

**AUSTRALIAN TRADE COMMISSION**

**(AUSTRADE)**



## AUSTRALIAN TRADE COMMISSION (AUSTRADE)

### Section 1: Overview, appropriations and budget measures summary

#### OVERVIEW

The Australian Trade Commission (Austrade) is the Federal Government's primary export and investment facilitation agency. Austrade's mission is to help Australians win export business and generate inward and outward investment.

Austrade is committed to:

- Assisting Australian business (particularly small to medium enterprises) identify and exploit export and investment opportunities in overseas markets;
- Attracting overseas investment opportunities and projects – this is done as a partnership in Invest Australia; and
- Assisting Australian business to establish export related investments overseas.

Austrade is dedicated to raising the general awareness of the benefits of international trade and investment and also has an important role in providing advice, guidance and coordination to the Government and its agencies on export matters.

Austrade operates within the context of the Government's trade and industry policies, as outlined in the *Trade Outcomes and Objectives Statement (TOOS)*, the *Investing for Growth Statement* of 1997 and the *Industry Outcomes and Outlook Statement (IOOS)*.

Key objectives for 2001-02 include:

- Improving client service – be acknowledged by clients as providers of consistent, highly valued marketing advice that will contribute to the client achieving its stated international objectives;
- Information/E-business – improving our knowledge about clients, customers, opportunities and international business practice;
- People development – building the intellectual capital and skills of employees to ensure that Austrade is positioned to deliver the type and quality of work required by clients and stakeholders;

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- Knowing and growing the exporter community – building Austrade’s capability as a centre of knowledge about the Australian exporter and potential exporter communities and to utilise this knowledge to better tailor services and the awareness of these services amongst Australian businesses;
- Investment - promoting Australia as a centre for global financial services and investment;
- Priority industry sectors – ensure that in the business plans of all regions and divisions, priority industry sectors are matched against opportunities in the market place; with particular focus on the new economy and emerging industries; and
- Global network initiatives – Austrade will re-allocate funds internally to meet emerging opportunities within each region.

Further details of Austrade’s key objectives for 2001-02 and the underlying purpose, philosophy and goals that guide these objectives and strategies can be found in Austrade’s *Operational Plan for 2001-02* and the *Corporate Plan 2001-02 to 2003-04*. These documents can be obtained directly from Austrade.

Austrade works closely with other relevant agencies, such as Invest Australia, EFIC, DFAT, DISR, DoCITA, Defence, AFFA, Treasury and DETYA on a range of specific sectoral initiatives, for example, the Automotive Market Development Programme with DISR. International negotiations over market access, tariff levels and the handling of WTO disputes are the responsibility of Austrade’s portfolio partner, DFAT. Austrade also works closely with DFAT and other relevant agencies such as DISR and AFFA to support DFAT in this role.

## APPROPRIATIONS

The total appropriation for the Australian Trade Commission in the 2001-02 budget is \$318.163m (2000-01 \$312.975m). The components of the increase in departmental funding of \$6.656m relate to: additional funding provided for the opening of an Australian Consulate-General in Chicago which will include representation from Austrade (\$0.793m); an adjustment for previous foreign exchange transition (\$2.307m); inflation and parameter adjustments (\$1.168m); foreign exchange rate movements (\$2.201m) to maintain purchasing power equivalent to 2000-01; and movement in accruals (\$0.187m). Administered funding has decreased by \$1.468m compared to last year.

Table 1.1, on the following page, shows the total appropriations for the Australian Trade Commission for 2001-02 by the four Government outcomes, by administered expenses, price of output appropriation and, where appropriate, administered capital and departmental equity injections and loans. Table 1.2 provides a summary of measures disclosed in the 2001-02 budget.

## Australian Trade Commission — Appropriations 2001-02

Table 1.1: Appropriations and other revenue (\$'000)

Outcome	Departmental (price of outputs)					Administered				
	Revenue from Government (appropriations)			Revenue from other sources <sup>(4)</sup>	Price of outputs <sup>(3)</sup>	Annual appropriations (\$'000)		Special approps <sup>(5)</sup>	Total administered appropriations	Total appropriations
	Bill No. 1	Special approps <sup>(5)</sup>	Total			Bill No. 1	Bill No. 2 (SPPs & NAOs) <sup>(2)</sup>			
	(A)	(B)	(C = A+B)	(D)	(E = C+D)	(F)	(G)	(H)	(I = F+G+H)	(J=C+I)
Outcome 1: Public understanding of Australia's trade and investment direction, Government export programmes and promotion of Australia's image internationally	13,166	-	13,166 (C1) *96.1%	531	13,697 (E1) <sup>(1)</sup>	-	-	-	-	13,166
Outcome 2: Contribution to Australia's export trade performance by facilitating and encouraging trade and investment between Australia and foreign countries	147,131	-	147,131 (C2) *83.5%	29,042	176,173 (E2) <sup>(1)</sup>	-	-	-	-	147,131
Outcome 3: Australians informed about and provided access to consular, passport and immigration services in specific locations overseas	7,866	-	7,866 (C3) *88.6%	1,008	8,874 (E3) <sup>(1)</sup>	-	-	-	-	7,866

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**Table 1.1: Appropriations and other revenue (\$'000) (continued)**

Outcome	Departmental (price of outputs)					Administered				
	Revenue from Government (appropriations)			Revenue from other sources <sup>(4)</sup>	Price of outputs <sup>(3)</sup>	Annual appropriations (\$'000)		Special approps <sup>(5)</sup>	Total administered appropriations	Total appropriations
	Bill No. 1	Special approps <sup>(5)</sup>	Total			Bill No. 1	Bill No. 2 (SPPs & NAOs) <sup>(2)</sup>			
	(A)	(B)	(C = A+B)	(D)	(E = C+D)	(F)	(G)	(H)	(I = F+G+H)	(J=C+I)
Outcome 4: Contribution to Australia's export trade performance by providing financial and other assistance to eligible Australian organisations through export market development schemes.	-	-	-	-	-	150,000	-	-	150,000	150,000
									(14)	
									*100%	
<b>Total</b>	<b>168,163</b>	-	<b>168,163</b>	<b>30,581</b>	<b>198,744</b>	<b>150,000</b>	<b>-</b>	<b>-</b>	<b>150,000</b>	<b>318,163</b>
			<b>(K1)</b>						<b>(K2)</b>	
									Departmental capital (equity injections and loans)	<b>(K3)</b>
									Administered capital	<b>(K4)</b>
									<b>Total appropriations</b>	<b>318,163</b>

Amounts in shading are included in annual appropriation bills

- Note: C1, E1 and I1 refer to information provided in Table 2.1.1. Amount K1 refers to Budgeted Statement of Financial Performance.
  - Under the appropriation structure, Bill No. 2 includes Specific Purpose Payments (SPP's), New Agency Outcomes (NAO's), administered capital and departmental capital via departmental injections and loans.
  - Refer to Budgeted Statement of Financial Performance for application of agency revenue.
  - Revenue from other sources includes other revenue from government (eg resources free of charge) and revenue from other sources (eg sales of goods and services by agencies such as the Australian Bureau of Statistics (ABS) or the Australian Broadcasting Corporation (ABC)). Non-appropriated departmental and administered revenues are details in Appendix 1.
  - Estimated expenses from individual Special Appropriations are shown in Appendix 2.
- \* Percentage figures indicate the percentage contribution of Revenue from Government (Departmental Appropriations) to the Total Price of Outputs, by outcome.

**BUDGET MEASURES — AUSTRALIAN TRADE COMMISSION SUMMARY**

**Table 1.2: Summary of Measures disclosed in the 2001-02 Budget**

Measure	Outcome	Output groups affected	Appropriations budget 2001-02 (\$'000)			Appropriations estimate 2002-03 (\$'000)			Appropriations estimate 2003-04 (\$'000)			Appropriations estimate 2004-05 (\$'000)		
			Admin expenses	Dept outputs	Total	Admin expenses	Dept outputs	Total	Admin expenses	Dept outputs	Total	Admin expenses	Dept outputs	Total
Departmental: Opening of Australian Consulate-General in Chicago	2	2.1	-	793	793	-	678	678	-	678	678	-	677	677

**ADMINISTERED CAPITAL, DEPARTMENTAL EQUITY INJECTIONS AND  
LOANS**

The Australian Trade Commission will not receive any administered capital or departmental equity injections or loans in the 2001-02 budget.

## Section 2: Outcomes and outputs information

### OUTCOMES

The Federal Government has set, and Austrade is committed to delivering, the following outcomes, which are primarily directed to the economic well-being of the Australian community and job creation:

#### Austrade Departmental

1. Public understanding of Australia's trade and investment direction, government export programmes and promotion of Australia's image internationally;
2. Contribution to Australia's export trade performance by facilitating and encouraging trade and investment between Australia and foreign countries; and
3. Australians informed about and provided access to consular, passport and immigration services in specific locations overseas.

#### Austrade Administered

4. Contribution to Australia's export trade performance by providing financial and other assistance to eligible Australian organisations through export market development schemes.

Austrade's performance is continuously monitored using measures of performance at a corporate level, a unit level and individually through performance agreements with Austrade staff.

Austrade will ensure that these outcomes are delivered by producing the outputs discussed below.

### OUTPUTS

Austrade is committed to delivering six outputs under the outcome/output accrual budgeting framework introduced in July 1999.

The services delivered to achieve Austrade's outputs are subjected to market testing, where appropriate, to ensure they are delivered in the most efficient manner and in accordance with Government competitive tendering and contracting policy.

