

DEPARTMENT OF FOREIGN AFFAIRS AND TRADE (DFAT)

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DEPARTMENT OF FOREIGN AFFAIRS AND TRADE (DFAT)

Section 1: Agency Overview and Resources

1.1 STRATEGIC DIRECTION STATEMENT

The Department of Foreign Affairs and Trade (DFAT) supports Ministers in the delivery of Australia's foreign, trade and investment, development and international security policy priorities. In 2014-15, the department will strengthen Australia's relations with key partners and advance Australia's core strategic and economic interests, particularly within the Indian Ocean Asia Pacific region. Economic diplomacy will guide the department's international engagement, drawing together foreign, trade and development policies and diplomatic resources to deliver greater prosperity for Australia, the region and world. The department will help strengthen Australia's trade relationships, including by finalising free trade negotiations. Australia's aid program will invest in the drivers of economic growth to help reduce poverty and lift living standards. New performance targets will ensure a focus on results and value for money.

Australia has global interests, but it is important we focus on the Indian Ocean Asia Pacific region where Australia's future prosperity and success lies. Strengthening Australia's key regional partnerships will be a priority for the department. The United States is Australia's main strategic ally and makes a crucial contribution to global security and stability, including in the Asia-Pacific region. The department will work to strengthen our ties with the United States and support continued US engagement in the region. Australia will build on our close economic and strategic partnership with Japan and strengthen links with the Republic of Korea – both relationships are underpinned by significant shared values, and newly negotiated free trade agreements. Strengthening Australia's partnership with China, which is based on shared interests and mutual respect, will also be an important focus. The department will continue to work effectively with Indonesia across a broad spectrum of issues including regional security, trade and investment, education and development. The department will also work to enhance Australia's strategic and economic relationship with India.

It is in Australia's interest to have secure and prosperous neighbours, including in the Pacific. Broadening, deepening and diversifying Australia's economic, business and strategic partnership with Papua New Guinea (PNG) is one of the department's highest priorities. The department is working to align the aid program with the shared political and economic objectives of Australia and PNG. Australia is committed to supporting Fiji's return to parliamentary democracy and will work closely with Fiji and other international donors to support democratic elections by September 2014.

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Australia will coordinate and lead RAMSI as it continues to build the capacity of Solomon Islands police out to mid-2017. As RAMSI draws down, the department will look to strengthen the bilateral architecture with a country that remains our third largest aid partner. The Solomon Islands bilateral program in 2014-15 will concentrate efforts on the reconstruction and recovery following the April 2014 floods.

Fostering closer ties between Australia and the region and developing stronger people-to-people links will also have a renewed focus. The New Colombo Plan will contribute to an overall increase in the number of Australian undergraduate students undertaking study and internships in the region. In 2014, the pilot phase will be rolled out in Indonesia, Japan, Singapore and Hong Kong.

The department will contribute to whole-of-government efforts to prevent people-smuggling. Through the measure *International Engagement to Prevent and Disrupt Maritime People Smuggling*, the department will engage with key countries on preventive people smuggling initiatives in support of Operation Sovereign Borders.

Australia will continue to maintain strong cooperative partnerships with the nations of Southeast Asia, including Singapore, Malaysia and Vietnam and with the Association of Southeast Asian Nations (ASEAN), across a range of areas including trade, security, education, development and disaster relief. Australia will continue efforts to build the East Asia Summit (EAS) as the premier security forum for East Asia. The Asia-Pacific Economic Cooperation (APEC) is the Asia-Pacific region's pre-eminent economic forum. The department will work closely with China, the 2014 host, and the Philippines, the 2015 host, to support APEC in promoting economic growth and prosperity in the region.

The department will support cooperation in the Indian Ocean region through the Indian Ocean Rim Association (IORA), which Australia will chair until 2015. As part of the MIKTA (Mexico, Indonesia, the Republic of Korea, Turkey and Australia) group of economically like-minded countries, Australia will continue to discuss global issues of common interest and strategies to enhance bilateral and plurilateral ties.

Australia's aid program is being re-shaped to ensure it is effective in promoting economic growth and poverty reduction, reflecting our national interests and the changed international context. The Government's decision to integrate management of Australia's aid program into DFAT strengthens the platform to deliver an improved aid program.

Australia's aid program will have economic development at its heart, and will promote prosperity by improving the enabling environment for the private sector to drive growth; build the capacity of developing countries to participate in the global trading system; explore new partnerships between the private sector and government; leverage changing sources of finance for development; and help poorer countries effectively mobilise their own domestic resources for development. Australia will help tackle infrastructure bottlenecks in the region, and build functioning, predictable

institutions that provide the foundations for economic growth, private sector investment and trade.

Gender equality and women's empowerment will be a key priority across the aid program. Australia will continue to take a lead role on gender equality and women's empowerment in our aid program and advocacy, including through the Ambassador for Women and Girls.

Australia's aid program investments will support the poor to become participants in, and contributors to, stronger economic development. Australia remains firmly committed to assisting the most disadvantaged, including people with disability, find pathways out of poverty. Australia will continue to be an effective and principled humanitarian donor and will help build the resilience of countries and communities to disasters, conflict and economic shocks.

A new development policy will guide the allocation of aid and drive reforms to the way Australian aid is managed at the country, sectoral and global levels. Linked to this policy, a set of benchmarks will improve aid program performance, value for money and results.

Australia depends on open and transparent international markets for jobs and economic growth. Economic diplomacy, which aims to achieve regional and global prosperity, is at the centre of Australia's foreign policy. The department is leading the government's economic diplomacy agenda which will be driven by four core objectives: trade, growth, investment and business. These apply across the department's work including foreign, trade, development, and tourism functions.

Australia is strengthening our trading relationships to help grow a stronger economy. The department will support the ratification and implementation of Free Trade Agreements recently negotiated with the Republic of Korea and Japan. Australia will work to progress FTAs with China, India and Indonesia. Australia will also work to conclude the Trans Pacific Partnership (involving twelve Pacific-rim members) and to progress the Regional Comprehensive Economic Partnership (involving ASEAN and the six countries that have FTAs with ASEAN), an agreement with the Pacific (through the Pacific Agreement on Closer Economic Relations - PACER Plus) and the Gulf Cooperation Council. The department will also explore opportunities, where appropriate, for new FTAs and continue to leverage the benefits of Australia's existing FTAs with the countries of South-East Asia, New Zealand, the United States and Chile.

Australia is committed to the multilateral trading system which provides the best way to improve global economic growth and remove barriers to trade. The department will work to conclude the Doha Round of multilateral trade negotiations quickly. We will support Australian agriculture and agribusiness by pushing for agricultural trade reform through the Cairns Group and seek to open up new opportunities for exports of manufactures, services, and mineral and energy products. Australia will also

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provide leadership in major sectoral negotiations, including the Trade in Services Agreement, which provide impetus to multilateral liberalisation.

