Prior year appropriations available (d)	542	-
Outcome 1	5,896	8,641
Total administered annual appropriations	<u>6,438</u>	<u>8,641</u>
Special Appropriation (e)	815,271	852,911
Total administered special appropriations	<u>815,271</u>	<u>852,911</u>
Special accounts (f)		
Opening balance	2,426	2,291
Appropriation receipts	-	-
Total special account receipts	<u>2,426</u>	<u>2,291</u>
<i>less administered appropriations drawn from annual/special appropriations and credited to special accounts</i>	-	-
Total administered resourcing	824,135	863,843
Total resourcing for Australian Research Council	864,907	903,408
	<u>2021-22</u>	<u>2022-23</u>
Average staffing level (number)	138	140

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

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

- (a) Departmental appropriation excludes departmental capital budget (DCB), see also note (c). The 2021–22 figure excludes \$0.499 million which will be received through the 2022–23 Appropriation Bill (No.1).
- (b) Estimated external revenue receipts under section 74 of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act).
- (c) DCBs are not separately identified in Appropriation Bill (No.1) and form part of ordinary annual services items. Please refer to Table 3.5 for further details. For accounting purposes, this amount has been designated as a 'contribution by owner'.
- (d) Prior year Administered annual appropriations are only available to meet commitments entered into in the prior financial year. For example, 2021–22 prior year appropriations are to meet commitments entered into in 2020-21. The 2021–22 figure excludes \$0.296 million that is subject to administrative quarantine by Finance or withheld under section 51 of the PGPA Act. The 2021–22 figure also excludes \$2.133 million which was reprofiled into 2023–24 and 2024–25 as agreed Movement of Funds during the 2021–22 Mid-Year Economic and Fiscal Outlook (MYEFO).
- (e) Special Appropriation funded under the *Australian Research Council Act 2001* (ARC Act).
- (f) ARC Research Endowment Account – section 80 of the PGPA Act (section 62 of the ARC Act). Excludes trust moneys held in Services for Other Entities and Trust Moneys (SOETM) and other special accounts. For further information on special accounts, please refer to *Budget Paper No. 4 - Agency Resourcing*. Please also see Table 2.1.1 for further information on outcome and program expenses broken down by various funding sources, e.g. annual appropriations, special appropriations and special account.

1.3 Budget measures

Budget measures in Table 1.2 relating to the ARC are detailed in Budget Paper No. 2 and are summarised below.

Table 1.2: Australian Research Council 2022–23 Budget measures announced since the 2021–22 Mid-Year Economic and Fiscal Outlook (MYEFO)

	Program	2021-22 \$'000	2022-23 \$'000	2023-24 \$'000	2024-25 \$'000	2025-26 \$'000
Payment measures						
Investing in Australia's University Research Commercialisation (a)	1.2					
Administered payment		-	-	-	-	-
Departmental payment		-	-	-	-	-
Total		-	-	-	-	-
Administered		-	-	-	-	-
Departmental		-	-	-	-	-
Total		-	-	-	-	-

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

(a) This measure consists of decision taken but not yet announced in the 2021-22 MYEFO with the following impact: 2021-22 \$0.5million, 2022-23 \$22.1 million, 2023-24 \$44.3 million, 2024-25 \$67.7 million, 2025-16 \$83.5 million. The lead entity for the Investing in Australia's University Research Commercialisation measure is the Department of Education, Skills and Employment with the full measure description and package details appearing in Budget Paper No. 2.

Section 2: Outcomes and planned performance

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

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

Note:

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

The most recent corporate plan for ARC can be found at: www.arc.gov.au

The most recent annual performance statement can be found in the ARC Annual Report at: www.arc.gov.au

2.1 Budgeted expenses and performance for Outcome 1

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

Budgeted expenses for Outcome 1

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

Table 2.1.1: Budgeted expenses for Outcome 1

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
Program 1.1: Discovery - Research and Research Training					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	1,195	1,240	1,270	1,302	1,333
Special appropriations <i>Australian Research Council Act 2001</i>	489,188	511,074	535,915	562,406	585,206
Total expenses for program 1.1	490,383	512,314	537,185	563,708	586,539
Program 1.2: Linkage - Cross Sector Research Partnerships					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	1,555	1,847	1,896	1,943	1,990
Special appropriations <i>Australian Research Council Act 2001</i>	325,454	340,820	357,704	375,595	390,950
Total expenses for program 1.2	327,009	342,667	359,600	377,538	392,940
Program 1.3: Excellence in Research for Australia					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	3,146	5,554	5,218	3,760	3,514
Total expenses for program 1.3	3,146	5,554	5,218	3,760	3,514
ARC - Departmental					
Departmental expenses					
Departmental appropriation	22,118	22,148	22,160	22,320	21,116
s74 External Revenue (a)	343	333	236	71	29
Expenses not requiring appropriation in the Budget year (b)	3,783	4,296	2,907	2,527	2,450
Total expenses for Departmental	26,244	26,777	25,303	24,918	23,595

Table 2.1.1: Budgeted expenses for Outcome 1 (continued)

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
Outcome 1 Totals by appropriation type					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	5,896	8,641	8,384	7,005	6,837
Special appropriations	814,642	851,894	893,619	938,001	976,156
Administered total	820,538	860,535	902,003	945,006	982,993
Departmental expenses					
Departmental appropriation	22,118	22,148	22,160	22,320	21,116
s74 External Revenue (a)	343	333	236	71	29
Expenses not requiring appropriation in the Budget year (b)	3,783	4,296	2,907	2,527	2,450
Departmental total	26,244	26,777	25,303	24,918	23,595
Total expenses for Outcome 1	846,782	887,312	927,306	969,924	1,006,588
Average staffing level (number)					
	2021-22 138	2022-23 140			

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

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

Table 2.1.2: Performance measures for Outcome 1

Table 2.1.2 details the performance measures for each program associated with Outcome 1. It also provides the related key activities as expressed in the current corporate plan where further detail is provided about the delivery of the activities related to the program, the context in which these activities are delivered and how the performance of these activities will be measured. Where relevant, details of 2022–23 Budget measures that have created new programs or materially changed existing programs are provided.

Outcome 1 – Growth of knowledge and innovation through managing research funding schemes, measuring research excellence and providing advice.		
<p>Program 1.1- Discovery – Research and Research Training Through the Discovery Program, the ARC aims to build Australia’s research capacity by supporting excellent, internationally competitive research projects, fellowships and awards.</p> <p>This contributes to Outcome 1 by: supporting excellent, internationally competitive research; providing training and career opportunities for current and emerging researchers; fostering international engagement; and encouraging research that aligns with national priorities.</p>		
Key activities	<ul style="list-style-type: none"> • Policy and Strategy • Program Implementation and Management • Assurance • Relationships, Networks and Engagement • Evaluation and Analysis 	
Year	Performance measures	Expected performance results
Current year 2021–22	NCGP applications and assessment processes are conducted in a timely manner.	Target: 100% of Discovery Program application recommendations are made to the Minister within 8 months of scheme round closing dates. Expected performance: Not on track to meet the target.
	ARC meets Commonwealth Grants Rules and Guidelines (CGRG) requirements to publish information about grant opportunities and grant awards.	Target: 100% of Discovery Program grant opportunities and grant awards are published on GrantConnect. Expected performance: On track to meet the target.
	ARC manages NCGP application and assessment processes fairly and in accordance with Grant Guidelines.	Target: The percentage of upheld appeals against administrative processes related to Discovery Program applications is <1% of submitted applications. Expected performance: On track to meet the target.
	Proportion of ARC-funded research projects that involved international collaboration.	Target: 70% of Discovery Program research projects involve international collaboration. Expected performance: On track to meet the target.

Current year 2021–22 (continued)	Proportion of ARC-funded research projects that indicate their research will involve research in one of the Australian Government's National Science and Research Priority areas.	Target: 60% of Discovery Program research projects contribute to the Australian Government's National Science and Research Priority areas. Expected performance: On track to meet the target.
Year	Performance measures	Planned performance results
Budget Year 2022–23	NCGP applications and assessment processes are conducted in a timely manner.	Target: 100% of Discovery Program application recommendations are made to the Minister within 8 months of scheme round closing dates.
	ARC manages NCGP application and assessment processes fairly and in accordance with Grant Guidelines.	Target: The percentage of upheld appeals against administrative processes related to Discovery Program applications is <1% of submitted applications.
	Proportion of ARC-funded research projects that involved international collaboration.	Target: 70% of Discovery Program research projects involve international collaboration.
	Proportion of ARC-funded research projects that indicate their research will involve research in one of the Australian Government priority areas.	Target: 60% of Discovery Program research projects contribute to the Australian Government's priority areas.
Forward Estimates 2023–24	As per 2022–23	As per 2022–23

Outcome 1 – Growth of knowledge and innovation through managing research funding schemes, measuring research excellence and providing advice.		
<p>Program 1.2- Linkage – Cross sector research partnerships</p> <p>Through the Linkage Program, the ARC aims to build Australia’s research and innovation capacity by supporting excellent, internationally competitive research projects, infrastructure, hubs and centres that involve collaboration among researchers within and beyond the research sector.</p> <p>This contributes to Outcome 1 by: supporting excellent collaborative research; providing training and career opportunities for current and emerging researchers; fostering industry and other end-user engagement; supporting international collaboration; and encouraging research that will strengthen Australia’s capacity in areas of national priority.</p>		
Key activities	<ul style="list-style-type: none"> • Policy and Strategy • Program Implementation and Management • Assurance • Relationships, Networks and Engagement • Evaluation and Analysis 	
Year	Performance measures	Expected performance results
Current year 2021–22	NCGP applications and assessment processes are conducted in a timely manner.	<p>Target: 100% of Linkage Projects application recommendations are made to the Minister within 6 months of scheme round closing dates.</p> <p>Expected performance: Not on track to meet the target.</p>
	ARC meets Commonwealth Grants Rules and Guidelines (CGRG) requirements to publish information about grant opportunities and grant awards.	<p>Target: 100% of Linkage Program grant opportunities and grant awards are published on GrantConnect.</p> <p>Expected performance: On track to meet the target.</p>
	ARC manages NCGP application and assessment processes fairly and in accordance with Grant Guidelines.	<p>Target: The number of upheld appeals against administrative processes related to Linkage Program applications is <1% of submitted applications.</p> <p>Expected performance: Not on track to meet the target.</p>
	Proportion of Linkage Program funding to support industrial research training under the Industrial Transformation Training Centres (ITTC) scheme.	As per the <i>ARC Corporate Plan 2021–22</i> , this is no longer a performance measure and will be reported as a Key Performance Indicator in the Annual Performance Statement.