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The charts and tables on the following pages provide information on the four outcomes and the contributing outputs for Austrade.

Information on the division of administered and agency appropriations between Austrade's four outcomes appears in Chart 1 (Administered appropriation by outcome 2001-02, p 63) and Chart 2 (Departmental appropriation by outcome 2001-02, p 63).

The relationship between the four outcomes and the contributing outputs for Austrade is shown at Chart 3 (Outcomes and outputs, p 64).

The relationship between each of the four outcomes and their contributing outputs is shown at Chart 4.1 (Outcome 1 – Contributing outputs, p 65), Chart 4.2 (Outcome 2 – Contributing outputs, p 66), Chart 4.3 (Outcome 3 – Contributing outputs, p 67) and Chart 4.4 (Outcome 4 – Contributing outputs, p 67).

Financial details for **Outcome 1** by outputs appears in Table 2.1.1 (Total Resources for Outcome 1, p 70) while non-financial information for Outcome 1 appears in Table 2.2.1 (Performance Information for Outcome 1, p 71).

Financial details for **Outcome 2** by outputs appears in Table 2.1.2 (Total Resources for Outcome 2, p 74) while non-financial information for Outcome 2 appears in Table 2.2.2 (Performance Information for Outcome 2, pp 77-78).

Financial details for **Outcome 3** by outputs appears in Table 2.1.3 (Total Resources for Outcome 3, p 80) while non-financial information for Outcome 3 appears in Table 2.2.3 (Performance Information for Outcome 3, p 81).

Financial details for **Outcome 4** by outputs appears in Table 2.1.4 (Total Resources for Outcome 4, p 84) while non-financial information for Outcome 4 appears in Table 2.2.4 (Performance Information for Outcome 4, p 85).

## OUTCOMES AND OUTPUTS

Chart 1 – Administered appropriation by outcome (\$'000's)  
Total \$150.000m

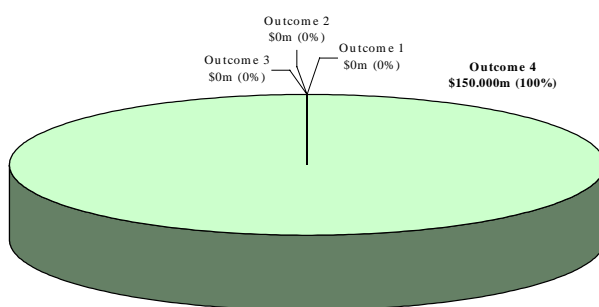
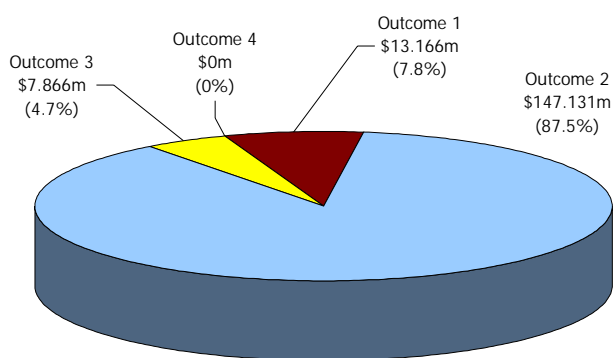


Chart 2 – Departmental appropriation by outcome 2001-02  
Total \$168.163m



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Chart 3: Outcomes and outputs

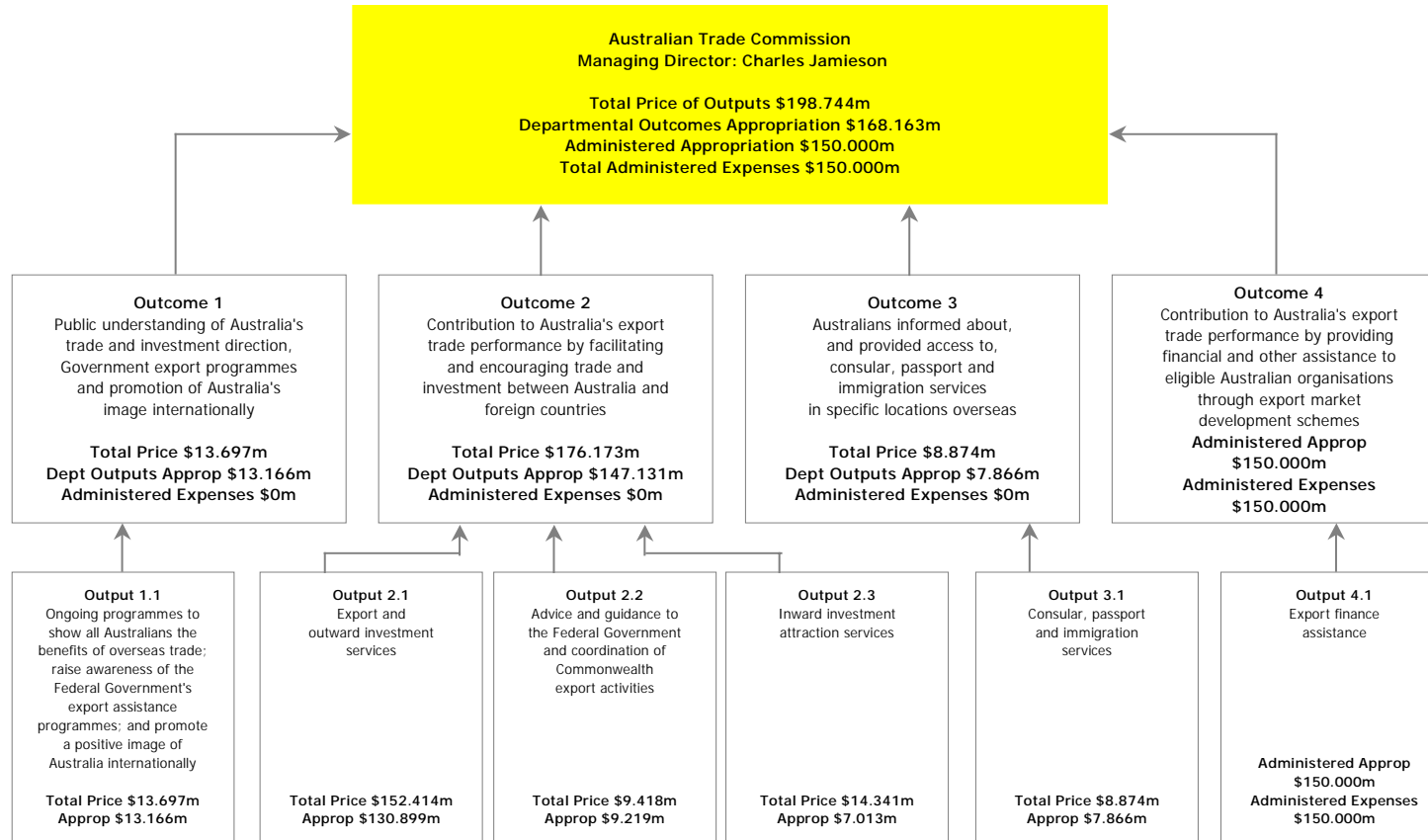
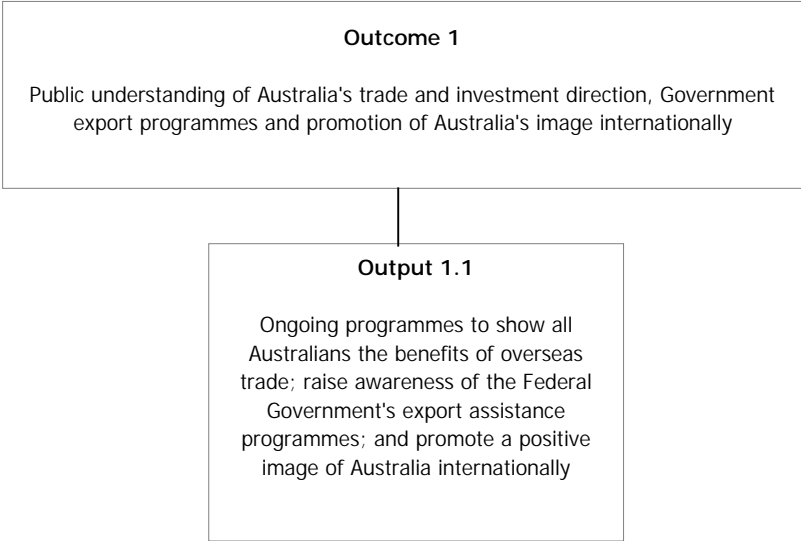


Chart 4.1: Outcome 1 — Contributing outputs



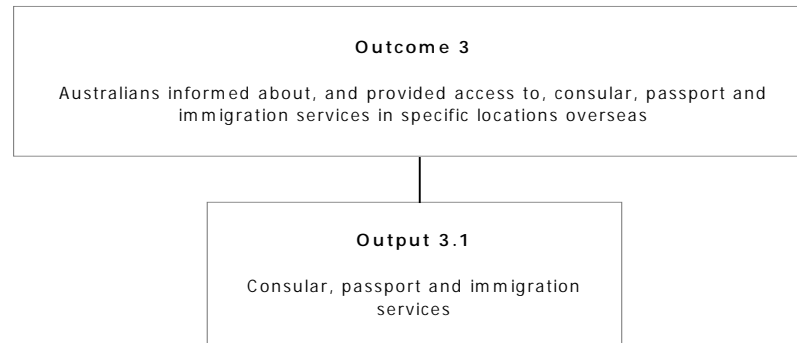
Note: Revenue from Government (Appropriations) contributes 96.1 per cent to the Total Price of Output for Outcome 1 for 2001-02.