The department will continue to drive Australia's growing economic, strategic and security interests in South Asia, Europe, the Americas, the Middle East and Africa, including by identifying further opportunities for trade and investment.

The department will maintain its current level and focus of engagement in Afghanistan, including in making preparations for post-transition arrangements in 2014. Through the measure *Australia's diplomatic engagement in Afghanistan - continuation* the department will support Australia's diplomatic presence and political engagement with Afghanistan. The department will also seek to strengthen Australia's political and economic relations with Europe including by sustaining momentum in Australia-UK Ministerial (AUKMIN) meetings and the strategic partnerships with France and Germany.

Australia remains committed to the global multilateral system and will support institutions that advance our national interests, such as the United Nations and the Commonwealth. Australia will continue to serve on the United Nations Security Council until the end of our term in December 2014. The department will promote Australia's national interests in advancing global environmental sustainability in multilateral forums. The department will also work to maintain Australia's economic competitiveness and seek broad-based international action and agreement, in the UN climate negotiations, other international climate forums, and through bilateral climate change engagement with major economies.

As President of the Group of Twenty (G20) in 2014, Australia will work to ensure that the G20 delivers on its agenda to lift growth and build global economic resilience against future shocks. Along with the Department of the Prime Minister and Cabinet, Treasury and other agencies, the department will support the forum to achieve positive outcomes in the areas of economic growth, infrastructure, employment, financial and tax reforms. The department will lead on the trade and development agendas: Australia will emphasise the contribution trade makes to global growth and job creation and ensure that the G20's work focuses on activities that lift growth across developed and developing countries. During Australia's year as G20 chair, the department is developing and deepening its engagement with major emerging economies which are of growing political and economic significance to Australia, and which contribute to solving global problems of shared concern.

Australia's alliances, partnerships and our involvement in multilateral forums will ensure we can adequately anticipate and respond to international security, human rights and related challenges. The department will continue to work towards countering the proliferation of nuclear weapons and constraining the illicit arms trade. Australia will continue to contribute to international stabilisation efforts in Afghanistan and pursue non-proliferation and disarmament objectives related to Iran and the Democratic People's Republic of Korea. The department will coordinate

Australia's cooperation with partner countries to enhance the effectiveness of programs to counter terrorism. The department will support work to elaborate how international law applies to states' use of cyberspace and will also contribute to efforts to finalise and promote adherence to the proposed International Code of Conduct for Outer Space Activities.

Through public diplomacy, cultural and media activities, the department will project a positive and contemporary image of Australia as a destination for business, investment, tourism and study. Strengthening people-to-people and institutional links, and promoting Australia's foreign, trade, investment, economic, development and cultural ties will be a priority. The department will also develop new sports diplomacy programmes which will promote Australia's sporting assets as a basis for building understanding of our culture and values and strengthen links with institutions and professionals in the region.

The department will continue to give high priority to the delivery of effective consular services and helping Australians to help themselves, including through the development of a three year Consular Strategy. The department will also promote safe travel messages through accurate and timely travel advice, including through the *Smartraveller* campaign. The department will sustain its investment in the development and testing of strong contingency plans across its network of overseas posts.

The department will continue to deliver an efficient passport service for Australian citizens. In 2014-15, the department will introduce the new 'P-series' passport. The department's work to develop a new Australian travel document issuance system will deliver increased processing capability, improved client services and enhanced fraud and investigation controls.

The safety of Australian Government personnel overseas and the security of its missions will remain an enduring priority. This includes responding promptly to a changing, and often worsening, international security environment, especially in high-threat locations. Co-location with the United Kingdom in Baghdad is an example of a cost-effective approach to security. The department will address safety and security requirements for staff attached to the Australian Embassy in Baghdad through the measure *Baghdad Embassy - relocation*.

The department will maintain a professional workforce that will respond effectively and flexibly to emerging foreign, trade and economic, international security, development and consular challenges. It will continue to manage the integration of staff working on Australia's aid program, international climate change negotiations and tourism policy. The department will also manage its resources efficiently through careful prioritisation and regular review of budget allocations.

In 2014-15, the department will take forward a range of initiatives and reforms in response to the recent Australian Public Service Commission Capability Review of DFAT. The department's Capability Action Plan will help build a more resilient,

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flexible and cohesive department that can deliver the Government's agenda. The department will also support the Government's wider deregulation agenda through streamlining, where possible, its engagement with Australian individuals, business and the not-for-profit sector.

1.2 AGENCY RESOURCE STATEMENT

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

Table 1.1: Department of Foreign Affairs and Trade Resource Statement — Budget Estimates for 2014-15 as at Budget May 2014

	Estimate of prior year amounts available in 2014-15 \$'000	Proposed at Budget 2014-15 \$'000	Total estimate 2014-15 \$'000	Actual available appropriation 2013-14 \$'000
Ordinary annual services¹				
Departmental appropriation				
Prior year departmental appropriation ²	372,143	-	372,143	308,865
Departmental appropriation ³	-	1,323,984	1,323,984	989,153
s31 Relevant agency receipts ⁴	-	81,599	81,599	81,599
Total	372,143	1,405,583	1,777,726	1,379,617
Administered expenses				
Outcome 1	265,089	4,525,850	4,790,939	605,997
Outcome 2	-	750	750	750
Outcome 3	-	-	-	-
Payments to CAC Act bodies ⁵	-	132,911	132,911	85,981
Total	265,089	4,659,511	4,924,600	692,728
Total ordinary annual services	A 637,232	6,065,094	6,702,326	2,072,345
Other services				
Departmental non-operating				
Prior year departmental appropriation ²	253,640	-	253,640	197,728
Equity injections ⁶	-	80,816	80,816	76,633
Total	253,640	80,816	334,456	274,361
Administered non-operating				
Administered assets and liabilities	2,740,589	212,698	2,953,287	2,790,589
Total	2,740,589	212,698	2,953,287	2,790,589
Total other services	B 2,994,229	293,514	3,287,743	3,064,950
Total available annual appropriations	3,631,461	6,358,608	9,990,069	5,137,295
Special appropriations				
Special appropriations limited by criteria/entitlement				
<i>FMA Act 1997 s.28</i>				
Passport Refunds	-	1,010	1,010	1,010
Total special appropriations	C -	1,010	1,010	1,010
Total appropriations excluding Special Accounts	3,631,461	6,359,618	9,991,079	5,138,305

Table continued on the following page.