Year	Performance measures	Expected performance results
	Proportion of ARC-funded research projects that involved international collaboration.	<p>Target: 70% of Linkage Program research projects involve international collaboration.</p> <p>Expected performance: On track to meet the target.</p>
	Maintain or increase the level of co-funding from partner organisations involved in ARC funded research (<i>Linkage Projects scheme</i>).	<p>Target: Partner Organisations contribute ≥ \$1 to ARC Linkage Projects for every ARC dollar awarded.</p> <p>Expected performance: On track to meet the target.</p>
	Proportion of participating organisations satisfied with the research partnership supported through the Linkage Program (<i>Linkage Projects scheme</i>).	<p>Target: 90% of partner organisations who participate on an ARC Linkage Project report satisfaction with the research partnership supported by the grant.</p> <p>Expected performance: On track to meet the target.</p>
	Proportion of ARC-funded research projects that indicate their research will involve research in one of the Australian Government’s National Science and Research Priority areas.	<p>Target: 60% of Linkage Program research contribute to the Australian Government’s National Science and Research Priority areas.</p> <p>Expected performance: On track to meet the target.</p>

Year	Performance measures	Planned performance results
Budget Year 2022–23	NCGP applications and assessment processes are conducted in a timely manner.	Target: 100% of Linkage Projects application recommendations are made to the Minister within 6 months of scheme round closing dates.
	ARC manages NCGP application and assessment processes fairly and in accordance with Grant Guidelines.	Target: The number of upheld appeals against administrative processes related to Linkage Program applications is <1% of submitted applications.
	Proportion of ARC-funded research projects that involved international collaboration.	Target: 70% of Linkage Program research projects involve international collaboration.
	Proportion of participating organisations satisfied with the research partnership supported through the Linkage Program (<i>Linkage Projects</i> scheme).	Target: 90% of partner organisations acknowledge (on an ARC Linkage Project report) the research partnership experience as beneficial or very beneficial.
	Proportion of projects recommended for funding that align with one of the Australian Government's National Manufacturing Priorities.	Target: At least 70% of Linkage Program projects recommended for funding align with the NMPs.
Forward Estimates 2023–24	As per 2022–23	As per 2022–23
Material changes to Program 1.5 resulting from 2022–23 Budget Measures:		
<ul style="list-style-type: none"> Investing in Australia's University Research Commercialisation 		

<p>Outcome 1 – Growth of knowledge and innovation through managing research funding schemes, measuring research excellence and providing advice.</p>		
<p>Program 1.3- Excellence in Research Australia</p> <p>Through the Excellence in Research for Australia (ERA) program the ARC aims to improve Australia’s research capacity by evaluating research at eligible Australian higher education institutions against international benchmarks and identifying excellence across the full spectrum of research activities. The program includes both the research quality evaluation framework, Excellence in Research for Australia, and the Engagement and Impact (EI) assessment framework, which assesses the engagement of researchers with end-users, and shows how universities are translating their research into economic, social, environmental, cultural and other impacts.</p> <p>This contributes to Outcome 1 by: providing a unique, evidence-based resource to inform Australian government research policy and the strategic direction of higher education institutions; and encouraging researchers to produce high-quality and impactful research with real world benefits.</p>		
<p>Key activities</p>	<ul style="list-style-type: none"> • Policy and Strategy • Program Implementation and Management • Assurance • Relationships, Networks and Engagement • Evaluation and Analysis 	
<p>Year</p>	<p>Performance measures</p>	<p>Expected performance results</p>
<p>Current year 2021–22</p>	<p>Use of ERA program data to assist in the development of Australian Government policies.</p>	<p>Target: ERA program reports and activities inform Australian Government policy. Expected performance: On track to meet the target.</p>
	<p>Use of ERA program data to inform the strategic planning of Australian universities.</p>	<p>Target: ERA program reports and activities inform strategic planning at eligible Australian universities. Expected performance: On track to meet the target.</p>
	<p>Review outcomes are implemented through revised ERA methodology, where required.</p>	<p>Target: Publication of ERA 2023 submission and assessment documentation. Expected performance: On track to meet the target.</p>

Year	Performance measures	Planned performance results
Budget Year 2022–23	Use of ERA program data to assist in the development of Australian Government policies.	Target: ERA program reports and activities inform Australian Government policy.
	Use of ERA program data to inform the strategic planning of Australian universities.	Target: ERA program reports and activities inform strategic planning at eligible Australian universities.
	ERA review outcomes are implemented through revised methodology, where required.	Target: Publication of the ERA 2023 submission and assessment documentation.
	EI review outcomes are implemented through revised methodology, where required.	Target: Publication of the EI 2024 submission and assessment documentation.
Forward Estimates 2023–24	Use of ERA program data to assist in the development of Australian Government policies.	Target: ERA program reports and activities inform Australian Government policy.
	Use of ERA program data to inform the strategic planning of Australian universities.	Target: ERA program reports and activities inform strategic planning at eligible Australian universities.
	Research quality of participating universities is assessed and reported on.	Target: 100% of eligible submissions are assessed in accordance with relevant criteria and results are published.

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of ARC's finances for the 2022–23 budget year, including the impact of budget measures and resourcing on financial statements.

3.1 Budgeted financial statements

3.1.1 Differences between entity resourcing and financial statements

The major change to the ARC's budget estimates from the 2021–22 Additional Estimates is additional funding the ARC received from the Investing in Australia's University Research Commercialisation measure, refer to Table 1.2.

There are minor variances between resourcing and expenses, which reflects timing differences between expenses and cash expenditure relating to the NCGP.

3.1.2 Explanatory notes and analysis of budgeted financial statements

Budgeted departmental comprehensive income statement

The ARC's income statement reflects a deficit across the forward estimates. These deficits are predominantly attributable to the depreciation and amortisation expense for the year.

Budgeted departmental balance sheet

The budgeted net asset position of \$15.6 million for 2022–23 represents a decrease of \$3.1 million from 2021–22 and the majority of which relates to a reduction in non-financial assets and leases liabilities.

Schedule of budgeted income and expenses administered on behalf of Government

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

The majority of the expenditure is on grants as provided under the NCGP.

Schedules of budgeted assets and liabilities administered on behalf of government

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

3.2 Budgeted financial statements tables

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
EXPENSES					
Employee benefits	17,543	18,130	18,133	18,137	18,140
Suppliers	2,733	2,270	2,253	2,318	2,454
Depreciation and amortisation (a)	5,715	6,189	4,799	4,415	2,988
Finance costs	253	188	118	48	13
Total expenses	26,244	26,777	25,303	24,918	23,595
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	343	333	236	71	29
Other	62	62	62	62	62
Total own-source revenue	405	395	298	133	91
Total own-source income	405	395	298	133	91
Net (cost of)/contribution by services	(25,839)	(26,382)	(25,005)	(24,785)	(23,504)
Revenue from Government	21,825	22,005	22,135	22,299	22,445
Surplus/(deficit) attributable to the Australian Government	(4,014)	(4,377)	(2,870)	(2,486)	(1,059)
Total comprehensive income/(loss) attributable to the Australian Government	(4,014)	(4,377)	(2,870)	(2,486)	(1,059)
Total comprehensive income/(loss) - as per statement of Comprehensive Income	(4,014)	(4,377)	(2,870)	(2,486)	(1,059)
plus: depreciation/amortisation of assets funded through appropriations (departmental capital budget funding and/or equity injections) (a)	3,721	4,235	2,846	2,465	2,388
plus: depreciation/amortisation expenses for ROU assets (b)	1,994	1,954	1,953	1,950	600
less: lease principal repayments (b)	1,982	2,092	2,247	2,411	600
Net Cash Operating Surplus/ (Deficit)	(281)	(280)	(318)	(482)	1,329

Prepared on Australian Accounting Standards basis.

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

(b) Applies to leases under AASB16 Leases.

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	176	675	675	675	675
Trade and other receivables	16,399	15,295	14,977	14,576	15,986
Other financial assets	499	-	-	-	-
Total financial assets	17,074	15,970	15,652	15,251	16,661
Non-financial assets					
Land and buildings	7,183	5,046	2,909	765	113
Property, plant and equipment	907	686	984	1,173	749
Intangibles	7,686	6,000	4,288	3,086	2,439
Other non-financial assets	213	213	213	213	213
Total non-financial assets	15,989	11,945	8,394	5,237	3,514
Total assets	33,063	27,915	24,046	20,488	20,175
LIABILITIES					
Payables					
Suppliers	499	499	499	499	499
Other payables	406	487	487	568	649
Total payables	905	986	986	1,067	1,148
Interest bearing liabilities					
Leases	7,350	5,258	3,011	600	-
Total interest bearing liabilities	7,350	5,258	3,011	600	-
Provisions					
Employee provisions	5,530	5,530	5,530	5,530	5,530
Other provisions	559	559	559	559	559
Total provisions	6,089	6,089	6,089	6,089	6,089
Total liabilities	14,344	12,333	10,086	7,756	7,237
Net assets	18,719	15,582	13,960	12,732	12,938
EQUITY*					
Parent entity interest					
Contributed equity	41,209	42,449	43,697	44,955	46,220
Reserves	16	16	16	16	16
Retained surplus (accumulated deficit)	(22,506)	(26,883)	(29,753)	(32,239)	(33,298)
Total parent entity interest	18,719	15,582	13,960	12,732	12,938
Total equity	18,719	15,582	13,960	12,732	12,938

Prepared on Australian Accounting Standards basis.