Chart 4.2: Outcome 2 — Contributing outputs



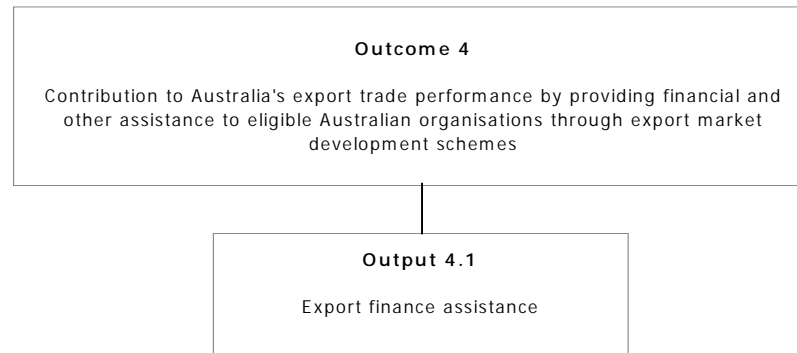
Note: Revenue from Government (Appropriations) contributes 83.5 per cent to the Total Price of Output for Outcome 2 for 2001-02.

Chart 4.3: Outcome 3 — Contributing outputs



Note: Revenue from Government (Appropriations) contributes 88.6 per cent to the Total Price of Output for Outcome 3 for 2001-02

Chart 4.4: Outcome 4 — Contributing outputs



Note: Revenue from Government (Appropriations) contributes 100 per cent to the Total Price of Output for Outcome 4 for 2001-02

## **CHANGES TO OUTCOMES AND OUTPUTS**

There are no changes in outcomes or outputs from the previous year.

## **OUTCOME 1 — DESCRIPTION**

### **Public understanding of Australia's trade and investment direction, government export programmes and promotion of Australia's image internationally**

Austrade has an important role to play in raising awareness within the Australian community about the benefits of trade liberalisation, trade and investment promotion and the services offered to assist Australian businesses.

To contribute to meeting this outcome, Austrade has developed a range of education and awareness strategies, aimed at encouraging more companies to think as a matter of course about offshore markets and through communication to students, to prepare the next generation of exporters.

### **Measures affecting Outcome 1**

There are no new measures in the 2001-02 Budget that affect Outcome 1.

## OUTCOME 1 — RESOURCING

Table 2.1.1: Total resources for Outcome 1 (\$'000)

	Estimated actual 2000-01 \$'000	Budget estimate 2001-2002 \$'000
<b>Departmental appropriations</b>		
<b>Output Group 1.1</b>	10,361	13,166
Ongoing programmes to show all Australians the benefits of overseas trade; raise awareness of the Federal Government's export assistance programmes; and promote a positive image of Australia internationally		
<b>Total output group 1.1</b>	<b>10,361</b>	<b>13,166</b>
<b>Total revenue from government (appropriations)</b>	<b>10,361</b>	<b>13,166</b>
<b>Contributing to price of departmental outputs</b>	<b>90.4%</b>	<b>96.1%</b> (C1)
Revenue from other sources	1,106	531
<b>Total revenue from other sources</b>	<b>1,106</b>	<b>531</b>
Total price from departmental outputs (Total revenue from Government and from other sources)	11,467	13,697 (E1)
<b>Total estimated resourcing for outcome 1</b> (Total price of outputs and admin expenses)	<b>11,467</b>	<b>13,697</b>
	2000-01	2001-02
<b>Average staffing level (number)</b>	<b>62</b>	<b>78</b>

## OUTCOME 1 – CONTRIBUTION OF OUTPUTS

The Government has tasked Austrade with developing a stronger export culture throughout Australia. Austrade will supplement its existing community education and awareness programmes to show all Australians the benefits of trade and raise awareness of Austrade's export assistance programmes.

Programmes such as Exporting for the Future, Australian Export Awards, the Austrade Seminars Programme, Austrade Online, the Awareness Campaign, the network of Regional Trade Commissioners and TradeStart offices across urban and regional Australia, actively service this purpose.

Table 2.2.1 Performance information for Outcome 1

<p><b>Effectiveness - Overall achievement of the outcome - (Measures, indicators and targets used as appropriate)</b></p>	
<p><b>Outcome 1: Public understanding of Australia's trade and investment direction, Government export programmes and promotion of Australia's image internationally</b></p>	
<p><b>Performance information for departmental outputs</b></p>	
<p><b>Output group 1</b></p>	
<p><b>Output 1.1</b> Ongoing programmes to show all Australians the benefits of overseas trade; raise awareness of the Federal Government's export assistance programmes; and promote a positive image of Australia internationally</p>	<p><i>Quality:</i> Client satisfaction - Minister's Office (*Minister to Board) Community awareness of the Government's trade and investment activities through Austrade (67%) Unprompted awareness among potential exporters of Austrade as a source of advice/services (35%)</p> <p><i>Quantity:</i> Number of awareness raising events - in Australia and overseas (1,295) Number of net positive media mentions (1,200)</p> <p><i>Price:</i> \$13.7m</p> <p>*The measure of the Minister's satisfaction will be provided to the Board by the Minister at the two scheduled meetings between the Minister and the Board in June and November.</p>

## Evaluations

Planned evaluations and reviews affecting Austrade in 2001-02, include:

- Pricing Review – a review of Austrade's outcomes will commence in June 2001 to examine the extent to which Austrade is delivering high quality outputs at appropriate prices that are consistent with Government priorities;
- Administrative Review – a review of Austrade's work processes will be completed in 2001-02. This review will include extensive benchmarking of services and consider the degree to which Austrade has effective and flexible management strategies in place to ensure that outputs are delivered efficiently;

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- Risk Management – appropriate reviews will be undertaken to ensure that sound financial, legal and ethical decision making processes are adhered to and monitored. This includes a review of the risk management plan, fraud control plan and the operation of the internal audit plan; and
- Australian National Audit Office Performance Audits – in 2001-02, Austrade expects to participate in a number of reviews that will be commissioned by the ANAO.

#### **Competitive tendering and contracting**

Austrade has a large component of its expenditure managed by out-sourced arrangements. Some examples of out-sourced arrangements include legal services, internal audit and IT systems development. Austrade is conscious of, and adheres to, Government policy in the competitive tendering and contracting for its services and business activities.

In addition, Austrade's Board requires management to systematically review whether activities are best delivered by the organisation or by other providers. Austrade will continue to identify potential out-sourced activities which it can market test, particularly in non-core areas.

## OUTCOME 2 — DESCRIPTION

**Contribution to Australia's export trade performance by facilitating and encouraging trade and investment between Australia and foreign countries**

Outcome 2 represents more than 46 per cent of Austrade's total appropriation and 87 per cent of Austrade's departmental appropriation for 2001-02.

Under Outcome 2, Austrade provides advice to clients on those overseas markets with the potential to generate tangible benefits to Australia. Austrade is able to assist clients ensure that they, over time, build an enduring presence in these markets.

Through its global network of 105 offices in 63 countries, Austrade assists Australian businesses, particularly small to medium sized enterprises (SMEs), to export goods and services into overseas markets.

Austrade also works to attract overseas investment for Australian enterprises and helps Australian companies make export related investments overseas.

### Measures affecting Outcome 2

#### OPENING OF AUSTRALIAN CONSULATE-GENERAL IN CHICAGO

**Budget Measure Purpose:** The Government will fund the establishment of an Australian Consulate-General in Chicago, USA which will include representation from Austrade.

**Impact of the Measure:** The Government will provide \$13.6 million over four years to establish an Australian Consulate-General in Chicago, USA, which will include representation from the Australian Trade Commission.

The Consulate-General will enhance Australia's interaction with economic and political decision-makers in the region, and support Australian business in identifying and developing trade and investment opportunities in a region which generates nearly one-third of the gross domestic product (GDP) of the largest economy in the world. It will also improve consular service delivery for Australians in the United States.

**Financial Impact:** Initial funding of \$0.793m will be provided to Austrade in 2001-02 and ongoing funding of \$0.678m per annum will be provided thereafter.

## OUTCOME 2 — RESOURCING

Table 2.1.2: Total resources for Outcome 2 (\$'000)

	Estimated actual 2000-01 \$'000	Budget estimate 2001-2002 \$'000
<b>Departmental appropriations</b>		
<b>Output Group 2.1</b>	130,323	130,899
Export and outward investment services		
<b>Subtotal output group 2.1</b>	<b>130,323</b>	<b>130,899</b>
<b>Departmental appropriations</b>		
<b>Output Group 2.2</b>	10,390	9,219
Advice and guidance to the Federal Government and coordination of Commonwealth export activities		
<b>Subtotal output group 2.2</b>	<b>10,390</b>	<b>9,219</b>
<b>Departmental appropriations</b>		
<b>Output Group 2.3</b>	8,157	7,013
Inward investment attraction services		
<b>Subtotal output group 2.3</b>	<b>8,157</b>	<b>7,013</b>
<b>Total output group 2</b>	<b>148,870</b>	<b>147,131</b>
<b>Total revenue from government (appropriations)</b>	<b>148,870</b>	<b>147,131</b>
<b>Contributing to price of departmental outputs</b>	<b>83.4%</b>	<b>83.5%</b> (C2)
Revenue from other sources	29,545	29,042
<b>Total revenue from other sources</b>	<b>29,545</b>	<b>29,042</b>
Total price from departmental outputs (Total revenue from Government and from other sources)	178,415	176,173 (E2)
<b>Total estimated resourcing for outcome 2</b> (Total price of outputs and admin expenses)	<b>178,415</b>	<b>176,173</b>
	2000-01	2001-02
<b>Average staffing level (number)</b>	<b>834</b>	<b>823</b>

## OUTCOME 2 – CONTRIBUTION OF OUTPUTS

### 2.1 Export and outward investment services

Austrade uses its domestic and overseas network to generate and provide general advice and information on:

- readiness to export;
- choosing the best export markets;
- general market conditions and economic dynamics in offshore markets;
- business practices, regulations, protocols and foreign cultures in export markets;
- promoting products and services globally;
- attracting foreign investment; and
- investing offshore.