Table 1.1: Department of Foreign Affairs and Trade Resource Statement — Budget Estimates for 2014-15 as at Budget May 2013 (continued)

	Estimate of prior year amounts available in 2014-15 \$'000	Proposed at Budget 2014-15 \$'000	Total estimate 2014-15 \$'000	Actual available appropriation 2013-14 \$'000
Special Accounts				
Opening balance ⁷	287,328	36,605	323,933	508,841
Appropriation receipts ⁸	-	53,692	53,692	52,273
Appropriation receipts				
- other agencies ⁹	-	30,842	30,842	30,091
Non-appropriation receipts to Special Accounts	-	6,074	6,074	7,023
Total Special Account	D 287,328	127,213	414,541	598,228
Total resourcing				
A+B+C+D	3,918,789	6,486,831	10,405,620	5,736,533
Less appropriations drawn from annual or special appropriations above and credited to special accounts and/or CAC Act bodies through annual appropriations	-	(53,692)	(53,692)	(52,273)
Total net resourcing for DFAT	3,918,789	6,433,139	10,351,928	5,684,260

1 Appropriation Bill (No. 1) 2014-15.

2 Estimated adjusted balance carried forward from previous year.

3 Includes an amount of \$53.032m in 2014-15 for the Departmental Capital Budget (refer to table 3.2.5 for further details). For accounting purposes this amount has been designated as 'contributions by owners'.

4 s31 Relevant Agency receipts — estimate.

5 DFAT has received \$129.872m under an instrument of variation from Industry for payments to Tourism Australia.

6 Appropriation Bill (No. 2) 2014-15

7 Estimated opening balance for Special Accounts (less 'Special Public Money' held in the following accounts: Administered Payments and Receipts for Other Entities Special Account; Service for Other Entities and Trust Moneys Special Accounts (SOETM); consular Services Special Account (CSSA)). For further details on special accounts see Table 3.1.2.

8 Appropriation receipts from DFAT annual and special appropriations for 2014-15 included above.

9 Appropriation receipts from other agencies credited to DFAT's special accounts.

Reader note: All figures are GST exclusive.

Third party payments from and on behalf of other agencies

	2014-15 \$'000	2013-14 \$'000
Receipts received from other agencies for the provision of services (disclosed above within Departmental section 31)	81,599	81,599
Payments made to CAC Act bodies within the Portfolio		
Export Finance and Insurance Corporation Appropriation Act 1 & 3	3,039	3,860
Tourism Australia Appropriation Acts 1 & 3	129,872	82,121

1.3 BUDGET MEASURES

Budget measures in Part 1 relating to the Department of Foreign Affairs and Trade are detailed in Budget Paper No. 2 and are summarised below.

Table 1.2: Agency 2014-15 Budget measures**Part 1: Measures announced since the 2013-14 MYEFO**

	Program	2013-14 \$'000	2014-15 \$'000	2015-16 \$'000	2016-17 \$'000	2017-18 \$'000
Expense measures						
International Engagement to Prevent and Disrupt Maritime People Smuggling	1.1					
Departmental expenses		-	3,219	3,178	-	-
Total		-	3,219	3,178	-	-
Australia's diplomatic engagement in Afghanistan - continuation	1.1, 3.1					
Departmental expenses		-	49,444	-	-	-
Total		-	49,444	-	-	-
Baghdad Embassy - relocation	1.1, 3.1					
Departmental expenses		-	27,416	-	-	-
Total		-	27,416	-	-	-
Efficiency Dividend - a further temporary increase of 0.25 per cent	1.1, 2.1, 2.2, 3.1, ODA-DS					
Departmental expenses		-	(3,153)	(6,105)	(9,123)	(9,200)
Total		-	(3,153)	(6,105)	(9,123)	(9,200)
Smaller Government - Department of Foreign Affairs and Trade - realising efficiencies	ODA-DS					
Departmental expenses		-	(109,744)	(101,651)	(94,944)	(90,835)
Total		-	(109,744)	(101,651)	(94,944)	(90,835)
Official Development Assistance - seventeenth replenishment of the World Bank's International Development Association ¹	1.11					
Administered expenses		-	-	-	-	-
Total		-	-	-	-	-
Official Development Assistance - Global Green Growth Institute ²	1.9					
Administered expenses		-	-	-	-	-
Total		-	-	-	-	-
Timor-Leste Police Development Programme - continuation ³	1.7					
Administered expenses		-	(8,001)	(7,999)	(7,000)	(6,007)
Total		-	(8,001)	(7,999)	(7,000)	(6,007)

Part 1: Measures announced since the 2013-14 MYEFO (continued)

Program	2013-14 \$'000	2014-15 \$'000	2015-16 \$'000	2016-17 \$'000	2017-18 \$'000
1.6, 1.7, Official Development Assistance - 1.9, 1.10, reprioritised funding ⁴ 1.12, 1.13					
Administered expenses	-	(599,105)	(1,221,186)	(1,687,908)	(3,519,612)
Total	-	(599,105)	(1,221,186)	(1,687,908)	(3,519,612)
Transferring T-Qual Accreditation to industry 1.14					
Administered expenses	-	600	-	-	-
Total	-	600	-	-	-
Australia Network - Termination of the ABC Contract 1.3					
Administered expenses	-	(10,588)	(21,643)	(22,052)	(22,537)
Total	-	(10,588)	(21,643)	(22,052)	(22,537)
Total expense measures					
Administered	-	(617,094)	(1,250,828)	(1,716,960)	(3,548,156)
Departmental	-	(32,818)	(104,578)	(104,067)	(100,035)
Total	-	(649,912)	(1,355,406)	(1,821,027)	(3,648,191)
Capital measures					
Australia's diplomatic engagement in Afghanistan - continuation 1.1, 3.1					
Departmental capital	-	2,042	-	-	-
Total	-	2,042	-	-	-
Baghdad Embassy - relocation 1.1, 3.1					
Departmental capital	-	8,227	-	-	-
Total	-	8,227	-	-	-
Efficiency Dividend - a further temporary increase of 0.25 per cent 1.1, 2.1, 2.2, 3.1, ODA-DS					
Departmental capital	-	(136)	(269)	(403)	(370)
Total	-	(136)	(269)	(403)	(370)

Part 1: Measures announced since the 2013-14 MYEFO (continued)

	Program	2013-14 \$'000	2014-15 \$'000	2015-16 \$'000	2016-17 \$'000	2017-18 \$'000
Relocation of the Tehran Embassy - cessation	3.2					
Departmental capital		(79,447)	-	-	-	-
Total		(79,447)	-	-	-	-
Export Finance and Insurance Corporation - capital injection ⁵						
Administered Capital		-	-	-	-	-
Total		-	-	-	-	-
Timor-Leste Police Development Programme - continuation ³						
Administered Capital		-	-	-	-	-
Total		-	-	-	-	-
Total capital measures						
Administered		-	-	-	-	-
Departmental		(79,447)	10,133	(269)	(403)	(370)
Total		(79,447)	10,133	(269)	(403)	(370)

1 This measure includes \$748.8 million absorbed from within existing DFAT resources.

2 This measure includes \$5.0 million absorbed from within existing DFAT resources.

3 The funding for this program has been transferred to the Australian Federal Police.

4 This measure includes the termination of \$2,043.0 million from the provision for increasing ODA. Please refer to the 2013-14 Additional Estimates Statements for the 2013-14 component of this measure.