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

Table 3.3: Departmental statement of changes in equity — summary of movement (Budget year 2022–23)

	Retained earnings \$'000	Asset revaluation reserve \$'000	Contributed equity/ capital \$'000	Total equity \$'000
Opening balance as at 1 July 2022				
Balance carried forward from previous period	(22,506)	16	41,209	18,719
Adjusted opening balance	(22,506)	16	41,209	18,719
Comprehensive income				
Surplus/(deficit) for the period	(4,377)	-	-	(4,377)
Total comprehensive income	(4,377)	-	-	(4,377)
of which:				
Attributable to the Australian Government	(26,883)	-	-	(26,883)
Transactions with owners				
Contributions by owners				
Departmental Capital Budget (DCB)	-	-	1,240	1,240
Sub-total transactions with owners	-	-	1,240	1,240
Estimated closing balance as at 30 June 2023	(26,883)	16	42,449	15,582
Closing balance attributable to the Australian Government	(26,883)	16	42,449	15,582

Prepared on Australian Accounting Standards basis.

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	23,042	23,608	22,453	22,700	21,035
Sale of goods and rendering of services	343	333	236	71	29
Net GST received	593	581	570	570	570
Total cash received	23,978	24,522	23,259	23,341	21,634
Cash used					
Employees	17,378	18,049	18,133	18,056	18,059
Suppliers	2,671	2,208	2,191	2,256	2,392
Net GST paid	593	581	570	570	570
Interest payments on lease liability	253	188	118	48	13
Total cash used	20,895	21,026	21,012	20,930	21,034
Net cash from/(used by) operating activities	3,083	3,496	2,247	2,411	600
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant and equipment and intangibles	2,835	2,145	1,248	1,258	1,265
Total cash used	2,835	2,145	1,248	1,258	1,265
Net cash from/(used by) investing activities	(2,835)	(2,145)	(1,248)	(1,258)	(1,265)
FINANCING ACTIVITIES					
Cash received					
Contributed equity	1,235	1,240	1,248	1,258	1,265
Total cash received	1,235	1,240	1,248	1,258	1,265
Cash used					
Principal payments on lease liability	1,982	2,092	2,247	2,411	600
Total cash used	1,982	2,092	2,247	2,411	600
Net cash from/(used by) financing activities	(747)	(852)	(999)	(1,153)	665
Net increase/(decrease) in cash held	(499)	499	-	-	-
Cash and cash equivalents at the beginning of the reporting period	675	176	675	675	675
Cash and cash equivalents at the end of the reporting period	176	675	675	675	675

Prepared on Australian Accounting Standards basis.

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
NEW CAPITAL APPROPRIATIONS					
Capital budget - Bill 1 (DCB)	1,235	1,240	1,248	1,258	1,265
Total new capital appropriations	1,235	1,240	1,248	1,258	1,265
<i>Provided for:</i>					
<i>Purchase of non-financial assets</i>	1,235	1,240	1,248	1,258	1,265
Total items	1,235	1,240	1,248	1,258	1,265
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriation - DCB (a)	1,235	1,240	1,248	1,258	1,265
Funded internally from departmental resources (b)	1,600	905	-	-	-
TOTAL	2,835	2,145	1,248	1,258	1,265
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	2,835	2,145	1,248	1,258	1,265
Total cash used to acquire assets	2,835	2,145	1,248	1,258	1,265

Prepared on Australian Accounting Standards basis.

(a) Includes purchases from current and previous years' DCBs.

(b) Includes the following sources of funding:

- internally developed assets; and
- s74 external receipts - proceeds from the sale of goods and rendering of services.

Table 3.6: Statement of departmental asset movements (Budget year 2022–23)

	Buildings \$'000	Other property, plant and equipment \$'000	Computer software and intangibles \$'000	Total \$'000
As at 1 July 2022				
Gross book value	876	1,238	21,182	23,296
Gross book value - ROU assets	13,813	20	-	13,833
Accumulated depreciation/ amortisation and impairment	(144)	(343)	(13,496)	(13,983)
Accumulated depreciation/amortisation and impairment - ROU assets	(7,362)	(8)	-	(7,370)
Opening net book balance	7,183	907	7,686	15,776
Capital asset additions				
Estimated expenditure on new or replacement assets				
By purchase - appropriation ordinary annual services (a)	-	145	2,000	2,145
Total additions	-	145	2,000	2,145
Other movements				
Depreciation/amortisation expense	(187)	(362)	(3,686)	(4,235)
Depreciation/amortisation on ROU assets	(1,950)	(4)	-	(1,954)
Total other movements	(2,137)	(366)	(3,686)	(6,189)
As at 30 June 2023				
Gross book value	876	1,383	23,182	25,441
Gross book value - ROU assets	13,813	20	-	13,833
Accumulated depreciation/amortisation and impairment	(331)	(705)	(17,182)	(18,218)
Accumulated depreciation/amortisation and impairment - ROU assets	(9,312)	(12)	-	(9,324)
Closing net book balance	5,046	686	6,000	11,732

Prepared on Australian Accounting Standards basis.

(a) 'Appropriation ordinary annual services' refers to funding provided through 2022–23 Appropriation Bill (No.1) for depreciation/amortisation expenses, DCBs or other operational expenses.

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
EXPENSES					
Suppliers	5,896	8,641	8,384	7,005	6,837
Grants	814,642	851,894	893,619	938,001	976,156
Total expenses administered on behalf of Government	820,538	860,535	902,003	945,006	982,993
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Non-taxation revenue					
Other revenue	9,721	9,721	9,721	9,721	9,721
Total non-taxation revenue	9,721	9,721	9,721	9,721	9,721
Total own-source revenue administered on behalf of Government	9,721	9,721	9,721	9,721	9,721
Total own-sourced income administered on behalf of Government	9,721	9,721	9,721	9,721	9,721
Net (cost of)/contribution by services	810,817	850,814	892,282	935,285	973,272
Surplus/(deficit) before income tax	(810,817)	(850,814)	(892,282)	(935,285)	(973,272)
Surplus/(deficit) after income tax	(810,817)	(850,814)	(892,282)	(935,285)	(973,272)
Total comprehensive income/(loss)	(810,817)	(850,814)	(892,282)	(935,285)	(973,272)

Prepared on Australian Accounting Standards basis.

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	2,291	2,291	2,291	2,291	2,291
Trade and other receivables	225	225	225	225	225
Total financial assets	2,516	2,516	2,516	2,516	2,516
Non-financial assets					
Other non-financial assets	115	115	115	115	115
Total non-financial assets	115	115	115	115	115
Total assets administered on behalf of Government	2,631	2,631	2,631	2,631	2,631
LIABILITIES					
Payables					
Suppliers	531	531	531	531	531
Grants	247,154	246,137	245,067	245,067	245,067
Total payables	247,685	246,668	245,598	245,598	245,598
Total liabilities administered on behalf of Government	247,685	246,668	245,598	245,598	245,598
Net assets/(liabilities)	(245,054)	(244,037)	(242,967)	(242,967)	(242,967)

Prepared on Australian Accounting Standards basis.

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Net GST received	1,882	1,924	1,956	1,956	1,956
Other	9,721	9,721	9,721	9,721	9,721
Total cash received	11,603	11,645	11,677	11,677	11,677
Cash used					
Grant	814,734	852,911	894,689	938,001	976,156
Suppliers	5,896	8,641	8,384	7,005	6,837
Net GST paid	1,882	1,924	1,956	1,956	1,956
Total cash used	822,512	863,476	905,029	946,962	984,949
Net cash from/(used by) operating activities	(810,909)	(851,831)	(893,352)	(935,285)	(973,272)
Net increase/(decrease) in cash held	(810,909)	(851,831)	(893,352)	(935,285)	(973,272)
Cash and cash equivalents at beginning of reporting period	2,426	2,291	2,291	2,291	2,291
Cash from Official Public Account for: - Appropriations	823,049	863,476	905,029	946,962	984,949
Total cash from Official Public Account	823,049	863,476	905,029	946,962	984,949
Cash to Official Public Account for: - Appropriations	12,275	11,645	11,677	11,677	11,677
Total cash to Official Public Account	12,275	11,645	11,677	11,677	11,677
Cash and cash equivalents at end of reporting period	2,291	2,291	2,291	2,291	2,291

Prepared on Australian Accounting Standards basis.

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

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

Table 3.11: Statement of administered asset movements (Budget year 2022–23)

ARC has no administered assets therefore Table 3.11 is not presented.

Australian Skills Quality Authority

**Entity resources and planned
performance**

Australian Skills Quality Authority

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Australian Skills Quality Authority

Section 1: Entity overview and resources

1.1 Strategic direction statement

The Australian Skills Quality Authority's (ASQA) purpose is to ensure quality vocational education and training (VET) so that students, employers, governments and the community have confidence in the integrity of national qualifications issued by training providers. ASQA plays a key role in ensuring that Australians can experience the economic benefits that quality VET provides, by regulating the VET sector and partnering with stakeholders to continuously improve regulatory outcomes, consistent with the Government's expectations of ASQA as a best-practice regulator.

ASQA was established under the *National Vocational Education and Training Regulator Act 2011* (NVR Act) on 1 July 2011, following the referral of powers by the majority of state and territory governments. ASQA is accountable for the regulation of:

- providers that deliver VET courses to domestic students in Australia or offer Australian qualifications overseas
- providers that deliver VET courses to overseas students – providers must be approved on the Commonwealth Register of Institutions and Courses for Overseas Students (CRICOS) to teach overseas students in Australia
- certain providers that deliver English Language Intensive Courses for Overseas Students (ELICOS).

ASQA also provides national accreditation for courses to meet an established industry, enterprise, educational, legislative or community need and the assessment of training packages for compliance with the applicable standards and requirements of the Australian Qualifications Framework.

ASQA's stakeholders include:

- VET providers and peak bodies
- the Australian Government and state and territory governments, together with other entities that form Australia's VET regulatory framework, including the two state-based VET regulators
- the VET policy, program and funding network
- industry and employers
- students and the consumer protection network.