In the coming year, Austrade expects to handle more than 750,000 website user sessions and respond to some 38,000 enquiries by phone seeking general advice and information on export and investment opportunities. A key focus of Austrade's offices overseas is to identify appropriate export and outwards investment opportunities. In 2001-02, Austrade expects to deliver approximately 4,450 fully qualified business opportunities to both current and potential exporters.

In producing this output, Austrade will:

- undertake detailed research and industry analysis to help Australian businesses define and understand target markets;
- search overseas markets for possible partners, agents, importers and buyers;
- set up meetings with key contacts in the market;
- arrange viability and status reports of possible partners importers and agents;
- help with visa application where local sponsorship is needed;
- accompany Australian businesses to meetings where necessary and arranging interpreters;
- bring missions of potential buyers to Australia;

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- conduct promotions of Australian products and services to business audiences in overseas markets; and
- organise missions of Australian exporters overseas.

### **2.2 Advice and guidance to Federal Government and coordination of Commonwealth export activities.**

Austrade participates in the export promotion and trade related policy development process through a range of mechanisms including the Trade Policy Advisory Council (TPAC), the Trade Outcomes and Objectives Statement (TOOS), the Market Development Task Force (MDTF) and the National Trade Consultations (NTC). Additionally, Austrade provides advice to the Minister for Trade, briefings and information to parliamentary committees and assists in planning and coordinating ministerial visits.

The Government has also tasked Austrade with the responsibility for coordinating all the export programmes for Commonwealth agencies.

Austrade aims to achieve this through liaison with other Federal agencies to ensure that there is a consistent high quality approach to the provision of export related programmes.

### **2.3 Inwards investment attraction services**

In partnership with DISR, Austrade delivers the Invest Australia programme. Invest Australia is the Government's national investment programme established to promote Australia as an investment location. Invest Australia, with specialist staff located in Australia and overseas, works closely with Australian States and Territories to bring investment to Australia.

Table 2.2.2 Performance information for Outcome 2

**Effectiveness - Overall achievement of the outcome -  
(Measures, indicators and targets used as appropriate)**

**Outcome 2:**

**Contribution to Australia's export trade performance by facilitating and encouraging trade and investment between Australia and foreign countries**

**Performance information for departmental outputs**

**Output group 2**

**Output 2.1**

Export and outward investment services

*Quality:*

Client satisfaction with Austrade's services (85%)

Export impact (\$5,745m)

Number of clients who achieved export impact (1,286)

Outward investment facilitated (\$445m)

*Quantity:*

First point of contact with Austrade:

(i) Number of enquiries to Advisory Services Unit (38,000)

(ii) Number of Austrade On-Line user sessions (750,000)

Number of participants in Austrade organised events (42,167)

Number of qualified opportunities delivered to

Australian businesses (4,452)

Number of exporters and potential exporters

provided with tailored assistance (5,125)

Number of potential exporters provided with tailored assistance (897)

Number of existing exporters provided with tailored

assistance to enter a new market (3,215)

Number of clients referred to the overseas network (1,200)

Number of businesses in Export Access programmes (547)

Number of general enquiries responded to

by TradeStart (3,000)

Number of international trade exhibitions involving

Austrade (117)

Number of Australian companies participating in

international trade exhibitions involving Austrade (1,269)

*Price:* \$152.4m

Table 2.2.2 Performance information for Outcome 2 (continued)

<b>Output group 2 (cont'd)</b>	
<b>Output 2.2</b>	<i>Quality:</i>
Advice and guidance to the Federal Government and coordination of Commonwealth export activities	Client (Minister) satisfaction
	<i>Quantity:</i>
	Number of briefs (including submissions and ministerials) provided to: Ministers, Parliament, public sector agencies (1,043)
	Number of appearances before parliamentary committees and attendances at interdepartmental committees (185)
	Number of ministerial or parliamentary visits (74)
	<i>Price:</i> \$9.4m
<b>Output 2.3</b>	<i>Quality:</i>
Inward investment attraction services	Number of jobs to be created within 3 years of the announcement of the intention to invest in greenfield establishment or expansion project (1,558)
	Number of jobs safeguarded within 3 years of the announcement of the intention to invest by acquisition (320)
	Annual value of exports to be generated through all investment projects within 3 years of the announcement of the intention to invest (\$456m)
	Value of inward investment within 3 years of the announcement of the intention to invest in greenfield establishment or expansion project (\$803m)
	Value of inward investment within 3 years of the announcement of the intention to invest by acquisition (\$158m)
	<i>Quantity:</i>
	Number of all investment projects announced (84)
	Number of inward visits (185)
	<i>Price:</i> \$14.3m

## Evaluations

Planned evaluations and reviews affecting Austrade in 2001-02, include:

- Pricing Review – a review of Austrade’s outcomes will commence in June 2001 to examine the extent to which Austrade is delivering high quality outputs at appropriate prices that are consistent with Government priorities;
- Administrative Review – a review of Austrade’s work processes will be completed in 2001-02. This review will include extensive benchmarking of services and consider the degree to which Austrade has effective and flexible management strategies in place to ensure that outputs are delivered efficiently.
- Risk Management – appropriate reviews will be undertaken to ensure that sound financial, legal and ethical decision making processes are adhered to and monitored. This includes a review of the risk management plan, fraud control plan and the operation of the internal audit plan.
- Australian National Audit Office Performance Audits – in 2001-02, Austrade expects to participate in a number of reviews that will be commissioned by the ANAO.

## Competitive tendering and contracting

Austrade has a large component of its expenditure managed by out-sourced arrangements. Some examples of out-sourced arrangements include legal services, internal audit and IT systems development. Austrade is conscious of, and adheres to, Government policy in the competitive tendering and contracting for its services and business activities.

In addition, Austrade’s Board requires management to systematically review whether activities are best delivered by the organisation or by other providers. Austrade will continue to identify potential out-sourced activities which it can market test, particularly in non-core areas.

## OUTCOME 3 – DESCRIPTION

### Australians informed about, and provided access to, consular, passport and immigration services in specific locations overseas

In locations where Austrade is the sole Australian Government representative, it provides consular, passport and immigration services for the Government on behalf of and in conjunction with DFAT and DIMA.

### Measures affecting Outcome 3

There are no new measures in the 2001-02 Budget that affect Outcome 3.

## OUTCOME 3 – RESOURCING

Table 2.1.3: Total Resources for Outcome 3 (\$'000)

	Estimated actual 2000-01 \$'000	Budget estimate 2001-2002 \$'000
<b>Departmental appropriations</b>		
<b>Output Group 3.1</b>	7,956	7,866
Consular, passport and immigration services		
<b>Total output group 3.1</b>	<b>7,956</b>	<b>7,866</b>
<b>Total revenue from government (appropriations)</b>	<b>7,956</b>	<b>7,866</b>
<b>Contributing to price of departmental outputs</b>	<b>86.5%</b>	<b>88.6%</b> (C3)
Revenue from other sources	1,238	1,008
<b>Total revenue from other sources</b>	<b>1,238</b>	<b>1,008</b>
Total price from departmental outputs (Total price from Government and from other sources)	9,194	8,874 (E3)
<b>Total estimated resourcing for outcome 3</b> (Total price of outputs and admin expenses)	<b>9,194</b>	<b>8,874</b>
	2000-01	2001-02
<b>Average staffing level (number)</b>	<b>75</b>	<b>53</b>

## OUTCOME 3 – CONTRIBUTION OF OUTPUTS

The production of Output 3.1 is delivered in accordance with agreements between Austrade and DFAT and DIMA. These agreements ensure that the consular, passport and immigration services are provided seamlessly and consistently across all posts.

ANAO Audit Report No.31 2000-01 entitled “Administration of Consular Services” recommended that Austrade separately identify funding for consular, passport and immigration services in specific locations. Austrade has accepted this recommendation. The total estimated resourcing for Outcome 3 is dissected as follows: Consular Services (\$2.751m), Passport Services (\$4.384m) and Immigration Services (\$1.739m).

Table 2.2.3: Performance information for Outcome 3

<b>Effectiveness - Overall achievement of the outcome - (Measures, indicators and targets used as appropriate)</b>	
<b>Outcome 3: Australians informed about, and provided access to consular, passport and immigration services in specific locations overseas</b>	
<b>Performance information for departmental outputs</b>	
<b>Output group 3</b>	
<b>Output 3.1</b>	<i>Quality:</i>
Consular, passport and immigration services	Client satisfaction - DFAT and DIMA (85%)
	<i>Quantity:</i>
	Number of travel documents issued (12,055)
	Number of notarial acts (6,925)
	Number of Australians assisted overseas - not receiving travel documents nor notarial acts (23,485)
	Number of visa applications received (82,750)
	<i>Price:</i> \$8.9m

## Evaluations

Planned evaluations and reviews affecting Austrade, in 2001-02, include:

- Pricing Review – a review of Austrade’s outcomes will commence in June 2001 to examine the extent to which Austrade is delivering high quality outputs at appropriate prices that are consistent with Government priorities.