5 In 2014-15 there has been a \$200 million capital injection in EFIC, although owing to the accounting treatment this will not have a fiscal impact.

Refer to 2014-15 Budget Paper 2 for further detail on the above measures.

Prepared on a Government Finance Statistics (fiscal) basis.

Section 2: Outcomes and planned performance

2.1 OUTCOMES AND PERFORMANCE INFORMATION

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

Each outcome is described below together with its related programmes, specifying the performance indicators and targets used to assess and monitor the performance of the Department of Foreign Affairs and Trade in achieving Government outcomes.

Outcome 1: The advancement of Australia's international strategic, security and economic interests including through bilateral, regional and multilateral engagement on Australian Government foreign, trade and international development policy priorities.

Outcome 1 Strategy

The department will assist the Government to meet its foreign, trade and economic, aid and international security objectives over 2014-15 and forward years through:

- strengthening further Australia's relations with key international partners and countries of growing significance to Australia's national interests;
- driving the economic diplomacy agenda through trade, growth, investment and business to encourage peace and prosperity;
- contributing to national prosperity by maximising Australia's trade opportunities and market access gains through multilateral, regional and bilateral means;
- assisting developing countries to reduce poverty and lift living standards, particularly in the Indo-Pacific region, through sustainable economic growth, better health and education outcomes, empowering women and girls, and leveraging private sector involvement;
- working multilaterally to address global challenges relating to peace and security, climate change, sustainable growth and human rights and to advance Australia's interests through the United Nations, G20 and significant regional forums;

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- promoting and strengthening regional and global cooperation and governance in countering terrorism, people smuggling and nuclear proliferation; and
- developing and implementing programs and projects to enhance international awareness and understanding of Australia and Australian policies to advance our national interests.

As the lead agency managing Australia's external affairs, the department will also continue to provide leadership at Australia's diplomatic missions overseas, manage and maintain Australia's diplomatic network, including the provision of services to other agencies represented overseas, and deliver services to diplomatic and consular representatives in Australia.

Outcome Expense Statement

Table 2.1 provides an overview of the total expenses for outcome 1 by programme.

Table 2.1: Budgeted Expenses for Outcome 1

Outcome 1: The advancement of Australia's international strategic, security and economic interests including through bilateral, regional and multilateral engagement on Australian Government foreign, trade and international development policy priorities	2013-14 Estimated actual expenses \$'000	2014-15 Estimated expenses \$'000
Programme 1.1: Foreign Affairs and Trade Operations		
Administered expenses		
Ordinary annual services (Appropriation Bill No. 1)	88,802	135,391
Departmental expenses		
Departmental appropriation ^{1 & 2}	550,188	610,995
Expenses not requiring appropriation in the Budget year ^{3 & 4}	47,505	48,828
Total for Programme 1.1	686,495	795,214
Programme 1.2: Payments to International Organisations		
Administered expenses		
Ordinary annual services (Appropriation Bill No. 1)	299,532	298,546
Total for Programme 1.2	299,532	298,546
Programme 1.3: Public Information Services and Public Diplomacy		
Administered expenses		
Ordinary annual services (Appropriation Bill No. 1)	25,396	29,132
Total for Programme 1.3	25,396	29,132
Programme 1.4: International Climate Change Engagement Solution		
Administered expenses		
Ordinary annual services (Appropriation Bill No. 1)	2,588	3,000
Total for Programme 1.4	2,588	3,000
Programme 1.5: New Colombo Plan - Transforming Relationships		
Administered expenses		
Ordinary annual services (Appropriation Bill No. 1)	5,372	10,958
Total for Programme 1.5	5,372	10,958
Programme 1.6: Official Development Assistance - PNG & Pacific		
Administered expenses		
Ordinary annual services (Appropriation Bill No. 1)	637,366	966,618
Total for Programme 1.6	637,366	966,618
Programme 1.7: Official Development Assistance - East Asia		
Administered expenses		
Ordinary annual services (Appropriation Bill No. 1)	698,217	1,047,521
Total for Programme 1.7	698,217	1,047,521
Programme 1.8: Official Development Assistance - East Asia AIPRD		
Administered expenses		
AIPRD loans special account ⁵	23,936	17,636
Total for Programme 1.8	23,936	17,636

Table continued on the following page.

Table 2.1: Budgeted Expenses for Outcome 1 (Continued)

Outcome 1: The advancement of Australia's international strategic, security and economic interests including through bilateral, regional and multilateral engagement on Australian Government foreign, trade and international development policy priorities	2013-14 Estimated actual expenses \$'000	2014-15 Estimated expenses \$'000
Programme 1.9: Official Development Assistance - Africa, South and Central Asia, Middle East and Other		
Administered expenses		
Ordinary annual services (Appropriation Bill No. 1)	606,011	1,129,828
Expenses not requiring appropriation in the Budget year ³	685	1,507
Total for Programme 1.9	606,696	1,131,335
Programme 1.10: Official Development Assistance - Emergency, Humanitarian and Refugee Programme		
Administered expenses		
Ordinary annual services (Appropriation Bill No. 1)	182,606	338,636
Total for Programme 1.10	182,606	338,636
Programme 1.11: Official Development Assistance - Multilateral Replenishments		
Administered expenses		
Ordinary annual services (Appropriation Bill No. 1)	265,089	117,622
Expenses not requiring appropriation in the Budget year ⁶	423,741	-
Other services (Appropriation Bill No. 2)	2,785,109	-
Total for Programme 1.11	3,473,939	117,622
Programme 1.12: Official Development Assistance - UN Commonwealth and Other International Organisations		
Administered expenses		
Ordinary annual services (Appropriation Bill No. 1)	265,418	344,428
Total for Programme 1.12	265,418	344,428
Programme 1.13: Official Development Assistance - NGO, Volunteer and Community Programmes		
Administered expenses		
Ordinary annual services (Appropriation Bill No. 1)	76,278	203,864
Total for Programme 1.13	76,278	203,864
Programme 1.14: Programmes to Promote Australia's International Tourism Interests		
Administered expenses		
Ordinary annual services (Appropriation Bill No. 1)	16,801	15,220
Total for Programme 1.14	16,801	15,220
ODA Programme Support		
Departmental expenses		
Departmental appropriation ^{1 & 2}	239,578	232,198
Expenses not requiring appropriation in the Budget year ³	15,282	17,307
Total for Programme Support	254,860	249,505

Table continued on the following page.