ASQA’s priorities for the year ahead

Over the coming year, ASQA will continue to implement a best practice regulatory approach that adopts a whole-of-system perspective, continuously improving performance, capability and culture, and ensuring we manage sector and provider risks to regulatory outcomes, while maximising our efficiency and effectiveness. ASQA recommits to meeting the Standards for VET Regulators 2015, which require us to implement a risk-based approach to regulation and provide accountability and transparency of ASQA’s regulatory activities. Through our responsive regulation of the VET sector, we will continue to contribute to Australia’s social and economic recovery from the COVID-19 pandemic. ASQA will also continue to support wider reforms of the VET sector, led by the Department of Education, Skills and Employment.

In 2022–23, ASQA will focus on:

- co-designing a model of provider self-assurance with and for the sector to support quality VET outcomes
- refining our Regulatory Risk framework and Regulatory Operating Model to ensure a proportionate and appropriately targeted regulatory program
- leveraging and supporting broader government data management initiatives to improve the way regulatory data is collected, stored, shared and utilised
- implementing an agency-wide approach to investment in staged digital enhancements to underpin our continuous improvement of regulatory best practice and support efficiencies for providers in interacting with the regulator
- implementing new Service Standards to support a focus on efficient and effective regulation and the quality of interactions with providers
- maturing an evaluation framework to demonstrate regulatory impact and continuous improvement of regulatory outcomes over time
- implementation of a model of full cost recovery, aligned to best practice cost recovery principles of efficiency and effectiveness, transparency and accountability
- implementing a new function to assess training packages for compliance with the applicable standards and requirements of the Australian Qualifications Framework.

1.2 Entity resource statement

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

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

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

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

Table 1.1: ASQA resource statement — Budget estimates for 2022–23 as at Budget March 2022

	2021-22 <i>Estimated actual</i> \$'000	2022-23 Estimate \$'000
Departmental		
Annual appropriations - ordinary annual services (a)		
Prior year appropriations available	20,147	17,312
Departmental appropriation (b)	41,892	46,184
s74 External Revenue (c)	-	-
Departmental capital budget (d)	1,219	1,231
Annual appropriations - other services - non-operating (e)		
Prior year appropriations available	2,625	-
Equity injection	1,410	1,214
Total departmental annual appropriations	67,293	65,941
Total departmental resourcing	67,293	65,941
Administered		
Total administered special appropriations	357	357
Total administered resourcing	357	357
Total resourcing for ASQA	67,650	66,298
Average staffing level (number)	199	208

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

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

(a) Appropriation Bill (No. 1) 2022–23.

(b) Excludes departmental capital budget (DCB).

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

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

(e) Appropriation Bill (No. 2) 2022–23.

1.3 Budget measures

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

Table 1.2: ASQA 2022–23 Budget measures

Part 1: Measures announced since the 2021–22 Mid-Year Economic and Fiscal Outlook (MYEFO)

	Program	2021-22 \$'000	2022-23 \$'000	2023-24 \$'000	2024-25 \$'000	2025-26 \$'000
Payment measures (if applicable)						
Skill Reform to Support Future Growth (a)	1.1					
Administered payment		-	-	-	-	-
Departmental payment						
Total		-	-	-	-	-
Total Payment measures						
Administered		-	-	-	-	-
Departmental		-	-	-	-	-
Total		-	-	-	-	-

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

(a) The lead entity for measure titled Skill Reform to Support Future Growth is the Department of Education, Skills and Employment. The full measure description and package details appear in Budget Paper No. 2 under the Education, Skills and Employment portfolio.

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

	Program	2021-22 \$'000	2022-23 \$'000	2023-24 \$'000	2024-25 \$'000	2025-26 \$'000
Measures						
Financial Relief for Tertiary Education Providers (a)						
	1.1					
	Administered receipt	(6,582)	(400)	-	-	-
	Departmental receipt	-	-	-	-	-
	Total	(6,582)	(400)	-	-	-
Total receipt measures						
	Administered	(6,582)	(400)	-	-	-
	Departmental	-	-	-	-	-
	Total	(6,582)	(400)	-	-	-

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

(a) The Government extended financial relief for education providers by waiving regulatory fees and levies for ASQA providers and accredited course owners (except for initial registration fees and initial VET course accreditation fees for new owners) for six months to 30 June 2022, with new ASQA cost recovery arrangements to take affect from 1 July 2022.

The lead entity for the measure Financial Relief for Tertiary Education Providers is the Education, Skills, and Employment portfolio. The full measure description and package details appear in the 2021–22 MYEFO.

Section 2: Outcomes and planned performance

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

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

Note:

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

ASQA's Corporate Plan 2021–22 and ASQA's Annual Report 2020–21 can be found at www.asqa.gov.au

2.1 Budgeted expenses and performance for Outcome 1

Outcome 1: Through our regulation and partnership with stakeholders, ensure quality vocational education and training so that students, employers, the community and governments have confidence in the integrity of national qualifications issued by training providers.

Budgeted expenses for Outcome 1

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

Table 2.1.1: Budgeted expenses for Outcome 1

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
Program 1.1: Regulation and advice					
Departmental expenses					
Departmental appropriation	42,912	45,164	44,428	42,596	42,886
s74 External Revenue (a)	-	-	-	-	-
Expenses not requiring appropriation in the Budget year (b)	6,838	4,748	5,130	6,139	3,232
Departmental total	49,750	49,912	49,558	48,735	46,118
Total expenses for program 1.1	49,750	49,912	49,558	48,735	46,118

	2021-22	2022-23
Average staffing level (number)	199	208

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

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

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

Table 2.1.3: Performance measures for Outcome 1

Table 2.1.3 details the performance measures for each program associated with Outcome 1. It also provides the related key activities as expressed in the current corporate plan, where further detail is provided about the delivery of the activities related to the program, the context in which these activities are delivered, and how the performance of these activities will be measured. Where relevant, details of 2022–23 Budget measures that have created new programs or materially changed existing programs are provided.

Outcome 1 – Through our regulation and partnership with stakeholders, ensure quality vocational education and training so that students, employers, the community and governments have confidence in the integrity of national qualifications issued by training providers	
Program 1.1 – Regulation	
To ensure quality vocational education and training so that students, employers, governments and the community have confidence in the integrity of national qualifications issued by training providers.	
Key activities (a)	<p>The regulatory mechanisms through which Program 1.1 is delivered are:</p> <ul style="list-style-type: none"> • registration of training providers to provide national qualifications • accrediting national courses to meet statutory requirements • education and engagement with providers to support compliance and continuous improvement of quality outcomes • promoting provider culture and systems for self-assurance of compliance and quality outcomes to build the capacity of providers • analysis of data, intelligence and information to identify and respond proportionately to risk • monitoring provider performance against applicable standards and obligations • proportionate management of non-compliance and enforcement activities • assessment of training packages for compliance with the Standards for Training Packages 2012, including stakeholder engagement requirements, and alignment with the Australian Qualifications Framework • partnering with stakeholders to improve the impact and effectiveness of our regulatory activities • publication of information about our regulatory functions, outputs, decisions and insights about sector performance • publication of information about our performance • engagement with stakeholders to support continuous improvement and broader reform of the VET sector.

Year	Performance measures	Expected performance results
Current year 2021–22	<p>ASQA delivers improved provider self-assurance capability and continuous quality improvement.</p> <p>ASQA regulation is best practice, integrated, risk-based, data driven and proportionate.</p> <p>ASQA is transparent in the performance of its regulatory functions and its responsibilities as a regulator, including compliance with the <i>Standards for VET Regulators 2015</i>.</p> <p>ASQA's engagement and partnerships provide clarity of the role of the national regulator and improve regulatory impact.</p> <p>ASQA is efficient, effective and continuously improves.</p> <p>ASQA publishes information about the performance of the sector to support transparency and accountability.</p>	<p>Based on the qualitative and quantitative performance data available for 2021–22, ASQA is tracking well against its performance criteria.</p> <p>ASQA's assessment to date does not include provider survey results that will only be available at the end of the financial year.</p>
Budget Year 2022–23	<p>ASQA delivers improved provider self-assurance capability and continuous quality improvement.</p> <p>ASQA regulation is best practice, integrated, risk-based, data driven and proportionate.</p> <p>ASQA is transparent in the performance of its regulatory functions and its responsibilities as a regulator, including compliance with the <i>Standards for VET Regulators 2015</i>.</p> <p>ASQA's engagement and partnerships provide clarity of the role of the national regulator and improve regulatory impact.</p> <p>ASQA is efficient, effective and continuously improves.</p> <p>ASQA publishes information about the performance of the sector to support transparency and accountability.</p>	<p>TARGET: to achieve the performance targets set out in the ASQA Corporate Plan 2022–23 for each of the performance criteria.</p>
Forward Estimates 2023–26	As per 2022–23	As per 2022–23
<p>Material changes to Program 1.1 resulting from 2022–23 Budget Measures:</p> <ul style="list-style-type: none"> • Skill Reform to Support Future Growth 		

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of ASQA’s finances for the 2022–23 budget year, including the impact of budget measures and resourcing on financial statements.

3.1 Budgeted financial statements

3.1.2 Explanatory notes and analysis of budgeted financial statements

Budgeted departmental comprehensive income statement

Expenses for 2022–23 are estimated to be \$49.9 million. This reflects an increase of \$0.2 million from estimated actual expenses for 2021–22.

ASQA’s income statement reflects deficits across the forward estimates. The estimated deficit for 2022–23 is \$4.7 million. These deficits are predominantly attributable to the depreciation and amortisation expense for the year.

Budgeted departmental balance sheet

ASQA’s net asset position of \$22.3 million for 2022–23 represents a decrease of \$1.2 million from the 2021–22 estimated actual. The accumulated deficit of \$19.0 million in the balance sheet predominately represents the accounting treatment applicable to depreciation expense.

Capital acquisitions in 2022–23 (as shown in Table 3.6) are predominantly planned to be \$1.2 million for enhancement of IT systems, \$1.2 million in leasehold improvements and \$6.6 million for right-of-use assets (property leases).

Schedule of budgeted income and expenses administered on behalf of Government

The schedule of budgeted income and expenses administered on behalf of Government reflects the regulatory fees collected by ASQA.

On 12 April 2020, the Government announced a package of measures designed to mitigate negative impacts of the COVID-19 pandemic on VET providers. Under these measures, it was announced that ASQA would waive fees and charges for some of its activities for the period 1 January 2020 to 30 June 2021, and reimburse payments made for the included fees and charges where invoices were issued on or after 1 January 2020, resulting in revenue estimates for 2020-21 of \$0.9 million.