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- **Administrative Review** – a review of Austrade’s work processes will be completed in 2001-02. This review will include extensive benchmarking of services and consider the degree to which Austrade has effective and flexible management strategies in place to ensure that outputs are delivered efficiently.
- **Risk Management** – appropriate reviews will be undertaken to ensure that sound financial, legal and ethical decision making processes are adhered to and monitored. This includes a review of the risk management plan, fraud control plan and the operation of the internal audit plan.
- **Australian National Audit Office Performance Audits** – In 2001-02, Austrade expects to participate in a number of reviews that will be commissioned by the ANAO.

#### **Competitive tendering and contracting**

Austrade has a large component of its expenditure managed by out-sourced arrangements. Some examples of out-sourced arrangements include legal services, internal audit and IT systems development. Austrade is conscious of, and adheres to, Government policy in the competitive tendering and contracting for its services and business activities.

In addition, Austrade’s Board requires management to systematically review whether activities are best delivered by the organisation or by other providers. Austrade will continue to identify potential out-sourced activities which it can market test, particularly in non-core areas.

## **OUTCOME 4 – DESCRIPTION**

### **Contribution to Australia's export trade performance by providing financial and other assistance to eligible Australian organisations through export market development schemes**

Under Outcome 4, Austrade provides financial assistance to encourage Australian small to medium sized businesses to seek and develop export markets. The Export Finance Assistance Programme provides financial assistance to businesses through the reimbursement of part of export marketing costs. By assisting Australian businesses to gain experience in international markets, Outcome 4 promotes an export culture, encourages more businesses into export markets and therefore brings about higher export revenue and international competitiveness of Australian businesses.

### **Continuation of Export Market Development Grant Scheme**

On 14 August 2000, following a review of the EMDG scheme, the Government agreed to support the continuation of the scheme for another five years, to be reviewed after four years. Under the extension, funding for the scheme will cease on 30 June 2006. The extension of the scheme will involve amendment to the *Export Market Development Grants Act 1997*.

## OUTCOME 4 – RESOURCING

Table 2.1.4: Total Resources for Outcome 4 (\$'000)

	Estimated actual 2000-01 \$'000	Budget estimate 2001-2002 \$'000
<b>Administered appropriations</b>		
<b>Output Group 4.1</b>		
Export finance assistance	151,468	150,000
<b>Total administered appropriations</b>	<b>151,468</b>	<b>150,000</b>
<b>Total revenue from government (appropriations)</b>	<b>151,468</b>	<b>150,000</b>
<b>Contributing to price of departmental outputs</b>	<b>100.0%</b>	<b>100.0%</b> (14)
Revenue from other sources	1,708	1,286
<b>Total revenue from other sources</b>	<b>1,708</b>	<b>1,286</b>
Total price from departmental outputs (Total revenue from Government and from other sources)	151,468	150,000
<b>Total estimated resourcing for outcome 4</b> (Total price of outputs and admin expenses)	<b>151,468</b>	<b>150,000</b>
	2000-01	2001-02
<b>Average staffing level (number)</b>	<b>71</b>	<b>68</b>

## OUTCOME 4 – CONTRIBUTION OF OUTPUTS

The largest programme within Export Finance Assistance Programme (EFAP) is the \$150m Export Market Development Grant Scheme (EMDG). The current scheme will expire in June 2001. Following the review of the EMDG scheme, the Government has decided to extend the scheme until June 2006. Given the current scheme's legislation will shortly expire, a new Bill for the scheme's extension will be brought before Parliament during 2001. Assuming passage of the legislation through the Parliament, the EMDG scheme will continue to provide cash grants that encourage market identification and entry development activities.

Besides EMDG, Austrade administers several schemes that are currently being wound down. These schemes are the International Trade Enhancement Scheme and the Innovative Agricultural Marketing Programme. Drawdowns for these schemes concluded in 1999-2000, with final payments expected to be received until 2009.

Table 2.2.4: Performance information for Outcome 4

<b>Effectiveness - Overall achievement of the outcome - (Measures, indicators and targets used as appropriate)</b>	
<b>Outcome 4: Contribution to Australia's export trade performance by providing financial and other assistance to eligible Australian organisations through export market development schemes</b>	
<b>Performance information for departmental outputs</b>	
<b>Output group 4</b>	
<b>Output 4.1</b>	<i>Quality:</i>
Export finance assistance	Client satisfaction with Austrade's services (85%)
	<i>Quantity:</i>
	\$ export to \$ grants (\$5bn exports to \$142.5m expenses)
	Ratio of exports to Export Market Development Grants (35:1)
	Number of businesses supported (3,260)
	Number of new EMDG recipients (750)
	Number of recipients entering new markets (1,350)
	Number of EMDG applicants (3,250)
	Number and \$ of loans under management (22 & \$12m)
	<i>Price:</i> \$150.0m

## Evaluations

Planned evaluations and reviews affecting Austrade, in 2001-02, include:

- Pricing Review – a review of Austrade's outcomes will commence in June 2001 to examine the extent to which Austrade is delivering high quality outputs at appropriate prices that are consistent with Government priorities.
- Administrative Review – a review of Austrade's work processes will be completed in 2001-02. This review will include extensive benchmarking of services and consider the degree to which Austrade has effective and flexible management strategies in place to ensure that outputs are delivered efficiently.
- Risk Management – appropriate reviews will be undertaken to ensure that sound financial, legal and ethical decision making processes are adhered to and monitored. This includes a review of the risk management plan, fraud control plan and the operation of the internal audit plan.
- Australian National Audit Office Performance Audits – In 2001-02, Austrade expects to participate in a number of reviews that will be commissioned by the ANAO.

## Competitive tendering and contracting

Austrade has a large component of its expenditure managed by out-sourced arrangements. Some examples of out-sourced arrangements include legal services, internal audit and IT systems development. Austrade is conscious of, and adheres to, Government policy in the competitive tendering and contracting for its services and business activities.

In addition, Austrade's Board requires management to systematically review whether activities are best delivered by the organisation or by other providers. Austrade will continue to identify potential out-sourced activities which it can market test, particularly in non-core areas.

## Section 3: Budgeted Financial Statements

### DEPARTMENTAL STATEMENTS

#### Budgeted Departmental Statement of Financial Performance

This statement provides a picture of the expected financial results for Austrade by identifying full accrual expenses, revenues and capital use charge, which highlights whether the Commission is operating at a sustainable level.

#### Budgeted Departmental Statement of Financial Position

This statement shows the financial position of Austrade. It enables decision-makers to track the management of the agency's assets and liabilities.

#### Budgeted Departmental Statement of Cash Flows

Budgeted cash flows, as reflected in the statement of cash flows, provides important information on the extent and nature of cash flows by categorising them into expected cash flows from operating activities, investing activities and financing activities.

#### Departmental Capital Budget Statement

Shows all planned departmental capital expenditure (capital expenditure on non financial assets), whether funded either through capital appropriations for additional equity or borrowings, or from funds from internal sources.

#### Departmental Non-financial Assets – Summary of Movement

Shows budgeted acquisitions and disposals of non-financial assets during the budget year.

### ADMINISTERED NOTES

Details of transactions administered by the agency on behalf of the Commonwealth are to be shown in the following notes to the financial statements.

**Note of Budgeted Administered Financial Performance**

This note identifies the main revenues and expenses administered on behalf of the Government. It also discloses administered revenues from Government and Transfers to the Public Account.

**Note of Budgeted Administered Financial Position**

This note shows the assets and liabilities administered on behalf of the Government.

**Note of Budgeted Administered Cash Flows**

This note shows cash flows administered on behalf of the Government.

**Note of Administered Capital Budget**

This note shows details of planned administered capital expenditure.

**Note of Administered Non-financial Assets – Summary of Movement**

This note discloses details of movements in administered non-financial assets.

**Table 3.1: Budgeted Departmental Statement of Financial Performance for the period ended 30 June 2002**

	Estimated actual 2000-01 \$'000	Budget estimate 2001-02 \$'000	Forward estimate 2002-03 \$'000	Forward estimate 2003-04 \$'000	Forward estimate 2004-05 \$'000
<b>Revenues from ordinary activities</b>					
Revenue from government	167,187	168,163	162,562	163,214	165,050
Sales of goods and services	24,654	24,031	24,131	24,231	24,231
Interest	4,000	2,300	2,200	2,100	2,100
Dividends					
Net gains from sales of assets	250	250	250	250	250
Other	4,000	4,000	4,000	4,000	4,000
<b>Total revenues from ordinary activities</b>	<b>200,091</b>	<b>198,744</b>	<b>193,143</b>	<b>193,795</b>	<b>195,631</b>
<b>Expenses from ordinary activities (excluding borrowing costs expense)</b>					
Employees	85,414	87,604	87,068	87,883	88,816
Suppliers	90,037	92,338	91,491	91,328	92,231
Grants	4,157	4,224			
Depreciation and amortisation	5,600	5,600	5,600	5,600	5,600
Write down of assets	200	200	200	200	200
Net losses from sales of assets	200	200	200	200	200
Other					
<b>Total expenses from ordinary activities (excluding borrowing costs expense)</b>	<b>185,608</b>	<b>190,166</b>	<b>184,559</b>	<b>185,211</b>	<b>187,047</b>
Borrowing cost expense					
<b>Net surplus or deficit from ordinary activities</b>	<b>14,483</b>	<b>8,578</b>	<b>8,584</b>	<b>8,584</b>	<b>8,584</b>
Gain or loss on extraordinary items					
<b>Net surplus or deficit</b>	<b>14,483</b>	<b>8,578</b>	<b>8,584</b>	<b>8,584</b>	<b>8,584</b>
Capital use charge	-9,358	-8,578	-8,584	-8,584	-8,584
<b>Net surplus or deficit after capital use charge</b>	<b>5,125</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