Table 2.1: Budgeted Expenses for Outcome 1 (Continued)

	2013-14 Estimated actual expenses \$'000	2014-15 Estimated expenses \$'000
Outcome 1 Totals by appropriation type		
Administered Expenses		
Ordinary annual services (Appropriation Bill No. 1)	3,193,412	4,658,400
Expenses not requiring appropriation in the Budget year	424,426	1,507
Other services (Appropriation Bill No. 2)	2,785,109	-
Departmental expenses		
Departmental appropriation ^{1 & 2}	789,766	843,193
Expenses not requiring appropriation in the Budget year ^{3 & 4}	62,787	66,135
Total expenses for Outcome 1	7,255,500	5,569,235
	2013-14	2014-15
Average Staffing Level (number) ⁷	4,120	3,704

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

2 These expenses include a portion of an intra-entity amount of \$53.692 million (2013-14: \$52.273 million) representing rent paid by DFAT to the DFAT Overseas Property Special Account which is eliminated upon consolidation in the Comprehensive Income Statement (Table 3.2.1).

3 Expenses not requiring appropriation in the Budget year include Depreciation and Amortisation expenses, Makegood Expense and Audit Fees.

4 Includes expenses for a Debt-to-Health Swap with the Government of Indonesia of \$8.0 million in 2013-14 and \$8.64 million in 2014-15.

5 This reflects the amount of funding to be disbursed on a cash basis, not an expense basis.

6 Expenses not requiring appropriation in the Budget year relate to the concessional investment discount for the investment components for IDA and ADF.

7 ASL figures are estimates only. ASL allocated to Outcome 1 may also, at times, contribute to Outcome 2 and Outcome 3.

Contributions to Outcome 1

Programme 1.1: Foreign Affairs and Trade Operations

Programme Objective

- To protect and advance the national interest through engaging in effective advocacy in Australia and overseas that promotes Australia's foreign, trade and economic, development and international security interests.
- To deliver accurate and timely policy advice to Ministers and other key clients that addresses the challenges of an evolving international environment.
- To promote a whole-of-government approach in pursuit of Australia's interests abroad, including through leadership at overseas missions and coordination of the overseas diplomatic network.
- To ensure the security and protect the dignity of the diplomatic and consular corps serving in Australia by delivering a quality service and upholding Australia's obligations under the Vienna Conventions.

Programme Expenses

	2013-14 Revised budget \$'000	2014-15 Budget \$'000	2015-16 Forward year 1 \$'000	2016-17 Forward year 2 \$'000	2017-18 Forward year 3 \$'000
Annual administered expenses:					
Administered items					
Export Finance and Insurance Corporation (EFIC) - National Interest Account Expenses	4,334	3,039	2,163	1,300	1,300
Personal Benefits - Locally Engaged Staff pension schemes	2,347	2,480	2,471	2,446	2,574
Tourism Australia ¹	82,121	129,872	129,141	128,733	130,121
Other Administered Items	504	566	591	618	647
Annual departmental expenses:					
Foreign Affairs and Trade Operations	550,188	610,995	576,391	571,406	568,584
Expenses not requiring appropriation in the Budget year ²					
Overseas development assistance - Debt-to-Health Swap with Government of Indonesia ³	38,175	38,588	38,579	38,561	38,561
	9,330	10,240	11,450	12,760	-
Total programme expenses	686,999	795,780	760,786	755,824	741,787

¹ The department was transferred appropriation to reflect the transfer of Tourism Australia as per AAO.

² Expenses not requiring appropriation in the Budget year include Depreciation and Amortisation expenses, Makegood Expense and Audit Fees.

³ The Department was appropriated \$75.0 million in Appropriation Act (No. 4) 2009-10 for a Debt-to-Health Swap with the Government of Indonesia. This appropriation is to be expensed over a period of 6 years in accordance with an EFIC loan repayment schedule.

Programme 1.1 Deliverables

- Australia's foreign, trade and economic, development and international security policy interests and international standing are advanced through:
 - strengthened key international relationships, including a strong alliance with the United States, high-level political and economic engagement with Japan, China, India, Republic of Korea, Indonesia and other countries of South-East Asia;
 - enhanced engagement with Pacific island countries, including deepening our partnership with Papua New Guinea, supporting Fiji's return to democracy and supporting capacity building in the Solomon Islands;
 - a stronger partnership with the European Union and key European countries, and continued close ties with New Zealand, the United Kingdom and Canada;
 - sustained engagement with South Asia, the Middle East, Africa, the Americas, and Turkey to meet shared challenges and to promote global and regional stability, security and prosperity;
 - strong participation in the United Nations and other multilateral forums, including through Australia's 2013-14 term on the UN Security Council, advocacy of human rights and promotion of sustainable development and effective international action on climate change and other environmental outcomes;
 - contribution to enhanced regional architecture through the East Asia Summit (EAS), dialogue with the Association of Southeast Asian Nations (ASEAN), the Asia-Pacific Economic Cooperation (APEC) forum, the Indian Ocean Rim Association (IORA) and MIKTA (Mexico, Indonesia, the Republic of Korea, Turkey and Australia); and
 - promotion of high-quality public diplomacy, international media and cultural visit programs which improve understanding of Australia and Australian Government foreign and trade policies.
- Australia's trade and economic opportunities are maximised, including through:
 - negotiating, finalising and implementing Australia's Free Trade Agreement (FTA) agenda and exploring opportunities for FTAs with other trading partners;
 - enhancing Australia's commitment to regional trade negotiations, including the TPP, RCEP and PACER Plus; and
 - effective participation in the World Trade Organization (WTO), including

through the Doha Round, leadership of the Cairns Group of agricultural exporting countries and G20 processes, and to promote and defend Australia's interests through existing means such as WTO dispute settlement.

- An enhanced environment for security and development, including through:
 - effective whole-of-government efforts to promote international stability and development, including in Afghanistan;
 - promotion of nuclear non-proliferation and disarmament, and counter-proliferation and arms control efforts, including as chair of the Australia Group;
 - participation in counter-terrorism programs and activities, including in South Asia, South-East Asia, the Middle East, eastern and West Africa, and in the Global Counter Terrorism Forum; and
 - contribution to whole-of-government efforts bilaterally and regionally to counter people smuggling, in particular through the Bali Process on People Smuggling, Trafficking in Persons and Related Transnational Crime.
- Australia's international and portfolio responsibilities are met through:
 - effective coordination and sound advice to Ministers, members of parliament, government agencies, state and territory governments, business, non-governmental organisations, media and members of the public;
 - sound advice on compliance with international legal obligations and contribution to the development of a strong international legal framework;
 - effective leadership of, and provision of advice and support to, other government agencies at overseas missions in line with the Prime Minister's Directive on the Guidelines for the Management of the Australian Government Presence Overseas and service level agreements;
 - quality service and support to the diplomatic and consular corps serving in Australia, including facilitation of accreditation and diplomatic visas, and the security and protection of the dignity of diplomatic missions and their personnel, upholding Australia's obligations under the Vienna Conventions; and
 - administration of the Export Finance and Insurance Corporation National Interest Account.