In April 2021, the Government extended the fee relief budget measure for a further six months to 31 December 2021. This measure reduces ASQA’s revenue estimate for 2021–22 by \$14.7 million and deferred ASQA’s implementation of full cost recovery to 1 January 2022.

This deferral reduces ASQA’s revenue estimate for 2021–22 by \$6.2 million. In November 2021, the Government further extended the fees and charges waiver until 1 July 2022 for VET providers and 31 December 2022 for ELICOS-only providers and in doing so, extended the implementation of full cost recovery to 1 July 2022.

The budget measures result in a revenue estimate for 2022–23 of \$36.6 million.

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

3.2. Budgeted financial statements tables

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
EXPENSES					
Employee benefits	25,556	27,280	27,754	28,444	28,849
Suppliers	17,235	15,252	14,067	12,551	12,649
Depreciation and amortisation (a)	6,826	7,217	7,605	7,643	4,546
Finance costs	133	163	132	97	74
Total expenses	49,750	49,912	49,558	48,735	46,118
Gains					
Other	50	50	50	50	50
Total gains	50	50	50	50	50
Total own-source income	50	50	50	50	50
Net (cost of)/contribution by services	(49,700)	(49,862)	(49,508)	(48,685)	(46,068)
Revenue from Government	42,912	45,164	44,428	42,596	42,886
Surplus/(deficit) attributable to the Australian Government	(6,788)	(4,698)	(5,080)	(6,089)	(3,182)
Total comprehensive income/(loss)	(6,788)	(4,698)	(5,080)	(6,089)	(3,182)
Total comprehensive income/(loss) attributable to the Australian Government	(6,788)	(4,698)	(5,080)	(6,089)	(3,182)

Table 3.1: Comprehensive income statement (showing net cost of services) for the period ended 30 June (continued)**Note: Impact of net cash appropriation arrangements**

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
Total comprehensive income/(loss) - as per statement of Comprehensive Income	(6,788)	(4,698)	(5,080)	(6,089)	(3,182)
plus: depreciation/amortisation of assets funded through appropriations (departmental capital budget funding and/or equity injections) (a)	4,205	4,557	5,019	5,200	2,898
plus: depreciation/amortisation expenses for ROU assets (b)	2,621	2,660	2,586	2,443	1,648
less: lease principal repayments (b)	2,535	2,519	2,525	1,554	1,364
Net Cash Operating Surplus/ (Deficit)	(2,497)	-	-	-	-

Prepared on Australian Accounting Standards basis.

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

(b) Applies leases under AASB 16 Leases.

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	(733)	287	287	287	287
Trade and other receivables	18,393	20,081	21,849	24,531	24,531
Total financial assets	17,660	20,368	22,136	24,818	24,818
Non-financial assets					
Land and buildings	9,933	14,296	12,006	13,652	10,826
Property, plant and equipment	718	477	309	511	308
Intangibles	11,218	8,875	6,124	2,682	2,423
Other non-financial assets	452	452	452	452	452
Total non-financial assets	22,321	24,100	18,891	17,297	14,009
Total assets	39,981	44,468	41,027	42,115	38,827
LIABILITIES					
Payables					
Suppliers	1,927	3,615	5,383	8,065	8,065
Total payables	2,461	4,149	5,917	8,599	8,599
Interest bearing liabilities					
Other interest bearing liabilities	6,677	10,709	8,184	11,430	10,066
Total interest bearing liabilities	6,677	10,709	8,184	11,430	10,066
Provisions					
Employee provisions	6,480	6,480	6,480	6,480	6,480
Other provisions	824	824	824	824	824
Total provisions	7,304	7,304	7,304	7,304	7,304
Total liabilities	16,442	22,162	21,405	27,333	25,969
Net assets	23,539	22,306	19,622	14,782	12,858
EQUITY*					
Parent entity interest					
Contributed equity	37,588	40,033	42,429	43,678	44,936
Reserves	1,272	1,272	1,272	1,272	1,272
Retained surplus (accumulated deficit)	(14,301)	(18,999)	(24,079)	(30,168)	(33,350)
Total parent entity interest	24,559	22,306	19,622	14,782	12,858
Total equity	24,559	22,306	19,622	14,782	12,858

Prepared on Australian Accounting Standards basis.

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

Table 3.3: Departmental statement of changes in equity — summary of movement (Budget year 2022–23)

	Retained earnings	Asset revaluation reserve	Other reserves	Contributed equity/capital	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000
Opening balance as at 1 July 2022					
Balance carried forward from previous period	(14,301)	1,272	-	37,588	24,559
Adjusted opening balance	(14,301)	1,272	-	37,588	24,559
Comprehensive income					
Surplus/(deficit) for the period	(4,698)	-	-	-	(4,698)
Total comprehensive income	(4,698)	-	-	-	(4,698)
Transactions with owners					
Equity injection - Appropriation	-	-	-	1,214	1,214
Departmental Capital Budget (DCB)	-	-	-	1,231	1,231
Sub-total transactions with owners	-	-	-	2,445	2,445
Transfers between equity					
Estimated closing balance as at 30 June 2023	(18,999)	1,272	-	40,033	22,306
Closing balance attributable to the Australian Government	(18,999)	1,272	-	40,033	22,306

Prepared on Australian Accounting Standards basis.

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	43,707	44,496	42,660	39,914	42,886
Sale of goods and rendering of services	-	-	-	-	-
Total cash received	43,707	44,496	42,660	39,914	42,886
Cash used					
Employees	25,556	27,280	27,754	28,444	28,849
Suppliers	16,503	13,514	12,249	9,819	12,599
Interest payments on lease liability	133	163	132	97	74
Total cash used	42,192	40,957	40,135	38,360	41,522
Net cash from/(used by) operating activities	1,515	3,539	2,525	1,554	1,364
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant and equipment and intangibles	5,254	2,445	2,396	1,249	1,258
Total cash used	5,254	2,445	2,396	1,249	1,258
Net cash from/(used by) investing activities	(5,254)	(2,445)	(2,396)	(1,249)	(1,258)
FINANCING ACTIVITIES					
Cash received					
Contributed equity	5,254	2,445	2,396	1,249	1,258
Total cash received	5,254	2,445	2,396	1,249	1,258
Cash used					
Principal payments on lease liability	2,535	2,519	2,525	1,554	1,364
Total cash used	2,535	2,519	2,525	1,554	1,364
Net cash from/(used by) financing activities	2,719	(74)	(129)	(305)	(106)
Net increase/(decrease) in cash held	(1,020)	1,020	-	-	-
Cash and cash equivalents at the beginning of the reporting period	287	(733)	287	287	287
Cash and cash equivalents at the end of the reporting period	(733)	287	287	287	287

Prepared on Australian Accounting Standards basis.

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forw ard estimate \$'000	2024-25 Forw ard estimate \$'000	2025-26 Forw ard estimate \$'000
NEW CAPITAL APPROPRIATIONS					
Capital budget - Bill 1 (DCB)	1,219	1,231	1,239	1,249	1,258
Equity injections - Bill 2	1,410	1,214	1,157	-	-
Total new capital appropriations	2,629	2,445	2,396	1,249	1,258
<i>Provided for:</i>					
<i>Purchase of non-financial assets</i>	2,629	2,445	2,396	1,249	1,258
Total items	2,629	2,445	2,396	1,249	1,258
PURCHASE OF NON-FINANCIAL ASSETS					
ASSETS					
Funded by capital appropriations (a)	2,493	1,214	1,157	-	-
Funded by capital appropriation - DCB (b)	2,761	1,231	1,239	1,249	1,258
TOTAL	5,254	2,445	2,396	1,249	1,258
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	5,254	2,445	2,396	1,249	1,258
Total cash used to acquire assets	5,254	2,445	2,396	1,249	1,258

Prepared on Australian Accounting Standards basis.

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

(b) Includes purchases from current and previous years' Departmental capital budgets (DCBs).

Table 3.6: Statement of departmental asset movements (Budget year 2022–23)

	Buildings	Other property, plant and equipment	Computer software and intangibles	Total
	\$'000	\$'000	\$'000	\$'000
As at 1 July 2022				
Gross book value	4,169	1,056	26,656	31,881
Gross book value - ROU assets	11,830	-	-	11,830
Accumulated depreciation/amortisation and impairment	(798)	(338)	(15,438)	(16,574)
Accumulated depreciation/amortisation and impairment - ROU assets	(5,268)	-	-	(5,268)
Opening net book balance	9,933	718	11,218	21,869
Capital asset additions				
Estimated expenditure on new or replacement assets				
By purchase - appropriation equity (a)	-	59	1,159	1,218
By purchase - appropriation ordinary annual services (b)	1,226	1	-	1,227
By purchase - other - ROU assets	6,551	-	-	6,551
Total additions	7,777	60	1,159	8,996
Other movements				
Depreciation/amortisation expense	(754)	(301)	(3,502)	(4,557)
Depreciation/amortisation on ROU assets	(2,660)	-	-	(2,660)
Total other movements	(3,414)	(301)	(3,502)	(7,217)
As at 30 June 2023				
Gross book value	5,395	1,116	27,815	34,326
Gross book value - ROU assets	18,381	-	-	18,381
Accumulated depreciation/amortisation and impairment	(1,552)	(639)	(18,940)	(21,131)
Accumulated depreciation/amortisation and impairment - ROU assets	(7,928)	-	-	(7,928)
Closing net book balance	14,296	477	8,875	23,648

Prepared on Australian Accounting Standards basis.

(a) Appropriation equity' refers to equity injections appropriations provided through Appropriation Bill (No. 2) 2022–23, including CDABs.

(b) Appropriation ordinary annual services' refers to funding provided through Appropriation Bill (No. 1) 2022–23 for depreciation/amortisation expenses, DCBs or other operational expenses.