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**Table 3.2: Budgeted Departmental Statement of Financial Position  
as at 30 June 2002**

	Estimated actual 2000-01 \$'000	Budget estimate 2001-02 \$'000	Forward estimate 2002-03 \$'000	Forward estimate 2003-04 \$'000	Forward estimate 2004-05 \$'000
<b>ASSETS</b>					
<b>Financial assets</b>					
Cash	44,663	46,163	47,713	49,213	50,713
Receivables	7,000	7,000	7,000	7,000	7,000
Investments					
Accrued revenues					
Other					
<b>Total financial assets</b>	<b>51,663</b>	<b>53,163</b>	<b>54,713</b>	<b>56,213</b>	<b>57,713</b>
<b>Non-financial assets</b>					
Land and buildings	40,503	40,133	39,763	39,393	39,023
Infrastructure, plant and equipment	13,023	13,993	14,963	15,933	16,803
Inventories					
Intangibles	4,870	4,670	4,470	4,270	4,170
Other	3,500	3,500	3,500	3,500	3,500
<b>Total non-financial assets</b>	<b>61,896</b>	<b>62,296</b>	<b>62,696</b>	<b>63,096</b>	<b>63,496</b>
<b>Total assets</b>	<b>113,559</b>	<b>115,459</b>	<b>117,409</b>	<b>119,309</b>	<b>121,209</b>
<b>LIABILITIES</b>					
<b>Debt</b>					
Loans					
Leases					
Deposits					
Overdrafts					
Other					
<b>Total debt</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Provisions and payables</b>					
Employees	27,576	29,476	31,376	33,276	35,176
Suppliers	8,000	8,000	8,000	8,000	8,000
Grants					
Other					
<b>Total provisions and payables</b>	<b>35,576</b>	<b>37,476</b>	<b>39,376</b>	<b>41,276</b>	<b>43,176</b>
<b>Total liabilities</b>	<b>35,576</b>	<b>37,476</b>	<b>39,376</b>	<b>41,276</b>	<b>43,176</b>
<b>EQUITY</b>					
Capital	160	160	210	210	210
Reserves	88,115	88,115	88,115	88,115	88,115
Accumulated surpluses or deficits	-10,292	-10,292	-10,292	-10,292	-10,292
<b>Total equity</b>	<b>77,983</b>	<b>77,983</b>	<b>78,033</b>	<b>78,033</b>	<b>78,033</b>
<b>Current liabilities</b>	<b>16,440</b>	<b>17,727</b>	<b>17,413</b>	<b>18,981</b>	<b>19,608</b>
<b>Non-current liabilities</b>	<b>19,136</b>	<b>19,749</b>	<b>21,963</b>	<b>22,295</b>	<b>23,568</b>
<b>Current assets</b>	<b>51,663</b>	<b>53,163</b>	<b>54,713</b>	<b>56,213</b>	<b>57,713</b>
<b>Non-current assets</b>	<b>61,896</b>	<b>62,296</b>	<b>62,696</b>	<b>63,096</b>	<b>63,496</b>

**Table 3.3: Budgeted Departmental Statement of Cash Flows  
for the period ended 30 June 2002**

	Estimated actual 2000-01 \$'000	Budget estimate 2001-02 \$'000	Forward estimate 2002-03 \$'000	Forward estimate 2003-04 \$'000	Forward estimate 2004-05 \$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Appropriations for outputs	167,187	168,163	162,562	163,214	165,050
Sales of goods and services	20,989	20,841	20,841	20,931	20,831
Interest	4,000	2,300	2,200	2,100	2,100
GST input credit receipts	2,400	2,800	2,900	2,900	3,000
GST receipts from customers	250	140	140	150	150
Other	4,250	4,250	4,250	4,250	4,250
<b>Total cash received</b>	<b>199,076</b>	<b>198,494</b>	<b>192,893</b>	<b>193,545</b>	<b>195,381</b>
<b>Cash used</b>					
Employees	83,514	85,635	85,168	85,983	86,901
Suppliers	85,258	89,617	88,601	88,428	89,246
Grants	4,863	4,224			
Interest					
GST payments (agency)	250	140	140	150	150
GST payments to suppliers	2,800	2,800	2,900	2,900	3,000
Other					
<b>Total cash used</b>	<b>176,685</b>	<b>182,416</b>	<b>176,809</b>	<b>177,461</b>	<b>179,297</b>
<b>Net cash from operating activities</b>	<b>22,391</b>	<b>16,078</b>	<b>16,084</b>	<b>16,084</b>	<b>16,084</b>
<b>INVESTING ACTIVITIES</b>					
<b>Cash received</b>					
Proceeds from sales of property, plant and equipment	1,512	50	50	50	50
Repayments of loans made					
Other	-200	-50	-50	-50	-50
<b>Total cash received</b>	<b>1,312</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Cash used</b>					
Purchase of property, plant and equipment	5,500	6,000	6,000	6,000	6,000
Loans made					
Other					
<b>Total cash used</b>	<b>5,500</b>	<b>6,000</b>	<b>6,000</b>	<b>6,000</b>	<b>6,000</b>
<b>Net cash from investing activities</b>	<b>-4,188</b>	<b>-6,000</b>	<b>-6,000</b>	<b>-6,000</b>	<b>-6,000</b>
<b>FINANCIAL ACTIVITIES</b>					
<b>Cash received</b>					
Proceeds from issuing equity instruments					
Proceeds from debt					
Proceeds from OPA			50		
<b>Total cash received</b>	<b>0</b>	<b>0</b>	<b>50</b>	<b>0</b>	<b>0</b>

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**Table 3.3: Budgeted Departmental Statement of Cash Flows for the period ended 30 June 2002 (continued)**

	Estimated actual 2000-01 \$'000	Budget estimate 2001-02 \$'000	Forward estimate 2002-03 \$'000	Forward estimate 2003-04 \$'000	Forward estimate 2003-04 \$'000
<b>Cash used</b>					
Repayments of debt					
Capital use and dividends paid	14,483	8,578	8,584	8,584	8,584
Other					
<b>Total cash used</b>	<b>14,483</b>	<b>8,578</b>	<b>8,584</b>	<b>8,584</b>	<b>8,584</b>
<b>Net cash from financing activities</b>	<b>-14,483</b>	<b>-8,578</b>	<b>-8,584</b>	<b>-8,584</b>	<b>-8,584</b>
<b>Net increase in cash held</b>	<b>3,720</b>	<b>1,500</b>	<b>1,550</b>	<b>1,500</b>	<b>1,500</b>
Cash at the beginning of the reporting period	40,943	44,663	46,163	47,713	49,213
Cash at the end of the reporting period	44,663	46,163	47,713	49,213	50,713
Receipts from Independent Sources	31,889	30,581	30,581	30,581	30,581

Table 3.4: Departmental Capital Budget Statement

	Estimated actual 2000-01 \$'000	Budget estimate 2001-02 \$'000	Forward estimate 2002-03 \$'000	Forward estimate 2003-04 \$'000	Forward estimate 2004-05 \$'000
<b>CAPITAL APPROPRIATIONS</b>					
Total equity injections		(K3)	50		
Total loans		(K3) <sup>1</sup>			
<b>Represented by:</b>					
Purchase of non-current assets			50		
Other					
Total			50		
<b>PURCHASE OF NON-CURRENT ASSETS</b>					
Funded by capital appropriations			50		
Funded internally by					
Departmental resources	5,500	6,000	5,950	6,000	6,000

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Table 3.5: Departmental Non-financial Assets — Summary of Movement (Budget Year 2001-02)

	Land	Buildings	Total Land and Buildings	Specialist Military Equipment	Other Infrastructure Plant and Equipment	Total Infrastructure Plant and Equipment	Intangibles	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>GROSS VALUE</b>								
<i>As at 1 July 2001 (opening)</i>	26,528	14,714	41,242		28,755	28,755	9,358	79,355
Additions					5,000	5,000	1,000	6,000
Disposals					-4,000	-4,000		-4,000
Other movements								
<i>As at 30 June 2002 (closing)</i>	26,528	14,714	41,242		29,755	29,755	10,358	81,355
<b>ACCUMULATED DEPRECIATION</b>								
<i>As at 1 July 2001 (opening)</i>		739	739		15,732	15,732	4,488	20,959
Disposals					-4,000	-4,000		-4,000
Charge for the reporting period		370	370		4,030	4,030	1,200	5,600
Other movements								
<i>As at 30 June 2002 (closing)</i>		1,109	1,109		15,762	15,762	5,688	22,559
<b>Net book value</b>								
<b>As at 30 June 2002 (closing book value)</b>	<b>26,528</b>	<b>13,605</b>	<b>40,133</b>		<b>13,993</b>	<b>13,993</b>	<b>4,670</b>	<b>58,796</b>
<b>Net book value</b>								
<b>as at 1 July 2001 (opening book value)</b>	<b>26,528</b>	<b>13,975</b>	<b>40,503</b>		<b>13,023</b>	<b>13,023</b>	<b>4,870</b>	<b>58,396</b>
<b>TOTAL ADDITIONS</b>								
Self funded					5,000	5,000	1,000	6,000
Appropriations					0	0	0	0
<b>Total</b>					<b>5,000</b>	<b>5,000</b>	<b>1,000</b>	<b>6,000</b>