Programme 1.1 Key Performance Indicators

- High level of satisfaction of Ministers and high-level clients with the quality and timeliness of advice, briefing and support in relation to Australia's foreign, trade and economic, development and international security interests.
- The department's advocacy, negotiation and liaison on Australia's foreign, trade and economic, development and international security interests contributes positively to bilateral, regional and multilateral outcomes that help ensure the security and prosperity of Australia and Australians.
- Government agencies at overseas missions are satisfied with service provided in accordance with the Prime Minister's Directive on the Guidelines for the Management of the Australian Government Presence Overseas and service level agreements in place.
- The diplomatic and consular corps posted or accredited to Australia are satisfied with the level of service provided, including in terms of responsiveness and timeliness in meeting Australia's obligations under the Vienna Conventions.

Programme 1.2: Payments to International Organisations

Programme Objective

- To advance Australia’s foreign, trade and economic, development and international security interests through participation in international organisations.

Programme Expenses

	2013-14 Revised budget \$'000	2014-15 Budget \$'000	2015-16 Forward year 1 \$'000	2016-17 Forward year 2 \$'000	2017-18 Forward year 3 \$'000
Annual administered expenses:					
Administered item					
Payments to International Organisations	299,532	298,546	298,546	302,928	309,157
Total programme expenses	299,532	298,546	298,546	302,928	309,157

Programme 1.2 Deliverables

- Australian membership of international organisations and international treaty secretariats through payments of assessed and voluntary contributions.
- Effective participation in the United Nations and its Specialised Agencies, the World Trade Organisation and other multilateral forums in support of Australia’s foreign, trade and economic, development and international security interests.

Programme 1.2 Key Performance Indicators

- Payments to international organisations are timely and within budget.
- The department’s contributions influence multilateral outcomes which enhance Australia’s security and prosperity, maximize the impact of Australia’s aid programme and represent value for money.

Programme 1.3: Public Information Services and Public Diplomacy

Programme Objective

- To project a positive and contemporary image of Australia and promote a clear understanding of government policies and objectives and engagement with the Indian Ocean Asia Pacific region through the department's public diplomacy, cultural and media activities.

Programme Expenses

	2013-14 Revised budget \$'000	2014-15 Budget \$'000	2015-16 Forward year 1 \$'000	2016-17 Forward year 2 \$'000	2017-18 Forward year 3 \$'000
Annual administered expenses:					
International Relations Grants Programme	4,594	4,594	4,594	4,594	4,594
Australia Network	20,802	10,588	-	-	-
Bali Peace Park	-	450	-	-	-
Tourism Australia	-	13,500	14,000	14,000	14,000
Total programme expenses	25,396	29,132	18,594	18,594	18,594

Programme 1.3 Deliverables

- Promotion of people-to-people links and a contemporary and positive image of Australia as a destination for business, investment, tourism and study and support for the government's international policy goals, including through grants and other support to bilateral foundations, councils and institutes, alumni and diaspora community engagement and leadership dialogue.

Programme 1.3 Key Performance Indicators

- An understanding of contemporary Australia and the government's foreign, trade, investment and development credentials, and strengthened people-to-people and institutional links and trade, economic and cultural ties.

Programme 1.4: International Climate Change Engagement

Programme Objective

- To encourage the development of international policies and measures in relation to climate change through the pursuit of broad-based international climate action and agreement.

Programme Expenses

	2013-14 Revised budget \$'000	2014-15 Budget \$'000	2015-16 Forward year 1 \$'000	2016-17 Forward year 2 \$'000	2017-18 Forward year 3 \$'000
Annual administered expenses:					
Administered item	2,588	3,000	3,000	3,000	3,000
Total programme expenses	2,588	3,000	3,000	3,000	3,000

Programme 1.4 Deliverables

- Influence international climate change negotiations to advance Australia's national interests in global environmental sustainability and economic competitiveness.
- Promote broad-based climate action, especially by major economies and Australia's major trading partners.
- Strengthen strategic and practical climate change engagement with key partners, including major economies and Australia's trading partners, and other influential groupings.
- Promote understanding of the action Australia takes to address climate change.

Programme 1.4 Key Performance Indicators

- Climate negotiation outcomes advance global efforts to address climate change, protect Australia's economic competitiveness and are consistent with Australia's domestic policies and national circumstances.
- Engagement with key partners, including major economies and Australia's major trading partners, advances Australia's bilateral interests and wider interests in promoting broad-based, effective global action on climate change.
- Key countries and groups accept Australia's climate change positions.

Programme 1.5: New Colombo Plan – Transforming Regional Relationships

Programme Objective

- To foster closer people-to-people and institutional links between Australia and the Indian Ocean Asia Pacific by contributing to an overall increase in the number of Australian undergraduate students undertaking study and internships in the region.

Programme Expenses

	2013-14 Revised budget \$'000	2014-15 Budget \$'000	2015-16 Forward year 1 \$'000	2016-17 Forward year 2 \$'000	2017-18 Forward year 3 \$'000
Annual administered expenses:					
Administered item	5,372	10,958	19,577	19,625	42,768
Total programme expenses	5,372	10,958	19,577	19,625	42,768

Programme 1.5 Deliverables

- Implementation of the New Colombo Plan (NCP) pilot phase in Indonesia, Japan, Singapore and Hong Kong in 2014.
- Successful design and implementation of the wider roll-out of the NCP across the Indian Ocean Asia Pacific region from 2015, informed by a robust evaluation of the pilot phase.

Programme 1.5 Key Performance Indicators

The Key Performance Indicators for Programme 1.5 reflect the metrics developed for the New Colombo Plan pilot phase. These indicators are subject to review in 2014 at the conclusion of the pilot phase.

- Provision of around 40 scholarships and a mobility grants programme that will benefit more than 700 Australian undergraduate students during the pilot phase.
- A substantial number of New Colombo Plan awardees undertake an internship, mentorship or other similar arrangement as part of their New Colombo Plan experience.
- Satisfaction of undergraduate students and universities participating in the New Colombo Plan.
- New Colombo Plan students, universities and other stakeholders are engaged in public diplomacy, outreach and alumni activities.

Programme 1.6: Official Development Assistance – PNG and Pacific

Programme Objective and Deliverables

- To assist developing countries in the Pacific region by contributing to sustainable economic growth to reduce poverty and lift living standards.