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
OWN-SOURCE INCOME					
Own-source revenue					
Non-taxation revenue					
Sale of goods and rendering of services	3,635	36,601	37,361	37,468	36,622
Total non-taxation revenue	3,635	36,601	37,361	37,468	36,622
Total own-sourced income administered on behalf of Government	3,635	36,601	37,361	37,468	36,622
Net (cost of)/contribution by services	3,635	36,601	37,361	37,468	36,622
Total comprehensive income/(loss)	3,635	36,601	37,361	37,468	36,622

Prepared on Australian Accounting Standards basis.

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
ASSETS					
Financial assets					
Trade and other receivables	16	16	16	16	16
Total financial assets	16	16	16	16	16
Total assets administered on behalf of Government	16	16	16	16	16
Provisions					
Other provisions	211	211	211	211	211
Total provisions	211	211	211	211	211
Total liabilities administered on behalf of Government	211	211	211	211	211
Net assets/(liabilities)	(195)	(195)	(195)	(195)	(195)

Prepared on Australian Accounting Standards basis.

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Sales of goods and rendering of services	3,635	36,601	37,361	37,468	36,622
Total cash received	3,635	36,601	37,361	37,468	36,622
Cash used					
Total cash used	-	-	-	-	-
Net cash from/(used by) operating activities	3,635	36,601	37,361	37,468	36,622
Net increase/(decrease) in cash held	3,635	36,601	37,361	37,468	36,622
Cash and cash equivalents at beginning of reporting period	-	-	-	-	-
Cash from Official Public Account for:					
- Appropriations	357	357	357	357	357
<i>Total cash from Official Public Account</i>	<i>357</i>	<i>357</i>	<i>357</i>	<i>357</i>	<i>357</i>
Cash to Official Public Account for:					
- Appropriations	(3,992)	(36,958)	(37,718)	(37,825)	(36,979)
<i>Total cash to Official Public Account</i>	<i>(3,992)</i>	<i>(36,958)</i>	<i>(37,718)</i>	<i>(37,825)</i>	<i>(36,979)</i>
Cash and cash equivalents at end of reporting period	-	-	-	-	-

Prepared on Australian Accounting Standards basis.

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

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

Table 3.11: Statement of administered asset movements (Budget year 2022–23)

ASQA has no administered assets therefore Table 3.11 is not presented.

Tertiary Education Quality and Standards Agency

**Entity resources and planned
performance**

Tertiary Education Quality and Standards Agency

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Tertiary Education Quality and Standards Agency

Section 1: Entity overview and resources

1.1 Strategic direction statement

The Tertiary Education Quality and Standards Agency (TEQSA) is Australia's independent national quality assurance and regulatory agency for higher education.

The *Tertiary Education Quality and Standards Agency Act 2011* (the Act) sets out TEQSA's purpose; this is to protect the interests of students and the reputation of Australia's higher education sector. Under the Act, all providers of higher education qualifications from Australia must be registered by TEQSA. Where a provider does not have authority to accredit its own courses, it must also have courses of study accredited by TEQSA. All providers must demonstrate that they meet the Higher Education Standards Framework (Threshold Standards) 2021. TEQSA also has responsibilities under the *Education Service for Overseas Students Act 2000* regarding all providers of higher education to international students, including Foundation programs and English Language Intensive Courses for Overseas Students.

TEQSA continues to have several specific challenges in the year ahead, additional to its standing regulatory model and quality assurance practice. The ongoing impacts of the COVID-19 pandemic, including changes to the nature and quality of products and offerings (such as online learning and offshore delivery of courses) by higher education providers, and on the student experience, will remain a regulatory focus.

TEQSA will be utilising its new Higher Education Integrity Unit to address significant integrity threats such as academic or contract cheating and will continue to collaborate with other agencies in relation to issues such as cybersecurity and foreign interference. TEQSA will be paying close attention to the ongoing financial viability of providers as well as the sustainability of financial models across the sector. The agency will also finalise arrangements for the management of students' records in the event of provider closures.

The Government has extended TEQSA's administration of fee relief for the sector until 31 December 2022, with a phased introduction of full cost recovery for its regulatory services to commence on 1 January 2023. TEQSA will undertake further consultation with the sector in 2022 to further develop the cost recovery approach ahead of consideration by the Government.

In order to achieve TEQSA's objectives in 2022–23, the agency will remain focused on improving the timeliness of regulatory decision making, adjusting the regulatory model and practice to reflect sector and provider risks and trends, and ensuring the implementation of revised cost recovery arrangements. TEQSA will also respond and contribute to the government's deregulation agenda, including by collaborating closely with Australian Skills Qualification Authority (ASQA) to ensure so-called 'dual-sector' (vocational and higher education) providers are not unduly affected by separate regulatory approaches. A comprehensive enterprise and workforce plan will be implemented to attract and retain the required level of qualified, skilled and experienced staff.

1.2 Entity resource statement

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

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

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

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

Table 1.1: TEQSA resource statement Budget estimates for 2022–23 as at Budget March 2022

	2021-22 Estimated actual \$'000	2022-23 Estimate \$'000
Departmental		
Annual appropriations - ordinary annual services (a)		
Prior year appropriations available	9,316	9,316
Departmental appropriation (b)	20,198	20,373
s74 External Revenue (c)	387	700
Departmental capital budget (d)	1,955	1,563
Total departmental annual appropriations	31,856	31,952
Total departmental resourcing	31,856	31,952
Administered		
Total administered special appropriations	200	200
Total administered resourcing	200	200
Total resourcing for TEQSA	32,056	32,152
	2021-22	2022-23
Average staffing level (number)	102	102

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

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

(a) Appropriation Bill (No. 1) 2022–23.

(b) Excludes departmental capital budget (DCB).

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

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

1.3 Budget measures

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

Table 1.2: Entity 2022–23 Budget measures

Part 1: Measures announced since the 2021–22 Mid-Year Economic and Fiscal Outlook (MYEFO)

TEQSA have had no measures announced since the 2021–22 Mid-Year Economic and Fiscal Outlook (MYEFO). Therefore, this table is not presented.

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

	Program	2021-22 \$'000	2022-23 \$'000	2023-24 \$'000	2024-25 \$'000	2025-26 \$'000
Measures						
Financial Relief for Tertiary Education Providers	1.1					
Administered receipt		(4,322)	(6,278)	(2,266)	(1,416)	-
Total		(4,322)	(6,278)	(2,266)	(1,416)	-
Total measures						
Administered		(4,322)	(6,278)	(2,266)	(1,416)	-
Total		(4,322)	(6,278)	(2,266)	(1,416)	-

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

The lead entity for the measure Financial Relief for Tertiary Providers is the Education, Skills and Employment portfolio. The full measure description and package details appear in the 2021–22 MYEFO.

Section 2: Outcomes and planned performance

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

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

Note:

Performance reporting requirements in the Portfolio Budget Statements are part of the Commonwealth performance framework established by the *Public Governance, Performance and Accountability Act 2013*. It is anticipated that the performance criteria described in Portfolio Budget Statements will be read with broader information provided in TEQSA's corporate plan and annual performance statement – included in the Annual Report - to provide a complete picture of TEQSA's planned and actual performance.

The most recent corporate plan for TEQSA can be found at: www.tesqa.gov.au

The most recent annual performance statement for TEQSA can be found at: www.teqsa.gov.au

2.1 Budgeted expenses and performance for Outcome 1

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

Budgeted expenses for Outcome 1

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

Table 2.1.1: Budgeted expenses for Outcome 1

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
Program 1.1: Regulatory and Quality Assurance					
Departmental expenses					
Departmental appropriations	19,659	19,762	19,680	19,683	19,785
s74 External Revenue (a)	387	700	700	700	700
Expenses not requiring appropriation in the Budget year (b)	2,317	2,221	2,225	2,429	2,523
Departmental total	22,363	22,683	22,605	22,812	23,008
Total expenses for program 1.1	22,363	22,683	22,605	22,812	23,008
<hr/>					
Average staffing level (number)	102	102			

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

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

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

Table 2.1.2: Performance measures for Outcome 1

Table 2.1.2 below details the performance criteria for each program associated with Outcome 1. It also summarises how each program is delivered and where 2022–23 Budget measures have created new programs or materially changed existing programs.

Outcome 1 – Contribute to a high quality higher education sector through streamlined and nationally consistent higher education regulatory arrangements; registration of higher education providers; accreditation of higher education courses; and investigation, quality assurance and dissemination of higher education standards and performance.		
Program 1.1 – Regulatory and Quality Assurance		
Regulation and quality assurance ensure that quality standards are being met by all higher education providers so that the interests of students and the reputation of Australia's higher education sector are protected and promoted. This occurs by reference to standards established under the TEQSA and ESOS Acts. A risk-based approach is used for planning and implementing assessments and making decisions about provider compliance with those standards.		
Delivery	The mechanisms through which Program 1.1 will be delivered are: <ul style="list-style-type: none"> • Register regulated entities as registered higher education providers and accredit courses of study • Conduct compliance assessments and quality assessments • Conduct accreditation assessments of courses developed by providers without self-accrediting authority • Provide advice and make recommendations to the Commonwealth Minister responsible for higher education on matters relating to the quality and regulation of higher education providers • Cooperate with similar agencies in other countries • Collect, analyse, interpret and disseminate information relating to quality assurance practice and quality improvement in higher education. 	
Performance information		
Year	Performance criteria (a)	Actual Achievement/Targets
2021–22	Ensure quality and compliance through effective and efficient regulation	As at Q3 2021–22, in comparison to FY2020-21, processing times have or are expected to increase for the majority of assessment types (accreditations, re-accreditations and re-registrations). The increase is the result of a combination of the ongoing impact of COVID and a significant increase in assessment workloads, due to COVID-19 fee-relief and impending cost recovery. In 2020-21 TEQSA experienced 74 per cent increase in applications. This growth has continued this financial year.

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Year	Performance criteria (a)	Actual Achievement/Targets
2022–23	Ensure quality and compliance through effective and efficient regulation	Assessment and compliance activities are streamlined and coordinated. Target: Processing times are better than those in the previous year and consistent with targets in the Corporate Plan.
2023–24 and beyond	As per 2022–23	As per 2022–23
Purposes (b)	TEQSA's purpose is to ensure the reputation of the higher education sector in Australia and to protect the interests of students. TEQSA has three strategic objectives in delivering its purpose: 1. promote good practice and support effective self-assurance 2. identify, analyse and respond to sector risks 3. ensure quality and compliance through effective and efficient regulation	

New or modified performance criteria that reflect new or materially changed programs are shown in *italics*.