**Table 3.6: Note of Budgeted Administered Financial Performance  
for the period ended 30 June 2002**

	Estimated actual 2000-01 \$'000	Budget estimate 2001-02 \$'000	Forward estimate 2002-03 \$'000	Forward estimate 2003-04 \$'000	Forward estimate 2004-05 \$'000
<b>REVENUES</b>					
<b>Taxation</b>					
Income tax					
Indirect tax					
Other taxes, fees and fines					
<b>Total taxation</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Non-taxation</b>					
Revenues from Government	151,468	150,000	150,000	150,000	150,000
Sale of goods and services	1,122	836	346	43	0
Interest	586	450	159	0	0
Dividends					
Net gains from sales of assets					
Other sources of non-taxation revenues					
<b>Total non-taxation</b>	<b>153,176</b>	<b>151,286</b>	<b>150,505</b>	<b>150,043</b>	<b>150,000</b>
<b>Total revenues administered on behalf of the Government</b>	<b>153,176</b>	<b>151,286</b>	<b>150,505</b>	<b>150,043</b>	<b>150,000</b>
<b>EXPENSES</b>					
Subsidies					
Personal benefits					
Grants	143,650	142,500	142,500	142,500	142,500
Employees	4,708	4,430	4,430	4,430	4,430
Suppliers	3,110	3,070	3,575	3,113	3,070
Depreciation and amortisation					
Net losses from sales of assets					
Interest					
Other					
<b>Total expenses administered on behalf of the Government</b>	<b>151,468</b>	<b>150,000</b>	<b>150,505</b>	<b>150,043</b>	<b>150,000</b>
Extraordinary items					

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**Table 3.7: Note of Budgeted Administered Financial Position  
as at 30 June 2002**

	Estimated actual 2000-01 \$'000	Budget estimate 2001-02 \$'000	Forward estimate 2002-03 \$'000	Forward estimate 2003-04 \$'000	Forward estimate 2004-05 \$'000
<b>ASSETS</b>					
<b>Financial assets</b>					
Cash	12,529	8,016	9,544	9,449	9,449
Receivables	15,279	5,114	2,204		
Investments					
Accrued revenues					
Other					
<b>Total financial assets</b>	<b>27,808</b>	<b>13,130</b>	<b>11,748</b>	<b>9,449</b>	<b>9,449</b>
<b>Non-financial assets</b>					
Land and buildings					
Infrastructure, plant and equipment					
Other					
<b>Total non-financial assets</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total assets administered on behalf of the Government</b>	<b>27,808</b>	<b>13,130</b>	<b>11,748</b>	<b>9,449</b>	<b>9,449</b>
<b>LIABILITIES</b>					
<b>Debt</b>					
Loans					
Leases					
Deposits					
Overdrafts					
Other					
<b>Total debt</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Provisions and payables</b>					
Employees	1,888	1,917	1,917	0	0
Suppliers					
Grants					
Other					
<b>Total provisions and payables</b>	<b>1,888</b>	<b>1,917</b>	<b>1,917</b>	<b>0</b>	<b>0</b>
<b>Total liabilities administered on behalf of the Government</b>	<b>1,888</b>	<b>1,917</b>	<b>1,917</b>	<b>0</b>	<b>0</b>
<b>Current liabilities</b>	<b>668</b>	<b>678</b>	<b>1,917</b>	<b>0</b>	<b>0</b>
<b>Non-current liabilities</b>	<b>1,220</b>	<b>1,239</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Current assets</b>	<b>22,694</b>	<b>10,926</b>	<b>11,748</b>	<b>9,449</b>	<b>9,449</b>
<b>Non-current assets</b>	<b>5,114</b>	<b>2,204</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Table 3.8: Note of Budgeted Administered Cash Flows  
for the period ended 30 June 2002**

	Estimated actual 2000-01 \$'000	Budget estimate 2001-02 \$'000	Forward estimate 2002-03 \$'000	Forward estimate 2003-04 \$'000	Forward estimate 2004-05 \$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Income tax					
Indirect tax					
Other taxes, fees and fines					
Appropriations	151,468	150,000	150,000	150,000	150,000
Sale of goods and services	1,122	836	346	43	0
Interest	586	450	159	0	0
GST input credit receipts	90	90	90	95	95
GST receipts from customers					
Other					
<b>Total cash received</b>	<b>153,266</b>	<b>151,376</b>	<b>150,595</b>	<b>150,138</b>	<b>150,095</b>
<b>Cash used</b>					
Subsidies					
Personal benefits					
Employees	4,470	4,401	4,430	6,442	4,430
Suppliers	3,110	3,070	3,575	3,400	3,070
Grants	143,650	142,500	142,500	142,500	142,500
Interest					
GST payments (agency)					
GST payments to suppliers	90	90	90	95	95
Cash to Official Public Account					
Other					
<b>Total cash used</b>	<b>151,320</b>	<b>150,061</b>	<b>150,595</b>	<b>152,437</b>	<b>150,095</b>
<b>Net cash from operating activities</b>	<b>1,946</b>	<b>1,315</b>	<b>0</b>	<b>-2,299</b>	<b>0</b>
<b>INVESTING ACTIVITIES</b>					
<b>Cash received</b>					
Proceeds from sale of property, plant and equipment					
Cash from Official Public Account					
Cash received-other invest activities	15,105	10,165	2,910	2,204	0
Other					
<b>Total cash received</b>	<b>15,105</b>	<b>10,165</b>	<b>2,910</b>	<b>2,204</b>	<b>0</b>
<b>Cash used</b>					
Purchase of property, plant and equipment					
Cash to Official Public Account					
Other					
<b>Total cash used</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Net cash from investing activities</b>	<b>15,105</b>	<b>10,165</b>	<b>2,910</b>	<b>2,204</b>	<b>0</b>

Part C: Agency Budget Statements — Austrade

**Table 3.8: Note of Budgeted Administered Cash Flows  
for the period ended 30 June 2002 (Continued)**

	Estimated actual 2000-01 \$'000	Budget estimate 2001-02 \$'000	Forward estimate 2002-03 \$'000	Forward estimate 2003-04 \$'000	Forward estimate 2004-05 \$'000
<b>FINANCING ACTIVITIES</b>					
<b>Cash received</b>					
Proceeds from borrowing					
Cash from Official Public Account					
Other					
<b>Total cash received</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Cash used</b>					
Repayments of debt					
Cash to Official Public Account					
Cash used for dividends	23,942	15,993	1,382	0	0
Other					
<b>Total cash used</b>	<b>23,942</b>	<b>15,993</b>	<b>1,382</b>	<b>0</b>	<b>0</b>
<b>Net cash from financing activities</b>	<b>-23,942</b>	<b>-15,993</b>	<b>-1,382</b>	<b>0</b>	<b>0</b>
<b>Net increase in cash held</b>	<b>-6,891</b>	<b>-4,513</b>	<b>1,528</b>	<b>-95</b>	<b>0</b>
Cash at beginning of reporting period	19,420	12,529	8,016	9,544	9,449
Administered cash at end of reporting period	12,529	8,016	9,544	9,449	9,449
Receipts from independent sources	1,798	1,376	595	138	95

Table 3.9: Note of Administered Capital Budget

	Estimated actual 2000-01 \$'000	Budget estimate 2001-02 \$'000	Forward estimate 2002-03 \$'000	Forward estimate 2003-04 \$'000	Forward estimate 2004-05 \$'000
<b>CAPITAL APPROPRIATIONS</b>					
Administered capital		(K4) <sup>1</sup>			
<b>Represented by:</b>					
Purchase of non-current assets					
Other					
Total					
<b>PURCHASE OF NON CURRENT ASSETS</b>					
Funded by capital appropriations					
Funded internally by					
Departmental resources					

Part C: Agency Budget Statements — Austrade

Table 3.10: Note of Administered Non-financial Assets — Summary of Movement (Budget Year 2001-02)

	Land	Buildings	Total Land and Buildings	Specialist Military Equipment	Other Infrastructure Plant and Equipment	Total Infrastructure Plant and Equipment	Intangibles	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>GROSS VALUE</b>								
<i>As at 1 July 2001 (opening)</i>								
Additions								
Disposals								
Other movements								
<i>As at 30 June 2002 (closing)</i>								
<b>ACCUMULATED DEPRECIATION</b>								
<i>As at 1 July 2001 (opening)</i>								
Disposals								
Charge for the reporting period								
Other movements								
<i>As at 30 June 2002 (closing)</i>								
<b>Net book value</b>								
<b>As at 30 June 2002</b>								
<b>(closing book value)</b>								
<b>Net book value</b>								
as at 1 July 2001								
<b>opening book value)</b>								
<b>TOTAL ADDITIONS</b>								
Self funded								
Appropriations								
<b>Total</b>								

## Notes to the Financial Statements

### DEPARTMENTAL AND ADMINISTERED FINANCIAL STATEMENTS

Under the Commonwealth's accrual budgeting framework, and consistent with Australian Accounting Standards, transactions that agencies control (Departmental transactions) are separately budgeted for and reported for from transactions agencies do not have control over (Administered transactions). This ensures that agencies are only held fully accountable for the transactions over which they have control.