Programme Expenses

	2013-14 Revised budget \$'000	2014-15 Budget \$'000	2015-16 Forward year 1 \$'000	2016-17 Forward year 2 \$'000	2017-18 Forward year 3 \$'000
Annual administered expenses:					
Administered item (Act No.1 & Bill No.3)	637,366	966,618	1,017,308	1,044,863	1,081,537
Total programme expenses	637,366	966,618	1,017,308	1,044,863	1,081,537

Programme 1.6 Key Performance Indicators

- Achievement of significant development results, including progress towards aid performance benchmarks which will provide a more rigorous approach to achieving value-for-money and results on the ground.
- Demonstrated organisational effectiveness, including against relevant strategic targets under the Making Performance Count performance framework which will be released in 2014.

Programme 1.7: Official Development Assistance – East Asia

Programme Objective and Deliverables

- To assist developing countries in the East Asia region by contributing to sustainable economic growth to reduce poverty and lift living standards.

Programme Expenses

	2013-14 Revised budget \$'000	2014-15 Budget \$'000	2015-16 Forw ard year 1 \$'000	2016-17 Forw ard year 2 \$'000	2017-18 Forw ard year 3 \$'000
Annual administered expenses:					
Administered item	698,217	1,047,521	1,091,148	1,117,698	1,144,967
Total programme expenses	698,217	1,047,521	1,091,148	1,117,698	1,144,967

Programme 1.7 Key Performance Indicators

- Achievement of significant development results, including progress towards aid performance benchmarks which will provide a more rigorous approach to achieving value-for-money and results on the ground.
- Demonstrated organisational effectiveness, including against relevant strategic targets under the Making Performance Count performance framework which will be released in 2014.

Programme 1.8: Official Development Assistance – East Asia AIPRD

Programme Objective and Deliverables

- To assist developing countries in the East Asia region by contributing to sustainable economic growth to reduce poverty and lift living standards.

Programme Expenses

	2013-14 Revised budget \$'000	2014-15 Budget \$'000	2015-16 Forward year 1 \$'000	2016-17 Forward year 2 \$'000	2017-18 Forward year 3 \$'000
Annual administered expenses:					
Special Account Expenses:					
AIPRD loans special account ¹	23,936	17,636	-	-	-
Total programme expenses	23,936	17,636	-	-	-

¹ This reflects the amount of funding to be disbursed on a cash basis, not an expense basis.

Programme 1.8 Key Performance Indicators

- Achievement of significant development results, including progress towards aid performance benchmarks which will provide a more rigorous approach to achieving value-for-money and results on the ground.
- Demonstrated organisational effectiveness, including against relevant strategic targets under the Making Performance Count performance framework which will be released in 2014.

Programme 1.9: Official Development Assistance – Africa, South and Central Asia, Middle East and Other

Programme Objective and Deliverables

- To assist developing countries in Africa, South and Central Asia, the Middle East and other regions by contributing to reducing poverty and lifting living standards through sustainable economic growth.

Programme Expenses

	2013-14 Revised budget \$'000	2014-15 Budget \$'000	2015-16 Forward year 1 \$'000	2016-17 Forward year 2 \$'000	2017-18 Forward year 3 \$'000
Annual administered expenses:					
Administered item	606,011	1,129,828	1,079,605	1,122,418	1,438,534
Expenses not requiring appropriation in the budget year ¹	685	1,507	1,507	1,489	1,489
Total programme expenses	606,696	1,131,335	1,081,112	1,123,907	1,440,023

¹ Expenses not requiring appropriation in the Budget year include Depreciation and Amortisation expenses.

Programme 1.9 Key Performance Indicators

- Achievement of significant development results, including progress towards aid performance benchmarks which will provide a more rigorous approach to achieving value-for-money and results on the ground.
- Demonstrated organisational effectiveness, including against relevant strategic targets under the Making Performance Count performance framework which will be released in 2014.

Programme 1.10: Official Development Assistance – Emergency, Humanitarian and Refugee Programme

Programme Objective and Deliverables

- To assist developing countries respond to emergencies and assist refugees.

Programme Expenses

	2013-14 Revised budget \$'000	2014-15 Budget \$'000	2015-16 Forward year 1 \$'000	2016-17 Forward year 2 \$'000	2017-18 Forward year 3 \$'000
Annual administered expenses:					
Administered item	182,606	338,636	349,680	361,875	373,843
Total programme expenses	182,606	338,636	349,680	361,875	373,843

Programme 1.10 Key Performance Indicators

- Achievement of significant development results, including progress towards aid performance benchmarks which will provide a more rigorous approach to achieving value-for-money and results on the ground.
- Demonstrated organisational effectiveness, including against relevant strategic targets under the Making Performance Count performance framework which will be released in 2014.

Programme 1.11: Official Development Assistance – Multilateral Replenishments

Programme Objective and Deliverables

- To assist developing countries by contributing to sustainable economic growth to reduce poverty and lift living standards through contributions to multilateral organisations.

Programme Expenses

	2013-14 Revised budget \$'000	2014-15 Budget \$'000	2015-16 Forw ard year 1 \$'000	2016-17 Forw ard year 2 \$'000	2017-18 Forw ard year 3 \$'000
Annual administered expenses:					
Administered item (Appropriation Bill1)	265,089	117,622	-	377,274	12,622
Expenses not requiring appropriation in the budget year ¹	423,741	-	-	953,505	-
Administered item (Appropriation Bill 2)	2,785,109	-	-	1,103,505	-
Total programme expenses	3,473,939	117,622	-	2,434,284	12,622

¹ Expenses not requiring appropriation in the Budget year relates to the concessional investment discount for the investment components for the International Development Association and the Asian Development Fund.

Programme 1.11 Key Performance Indicators

- Achievement of significant development results, including progress towards aid performance benchmarks which will provide a more rigorous approach to achieving value-for-money and results on the ground.
- Demonstrated organisational effectiveness, including against relevant strategic targets under the Making Performance Count performance framework which will be released in 2014.

Programme 1.12: Official Development Assistance – UN, Commonwealth and Other International Organisations

Programme Objective and Deliverables

- To assist developing countries reduce poverty and lift living standards through sustainable economic growth by providing contributions to UN, Commonwealth and other international organisations.

Programme Expenses

	2013-14 Revised budget \$'000	2014-15 Budget \$'000	2015-16 Forward year 1 \$'000	2016-17 Forward year 2 \$'000	2017-18 Forward year 3 \$'000
Annual administered expenses:					
Administered item	265,418	344,428	342,941	421,170	424,614
Total programme expenses	265,418	344,428	342,941	421,170	424,614

Programme 1.12 Key Performance Indicators

- Achievement of significant development results, including progress towards aid performance benchmarks which will provide a more rigorous approach to achieving value-for-money and results on the ground.
- Demonstrated organisational effectiveness, including against relevant strategic targets under the Making Performance Count performance framework which will be released in 2014.