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2022–23 budget year, including the impact of budget measures and resourcing on financial statements.

3.1 Budgeted financial statements

3.1.1 Differences between entity resourcing and financial statements

The entity resource statement is prepared on a cash accounting basis and the budgeted financial statements have been prepared on an accrual basis.

Material movements in TEQSA's budgeted financial statements are explained in 3.1.2.

3.1.2 Explanatory notes and analysis of budgeted financial statements

Budgeted departmental comprehensive income statement (Table 3.1)

This statement presents the expected financial result for TEQSA and identifies the expenses and revenue on a full accrual basis.

In 2022–23 the estimated appropriation is \$20.373 million. This is a decrease of \$0.175 million from 2021–22 mainly attributed to project funding received in 2021–22. Total departmental expenses are estimated to be \$22.683 million in 2022–23, an increase of \$0.320 million since 2021–22.

Budgeted departmental balance sheet (Table 3.2)

This statement reports the financial position of the agency, its assets, liabilities, and equity.

In 2022–23, total departmental assets are expected to increase from \$12.380 million in 2021–22 to \$18.242 million. The movement of \$5.862 million is primarily due to an increase in the Right-of-Use asset and leasehold improvements for new accommodation.

Departmental liabilities as at 30 June 2023 are estimated to be \$6.471 million.

The budgeted departmental balance sheet shows that TEQSA will maintain sufficient financial assets to meet its employee and supplier commitments as and when they fall due.

Budgeted departmental statement of cash flows (Table 3.4)

The budgeted statement of cash flows provides information on cash movement by category, including operating activities, investing activities and financing activities.

Departmental capital budget statement (Table 3.5)

Total purchase of non-financial assets in 2022–23 has decreased by \$1.565 million since 2021–22 due to the investment in leasehold improvements and investment in the

Records Management and Student Records Systems during the 2021–22 year, when prior year capital appropriations were used for additional investment.

Schedule of budgeted income and expenses administered on behalf of Government

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

Administered revenue is expected to increase from \$0.380 million in 2021–22 to \$5.427 million in 2022–23. Revenue in 2021–22 reflects the impact of fee waivers. Estimated revenue for 2022–23 reflects the implementation of cost recovery arrangements for TEQSA.

3.2. Budgeted financial statements tables

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
EXPENSES					
Employee benefits	12,131	12,361	12,584	12,811	13,041
Suppliers	7,951	8,119	7,821	7,605	7,485
Depreciation and amortisation (a)	2,267	2,168	2,172	2,376	2,470
Finance costs	14	35	28	20	12
Total expenses	22,363	22,683	22,605	22,812	23,008
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	255	700	700	700	700
Rental income	132	-	-	-	-
Total own-source revenue	387	700	700	700	700
Gains					
Other	50	53	53	53	53
Total gains	50	53	53	53	53
Total own-source income	437	753	753	753	753
Net (cost of)/contribution by services	(21,926)	(21,930)	(21,852)	(22,059)	(22,255)
Revenue from Government	20,198	20,373	20,328	20,369	20,508
Surplus/(deficit) attributable to the Australian Government	(1,728)	(1,557)	(1,524)	(1,690)	(1,747)
Total comprehensive income/(loss)	(1,728)	(1,557)	(1,524)	(1,690)	(1,747)
Total comprehensive income/(loss) attributable to the Australian Government	(1,728)	(1,557)	(1,524)	(1,690)	(1,747)

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
Total comprehensive income/(loss)					
- as per statement of Comprehensive Income	(1,728)	(1,557)	(1,524)	(1,690)	(1,747)
plus: depreciation/amortisation of assets funded through appropriations (departmental capital budget funding and/or equity injections) (a)	1,204	1,403	1,405	1,611	1,708
plus: depreciation/amortisation expenses for ROU assets (b)	1,063	765	767	765	765
less: lease principal repayments (b)	1,237	611	648	686	726
Net Cash Operating Surplus/ (Deficit)	(698)	-	-	-	-

Prepared on Australian Accounting Standards basis.

a) From 2010–11, the Government introduced the net cash appropriation arrangement that provided non-corporate Commonwealth entities with a separate Departmental Capital Budget (DCB) under Appropriation Act (No.1) or Bill (No. 3). This replaced revenue appropriations provided under Appropriation Act (No.1) or Bill (No.3) used for depreciation/amortisation expenses. For information regarding DCB, refer to Table 3.5 Departmental Capital Budget Statement.

(b) Applies leases under AASB 16 Leases.

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	541	207	207	207	207
Trade and other receivables	9,316	9,316	9,316	9,316	9,316
Total financial assets	9,857	9,523	9,523	9,523	9,523
Non-financial assets					
Land and buildings	519	5,040	4,088	2,622	1,166
Property, plant and equipment	106	722	1,189	601	700
Investment property	1,563	2,804	2,862	2,399	1,899
Intangibles	335	153	153	153	153
Total non-financial assets	2,523	8,719	8,292	5,775	3,918
Total assets	12,380	18,242	17,815	15,298	13,441
LIABILITIES					
Payables					
Suppliers	679	596	596	596	596
Other payables	117	113	113	113	113
Total payables	796	709	709	709	709
Interest bearing liabilities					
Leases	327	2,760	2,113	1,426	701
Total interest bearing liabilities	327	2,760	2,113	1,426	701
Provisions					
Employee provisions	2,833	2,484	2,484	2,484	2,484
Other provisions	541	518	518	518	518
Total provisions	3,374	3,002	3,002	3,002	3,002
Total liabilities	4,497	6,471	5,824	5,137	4,412
Net assets	7,883	11,771	11,991	10,161	9,029
EQUITY*					
Parent entity interest					
Contributed equity	13,206	18,652	20,396	20,256	20,871
Reserves	17	16	16	16	16
Retained surplus (accumulated deficit)	(5,340)	(6,897)	(8,421)	(10,111)	(11,858)
Total parent entity interest	7,883	11,771	11,991	10,161	9,029
Total equity	7,883	11,771	11,991	10,161	9,029

Prepared on Australian Accounting Standards basis.

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

Table 3.3: Departmental statement of changes in equity — summary of movement (Budget year 2022–23)

	Retained earnings	Asset revaluation reserve	Other reserves	Contributed equity/capital	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000
Opening balance as at 1 July 2022					
Balance carried forward from previous period	(5,340)	16	3,866	13,223	11,765
Adjusted opening balance	(5,340)	16	3,866	13,223	11,765
Comprehensive income					
Surplus/(deficit) for the period	(1,557)	-	-	-	(1,557)
Total comprehensive income	(1,557)	-	-	-	(1,557)
Contributions by owners					
Other	-	-	-	1,563	1,563
Sub-total transactions with owners	-	-	-	1,563	1,563
Estimated closing balance as at 30 June 2023	(6,897)	16	3,866	14,786	11,771
Closing balance attributable to the Australian Government	(6,897)	16	3,866	14,786	11,771

Prepared on Australian Accounting Standards basis.

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	20,312	20,332	20,208	20,170	20,202
Sale of goods and rendering of services	387	700	700	700	700
Net GST received	561	959	874	848	836
Total cash received	21,260	21,991	21,782	21,718	21,738
Cash used					
Employees	11,631	12,695	12,411	12,552	12,675
Suppliers	7,075	7,968	7,821	7,612	7,489
Net GST paid	561	959	874	848	836
Interest payments on lease liability	14	35	28	20	12
Total cash used	19,281	21,657	21,134	21,032	21,012
Net cash from/(used by) operating activities	1,979	334	648	686	726
INVESTING ACTIVITIES					
Cash received					
Total cash received	-	-	-	-	-
Cash used					
Purchase of property, plant and equipment and intangibles	3,535	1,620	915	869	872
Total cash used	3,535	1,620	915	869	872
Net cash from/(used by) investing activities	(3,535)	(1,620)	(915)	(869)	(872)
FINANCING ACTIVITIES					
Cash received					
Contributed equity	3,128	1,563	915	869	872
Total cash received	3,128	1,563	915	869	872
Cash used					
Principal payments on lease liability	1,238	611	648	686	726
Total cash used	1,238	611	648	686	726
Net cash from/(used by) financing activities	1,890	952	267	183	146
Net increase/(decrease) in cash held	334	(334)	-	-	-
Cash and cash equivalents at the beginning of the reporting period	207	541	207	207	207
Cash and cash equivalents at the end of the reporting period	541	207	207	207	207

Prepared on Australian Accounting Standards basis.

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
NEW CAPITAL APPROPRIATIONS					
Capital budget - Bill 1 (DCB)	1,955	1,563	915	869	872
Total new capital appropriations	1,955	1,563	915	869	872
<i>Provided for:</i>					
<i>Purchase of non-financial assets</i>	<i>3,535</i>	<i>1,563</i>	<i>915</i>	<i>869</i>	<i>872</i>
Total items	3,535	1,563	915	869	872
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriations (a)	1,955	-	-	-	-
Funded by capital appropriation - DCB (b)	1,173	1,563	915	869	872
Funded internally from departmental resources (c)	407	-	-	-	-
TOTAL	3,535	1,563	915	869	872
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	3,535	1,620	915	869	872
Total cash used to acquire assets	3,535	1,620	915	869	872

Prepared on Australian Accounting Standards basis.

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

(b) Includes purchases from current and previous years' Departmental Capital Budgets (DCBs)

(c) Includes the following:

- sponsorship, subsidy, gifts or similar contribution;
- internally developed assets;
- proceeds from the sale of assets; and
- s74 external revenue.