- Departmental assets, liabilities, revenues and expenses in relation to an agency or authority are those which are controlled by the agency. Departmental expenses include employee and supplier expenses and other administrative costs which are incurred by the agency in providing its goods and services.
- Administered items are revenues, expenses, assets and liabilities which are managed by an agency or authority on behalf of the Government according to set Government directions. Administered expenses include subsidies, grants and personal benefit payments and Administered revenues include taxes, fees, fines and excises.

### APPROPRIATIONS IN THE ACCRUAL BUDGETING FRAMEWORK

Under the Commonwealth's accrual budgeting framework, separate annual appropriations are provided for:

- Departmental price of outputs appropriations: representing the Government's purchase of outputs from agencies;
- Departmental capital appropriations: for investments by the Government for either additional equity or loans in agencies;
- Administered expense appropriations: for the estimated Administered expenses relating to an existing outcome, a new outcome or a Specific Purpose Payment to the states;
- Administered capital appropriations: for increases in Administered equity through funding non-expense Administered payments; and
- Special appropriations continue under the accrual appropriation framework, and fund the majority of payments from the Consolidated Revenue Fund.

### **Capital-Use Charge**

A Capital-Use Charge is levied on agencies and authorities to reflect the cost of the Commonwealth's investment in those entities. It is levied on those agencies closing Departmental net assets (equity) at a revised rate of 11% in lieu of the previous rate of 12% effective from 2001-02.

Funding for the Capital-Use Charge is included in agencies and authorities Departmental price of outputs appropriations. The Capital-Use Charge is accounted for as a 'below Operating Result line' dividend payment.

### **Cash transfers to Official Public Account (OPA)**

Administered revenues, such as taxes, fees and fines, which are collected by agencies and authorities, are passed onto the Commonwealth's Official Public Account (OPA).

### **Asset Valuation**

Commonwealth agencies and authorities are required to value Property, Plant & Equipment and other Infrastructure assets using the deprival method of valuation. This essentially reflects the current cost the entity would face in replacing that asset.

### **Goods and Services Tax**

Goods and services tax is reported in accordance with Australian Accounting Standards. Revenues, expenses and assets are recognised net of the amount of recoverable goods and services tax. Receivables and Payables are stated with the amount of goods and services tax included.

## Section 4: Purchaser/Provider Arrangements

### **PURCHASER ARRANGEMENTS - WHERE AUSTRADE PURCHASES CROSS AGENCY SERVICES**

Department of Foreign Affairs and Trade (DFAT)

#### **Cross agency overview and responsibility**

***Common Administrative Services (CAS)*** – In conjunction with a number of Commonwealth departments and agencies, Austrade purchases CAS from DFAT at numerous DFAT managed overseas posts.

Austrade, in conjunction with the other purchaser agencies is currently renegotiating the CAS Agreement with DFAT. The present CAS Agreement will expire on the 30 June 2001. The sections below have been completed on the basis of the current agreement.

DFAT provides administrative services under Outcome 1, Output Group 1.3, *International services to other agencies in Australia and overseas (including Parliament, state representatives, business and other organisations)*. For further information concerning the resourcing and performance indicators for this particular output group, please refer to DFAT's Contribution to Outputs for Outcome 1, in Part C, Section 2 of this document.

#### **Control Arrangements**

On 14 October 1985, the Prime Minister issued the Directive, Guidelines for Management of the Australian Government Presence Overseas. These guidelines set out the arrangements to be observed in the management and operation of Australian diplomatic and consular missions and other Australian Government posts overseas. In particular, the Directive allows for the manager of an overseas post to provide administrative services to all Australian Government departments and agencies represented at the post.

#### **Resourcing**

The purchase of CAS from DFAT is resourced through all output groups, comprising Outcome 1, Outcome 2 and Outcome 3. The budgeted CAS price in 2001-02 will equal \$1.6 m.

## Performance against outcomes and outputs

The \$1.6m covers a range of administrative services that Austrade purchases from DFAT in order to deliver outputs. The cost of these administrative services is allocated proportionately to all output groups, comprising Outcome 1, Outcome 2 and Outcome 3.

***International Portfolio Telecommunications Network (IPTN): Provision of Data Communication Links*** - A Memorandum of Agreement (MOA) was signed between DFAT and Austrade on 8 January 1998, where the two agencies have agreed to a portfolio partnership to share the data telecommunications links between overseas posts and Australia. By combining the buying power of the portfolio partners, much larger telecommunication links were achievable, leading to significant economies of scale over the portfolio network.

DFAT provides services under Outcome 1, Output Group 1.3, *International services to other agencies in Australia and overseas (including Parliament, state representatives, business and other organisations)*. For further information concerning the resourcing and performance indicators for this particular output group, please refer to DFAT's Contribution to Outputs for Outcome 1, in Part C, Section 2 of this document.

## Control arrangements

Under the MOA, DFAT is responsible for the network management, service level and financial management of the combined network.

## Resourcing

The purchase of IPTN from DFAT is resourced through all output groups, comprising Outcome 1, Outcome 2 and Outcome 3. The budgeted IPTN price in 2001-2002 will equal \$2.3 million.

## Performance against outcomes and outputs

The IPTN services purchased from DFAT are an essential component in the efficient and effective delivery of outputs. The cost of these IPTN services is allocated proportionately to all output groups, comprising Outcome 1, Outcome 2 and Outcome 3.

## **PROVIDER ARRANGEMENTS - WHERE AUSTRADE SUPPLIES CROSS AGENCY SERVICES**

In 2001-02, Austrade will be providing services to:

- Department of Defence;
- Department of Agriculture, Fisheries and Forestry – Australia;
- Department of Foreign Affairs and Trade (DFAT);
- Department of Industry, Science and Resources (DISR);
- Department of the Treasury;
- Department of Immigration and Multicultural Affairs (DIMA); and
- Department of Education, Training and Youth Affairs (DETYA).

### **Department of Defence**

#### **Defence Industry Specialist Programme**

Austrade has a purchaser-provider agreement with the Department of Defence to deliver the Defence Industry Specialist Programme. This is the Department of Defence materiel and services export marketing programme, which operates in specific countries.

### **Department of Agriculture, Fisheries and Forestry – Australia**

#### **Wine Promotion**

Austrade has been engaged by the Australian Wine and Brandy Corporation to develop a strategy and undertake marketing and promotion activities in a number of markets to increase exports of Australian wine.

## Department of Foreign Affairs and Trade (DFAT)

### **Consular Services**

DFAT is responsible for the provision of access to consular and passport services in Australia and overseas. In a number of locations, Austrade manages consulates for the Government, providing a full range of consular assistance, including passport services, notarial acts, medical evacuations, jail visits and general advice and assistance to Australians overseas.

Resourcing and performance information for the provision of these services can be found under Outcome 3, Output Group 3.1 and in Austrade's 2001-02 Operational Plan.

## Department of Industry, Science and Resources (DISR)

### **Investment Attraction**

Austrade's charter requires it to attract inward investment to assist development of industry in Australia. This is done through Austrade's Trade Commissioner network in overseas posts and through *Invest Australia*, which is a partnership between the Department of Industry, Science and Resources and Austrade. Austrade employs Investment Commissioners and specialist staff in 11 key overseas locations on behalf of *Invest Australia*.

Resourcing and performance information for the provision of these services can be found under Outcome 2, Output Group 2.3 and in Austrade's 2001-02 Operational Plan.

### **Automotive Trade Strategy**

As part of the Government's overall automotive package, Austrade is contracted to develop and deliver the Export Market Development and Promotion component on the basis of a purchaser-provider agreement that became operational in December 1998.

Resourcing and performance information for the provision of these services can be found under Outcome 2, Output Group 2.1 and in Austrade's 2001-02 Operational Plan.

## Department of the Treasury

### **Axiss Australia**

In order to promote Australia as a key Global Financial Services Centre, Austrade works closely with:

- Axiss Australia (formerly known as the Australian Centre for Global Finance);
- Invest Australia (particularly in overseas locations); and
- The National Investment Referral Centre.

Austrade also assists other Commonwealth agencies (Treasury, DFAT) to enhance and promote Australia's strengths as a Global Financial Services Centre.

## **Department of Immigration and Multicultural Affairs (DIMA)**

### **Visa Services**

At a number of Austrade's overseas posts (generally where there is no DFAT or DIMA presence), visa services are delivered by Austrade on behalf of DIMA.

Resourcing and performance information for the provision of these services can be found under Outcome 3, Output Group 3.1 and in Austrade's 2001-02 Operational Plan.

## **Department of Education, Training and Youth Affairs (DETYA)**

Australian Education International (AEI) is part of the Commonwealth Department of Education, Training and Youth Affairs. AEI's mission is to advance the internationalisation of the Australian education and training industry and to promote the industry's services to international clients. In Europe, Austrade delivers generic marketing and promotion services on behalf of AEI under a purchaser-provider agreement.

## Appendix 1

### Revenue from independent sources - Departmental

	Estimated Revenue 2000-01 \$'000	Estimated Revenue 2001-02 \$'000
Sale of goods and services	24,654	24,031
Interest	4,000	2,300
Other	4,250	4,250
<b>Total estimated revenue</b>	<b>32,904</b>	<b>30,581</b>

### Revenue from independent sources - Administered

	Estimated Revenue 2000-01 \$'000	Estimated Revenue 2001-02 \$'000
Sale of goods and services	1,122	836
Interest	586	450
Other	0	0
<b>Total estimated revenue</b>	<b>1,708</b>	<b>1,286</b>