Table 3.6: Statement of departmental asset movements (Budget year 2022–23)

	Buildings	Other property, plant and equipment	Computer software and intangibles	Total
	\$'000	\$'000	\$'000	\$'000
As at 1 July 2022				
Gross book value	815	534	5,154	6,503
Gross book value - ROU assets	-	-	-	-
Accumulated depreciation/ amortisation and impairment	(670)	(428)	(3,591)	(4,689)
Accumulated depreciation/amortisation and impairment - ROU assets	-	-	-	-
Opening net book balance	145	106	1,563	1,814
Capital asset additions				
Estimated expenditure on new or replacement assets				
By purchase - appropriation ordinary annual services (a)	2,615	756	1,720	5,091
By purchase - appropriation ordinary annual services - ROU assets	3,829	-	-	3,829
Total additions	6,444	756	1,720	8,920
Other movements				
Depreciation/amortisation expense	(784)	(140)	(479)	(1,403)
Depreciation/amortisation on ROU assets	(765)	-	-	(765)
Total other movements	(1,549)	(140)	(479)	(2,168)
As at 30 June 2023				
Gross book value	3,430	1,290	6,874	11,594
Gross book value - ROU assets	3,829	-	-	3,829
Accumulated depreciation/ amortisation and impairment	(1,454)	(568)	(4,070)	(6,092)
Accumulated depreciation/amortisation and impairment - ROU assets	(765)	-	-	(765)
Closing net book balance	5,040	722	2,804	8,566

Prepared on Australian Accounting Standards basis.

(a) 'Appropriation ordinary annual services' refers to funding provided through Appropriation Bill (No.1) 2021–22 for depreciation/amortisation expenses, Departmental Capital Budget or other operational expenses.

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
EXPENSES					
Total expenses administered on behalf of Government	-	-	-	-	-
LESS:					
OWN-SOURCE INCOME					
Own-source revenue	-	-	-	-	-
Taxation revenue	-	-	-	-	-
Total taxation revenue	-	-	-	-	-
Non-taxation revenue					
Fees and fines	380	5,427	14,937	14,505	14,147
Total non-taxation revenue	380	5,427	14,937	14,505	14,147
Total own-source revenue administered on behalf of Government	380	5,427	14,937	14,505	14,147
Gains	-	-	-	-	-
Total gains administered on behalf of Government	-	-	-	-	-
Total own-sourced income administered on behalf of Government	380	5,427	14,937	14,505	14,147
Net (cost of)/contribution by services	(380)	(5,427)	(14,937)	(14,505)	(14,147)
Surplus/(deficit) before income tax	(380)	(5,427)	(14,937)	(14,505)	(14,147)
Income tax expense					
Surplus/(deficit) after income tax	(380)	(5,427)	(14,937)	(14,505)	(14,147)
Total comprehensive income/(loss)	(380)	(5,427)	(14,937)	(14,505)	(14,147)

Prepared on Australian Accounting Standards basis.

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

TEQSA does not have any administered assets and liabilities, therefore Table 3.8 is not presented.

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Sales of goods and rendering of services	380	5,427	14,937	14,505	14,147
Total cash received	380	5,427	14,937	14,505	14,147
Total cash used	-	-	-	-	-
Net cash from/(used by) operating activities	380	5,427	14,937	14,505	14,147
Net increase/(decrease) in cash held	380	5,427	14,937	14,505	14,147
Cash and cash equivalents at end of reporting period	380	5,427	14,937	14,505	14,147

Prepared on Australian Accounting Standards basis.

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

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

Table 3.11: Statement of administered asset movements (Budget year 2022–23)

TEQSA has no administered assets therefore Table 3.11 is not presented.

Portfolio glossary and acronyms

Portfolio glossary

Term	Meaning
Accrual accounting	System of accounting where items are brought to account and included in the financial statements as they are earned or incurred, rather than as they are received or paid.
Additional Estimates	Where amounts appropriated at Budget time are insufficient, Parliament may appropriate more funds to portfolios through the Additional Estimates Acts.
Additional Estimates Bills or Acts	These are Appropriation Bills 3 and 4, and a separate Bill for the Parliamentary Departments [Appropriations (Parliamentary Departments) Bill (No. 2)]. These Bills are introduced into Parliament sometime after the Budget Bills.
Administered items	Expenses, revenues, assets or liabilities managed by agencies on behalf of the Commonwealth. Agencies do not control administered items. Administered expenses include grants, subsidies and benefits. In many cases, administered expenses fund the delivery of third party outputs.
Appropriation	An authorisation by Parliament to spend moneys from the Consolidated Revenue Fund for a particular purpose.
Annual Appropriation	Two Appropriation Bills are introduced into Parliament 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 the Cabinet or ministers that has resulted in a cost or savings to outlays.
Capital expenditure	Expenditure by an agency on capital projects, for example purchasing a building.

Consolidated Revenue Fund	Section 81 of the Constitution stipulates that all revenue raised or money received by the Commonwealth forms the one Consolidated Revenue Fund (CRF). The CRF is not a bank account. The Official Public Account reflects most of the operations of the CRF.
Departmental items	Assets, liabilities, revenues and expenses that are controlled by the agency in providing its outputs. Departmental items would generally include computers, plant and equipment assets used by agencies in providing goods and services and most employee expenses, supplier costs and other administrative expenses incurred.
Depreciation	Apportionment of an asset's capital value as an expense over its estimated useful life to take account of normal usage, obsolescence, or the passage of time.
Equity or net assets	Residual interest in the assets of an entity after deduction of its liabilities.
Expenses	Total value of all of the resources consumed in producing goods and services or the loss of future economic benefits in the form of reductions in assets or increases in liabilities of an entity.
Fair value	Valuation methodology: The amount for which an asset could be exchanged or a liability settled, between knowledgeable and willing parties in an arm's length transaction. The fair value can be affected by the conditions of the sale, market conditions and the intentions of the asset holder.
Forward estimates	A system of rolling three-year financial estimates. After the budget is passed, the first year of the forward estimates becomes the base for the next year's budget bid, and another out-year is added to the forward estimates.
Liabilities	Liabilities represent amounts owing on goods or services that have been received but not yet paid for. A liability shows the future commitment of an agency's assets.
Net annotated appropriation	Section 74 Receipts, also known as net annotated appropriations, are a form of appropriation which allows a department access to certain money it receives in payment of services. These monies are known as Section 74 Receipts, reflecting their authority under Section 74 of the PGPA Act.
Official Public Account	The Australian Government maintains a group of bank accounts at the Reserve Bank of Australia, known as the Official Public Account (OPA), the aggregate balance of which represents its daily cash position.
Operating result	Equals revenue less expenses.

Outcomes	The Government's objectives in each portfolio area. Outcomes are desired results, impacts or consequences for the Australian community as influenced by the actions of the Australian Government. Actual outcomes are assessments of the end-results or impacts actually achieved.
Portfolio Budget Statements	Statements prepared by portfolios to explain the budget appropriations in terms of outcomes.
<i>Public Governance, Performance and Accountability Act 2013</i>	The <i>Public Governance, Performance and Accountability Act 2013</i> (PGPA Act) replaced the <i>Financial Management and Accountability (FMA) Act 1997</i> and the <i>Commonwealth Authorities and Companies (CAC) Act 1997</i> as of 1 July 2014.
Receipts	The total or gross amount received by the Australian Government. Each receipt item is either revenue, an offset within outlays, or a financing transaction. Receipts include taxes, interest, charges for goods and services, borrowings and Government Business Enterprise (GBE) dividends received.
Revenue	Total value of resources earned or received to cover the production of goods and services.
Section 74 Receipts	See net annotated appropriation.
Special Account	Balances existing within the Consolidated Revenue Fund (CRF) that are supported by standing appropriations (PGPA Act, s78 and s80). Special accounts allow money in the CRF to be acknowledged as set-aside (hypothecated) for a particular purpose. Amounts credited to a Special Account may only be spent for the purposes of the Special Account. Special accounts can only be established by a written determination of the Finance Minister (s78 of the PGPA Act 2013) or through an Act of Parliament (referred to in s80 of the PGPA Act 2013).
Special Appropriations (including Standing Appropriations)	An amount of money appropriated by a particular Act of Parliament for a specific purpose and number of years. For special appropriations the authority to withdraw funds from the Consolidated Revenue Fund does not generally cease at the end of the financial year. Standing appropriations are a sub-category consisting of ongoing special appropriations — the amount appropriated will depend on circumstances specified in the legislation.

Portfolio acronyms

Term	Definition
ABS	Australian Bureau of Statistics
AC	Companion of the Order of Australia
ACARA	Australian Curriculum, Assessment and Reporting Authority
ACCS	Additional Child Care Subsidy
ACSF	Australian Core Skills Framework
AITSL	Australian Institute for Teaching and School Leadership
AM	Member of the Order of Australia
AMSI	Australian Mathematical Sciences Institute
ARC	Australian Research Council
ASQA	Australian Skills Quality Authority
BAC	Boosting Apprenticeship Commencements
CCCF	Community Child Care Fund
CCS	Child Care Subsidy
COPE	Commonwealth own-purpose expense
CRF	Consolidated Revenue Fund
DCB	Departmental Capital Budget
DESE	Department of Education, Skills and Employment
DLSF	Digital Literacy Skills Framework
ELLA	Early Learning Languages Australia
ELLIC	English Language Learning for Indigenous Children
ERA	Excellence in Research for Australia
ESOS Act	<i>Education Services for Overseas Students Act 2000</i>
GST	Goods and Services Tax
HELP	Higher Education Loan Program
Low SES	Low socio-economic status
MYEFO	Mid-Year Economic and Fiscal Outlook
NAP	National Assessment Program
NAPLAN	National Assessment Program – Literacy and Numeracy
NCGP	National Competitive Grants Program
NCI	National Careers Institute
NEIS	New Enterprise Incentive Scheme
NSC	National Skills Commission
NUHEP	Non-University Higher Education Provider

Term	Definition
OPA	Official Public Account
PAES	Portfolio Additional Estimates Statements
PBS	Portfolio Budget Statements
PGPA Act	<i>Public Governance, Performance and Accountability Act 2013</i>
ROU	Right of use
SEE	Skills for Education and Employment
SOETM	Services for Other Entities and Trust Moneys
STEM	Science, technology, engineering and mathematics
TEQSA	Tertiary Education Quality and Standards Agency
TRA	Trades Recognition Australia
TtW	Transition to Work
USI	Unique Student Identifier
VET	Vocational Education and Training
VET FEE-HELP	Former loans scheme for VET students
VSL	VET Student Loans