Programme 1.13: Official Development Assistance – NGO, Volunteer and Community Programmes

Programme Objective and Deliverables

- To assist developing countries by contributing to sustainable economic growth to reduce poverty and lift living standards through contributions to NGO, Volunteer and Community programs.

Programme Expenses

	2013-14 Revised budget \$'000	2014-15 Budget \$'000	2015-16 Forward year 1 \$'000	2016-17 Forward year 2 \$'000	2017-18 Forward year 3 \$'000
Annual administered expenses:					
Administered item	76,278	203,864	208,710	213,679	218,770
Total programme expenses	76,278	203,864	208,710	213,679	218,770

Programme 1.13 Key Performance Indicators

- Achievement of significant development results, including progress towards aid performance benchmarks which will provide a more rigorous approach to achieving value-for-money and results on the ground.
- Demonstrated organisational effectiveness, including against relevant strategic targets under the Making Performance Count performance framework which will be released in 2014.

Programme 1.14: Programmes to promote Australia's tourism interests

Programme Objective

- To administer programmes that strengthen and stimulate growth in the tourism industry or support Australian businesses to become sustainable.

Linked to: Tourism Demand Driver Infrastructure payments are made through the National Partnership Payments arrangements – Programme Code SPP666.

Programme Expenses

	2013-14 Revised budget \$'000	2014-15 Budget \$'000	2015-16 Forw ard year 1 \$'000	2016-17 Forw ard year 2 \$'000	2017-18 Forw ard year 3 \$'000
Annual administered expenses:					
T-Qual Grants	-	4,474	-	-	-
Tourism Industry Regional Development Fund	4,878	3,896	-	-	-
Tasmanian Regional Tourism Package	-	2,250	2,250	-	-
Transfer of T-Qual Accreditation to Industry	-	600	-	-	-
Cadbury	-	4,000	8,000	4,000	-
Tourism payment transfer	11,923	-	-	-	-
Total programme expenses	16,801	15,220	10,250	4,000	-

Programme 1.14 Deliverables

T-QUAL Grants

- Administration of the T-QUAL grants programme which provides competitive grants for innovative projects to stimulate sustainable economic growth in the Australian tourism industry. This programme terminates in 2014-15 and there will be no further grant rounds. All existing projects are due to be completed by June 2015.

Deliverables	2013-14 Estimated actual	2014-15 Budget
Estimated number of active projects to be completed by June 2015	64	128

Tourism Industry Regional Development Fund (TIRF)

- Administration of the Tourism Industry Regional Development Fund (TIRF) programme which provides competitive grants for innovative projects to improve the quality of accommodation and attractions in regional areas. This programme terminates in 2014-15 and there will be no further grant rounds. All existing projects are due to be completed by June 2015.

Deliverables	2013-14 Estimated actual	2014-15 Budget
Estimated number of active projects to be completed by June 2015	29	79

Demand Driver Infrastructure Programme

- Development and administration of the Demand Driver Infrastructure programme. In line with the Government's policy priorities for tourism, uncommitted funds allocated to the TIRF Programme will be refocused to a new programme that will deliver demand-driver infrastructure for the tourism industry. Funding will be disbursed to the states and territories, which will be responsible for implementing the projects that support tourism infrastructure needs.

Deliverables	2013-14 Estimated actual	2014-15 Budget	2015-16 Forward estimate	2016-17 Forward estimate	2017-18 Forward estimate
Number of projects to be supported	States and territories will be responsible for implementing projects. Funding will be disbursed to the states and territories through the Treasury.				

Programme 1.14 Key Performance Indicators

T-QUAL Grants Programme

For the T-QUAL Grants programme at its conclusion:

- Proportion of grant recipients that report an increase or maintenance of the level of business turnover and employment.
- The completion rate for T-QUAL Grants projects in accordance with executed funding agreements between the recipient and the Commonwealth will be at least 90 per cent.
- The level of additional investment will be at least 110 per cent of the amount of T-QUAL Grants awarded.

Tourism Industry Regional Development Fund

For the TIRF Grants programme at its conclusion:

- Proportion of grant recipients that report an increase or maintenance of the level of business turnover and employment levels in tourism businesses.
- The completion rate for TIRF Grant projects in accordance with executed funding agreements between the recipient and the Commonwealth will be at least 90 per cent.
- The level of additional investment will be at least 110 per cent of the amount of TIRF Grants awarded.
- TIRF Grants recipients eligible for T-QUAL accreditation to be T-QUAL accredited by completion of their funded project.

Demand Driver Infrastructure (DDI) Programme

- Budgeted DDI funding distributed to states and territories.
- DDI expenditure by states and territories is consistent with principles agreed by tourism ministers' meeting.

Departmental ODA Programme Support: Outcome 1
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Programme Objective

- To support the implementation and management of Australia's International Aid programme.

Programme Expenses

	2013-14 Revised budget \$'000	2014-15 Budget \$'000	2015-16 Forward year 1 \$'000	2016-17 Forward year 2 \$'000	2017-18 Forward year 3 \$'000
Annual departmental expenses:					
Departmental item	239,578	232,198	231,123	245,766	254,832
Expenses not requiring appropriation in the Budget year ¹	15,282	17,307	16,755	16,759	16,763
Total programme expenses	254,860	249,505	247,878	262,525	271,595

¹ Expenses not requiring appropriation in the Budget year include Depreciation and Amortisation expenses, Makegood Expense and Audit Fees.

Outcome 2: The protection and welfare of Australians abroad and access to secure international travel documentation through timely and responsive travel advice and consular and passport services in Australia and overseas.

Outcome 2 Strategy

With more Australians travelling overseas each year, the department will continue to give high priority to the delivery of effective consular services and helping Australians to help themselves, including through the development of a three year Consular Strategy. The department will help Australians make informed decisions about their security, safety and wellbeing by maintaining its comprehensive system of travel advisories. The department's consular outreach program will continue in 2014-15, promoting safe travel messages and delivering accurate and timely travel advice, including through the *Smarttraveller* campaign and targeted outreach.

Practical planning for contingency and rapid crisis response will remain a focus through 2014-15. The department will work to enhance its ability to respond quickly to consular incidents, particularly in remote locations or where consular representation is less concentrated. It will also continue to lead whole-of-government responses to future consular crises and serious incidents overseas, activating the department's Crisis Centre as needed.

The department will continue to deliver an efficient passport service for Australian citizens. In 2014-15, we will introduce the new 'P-series' passport. We will also continue work on development of the next generation Australian travel document issuance system.

Outcome Expense Statement

Table 2.1.2 provides an overview of the total expenses for outcome 2 by programme.

Table 2.1.2: Budgeted Expenses for Outcome 2

Outcome 2: The protection and welfare of Australians abroad and access to secure international travel documentation through timely and responsive travel advice and consular and passport services in Australia and overseas	2013-14 Estimated actual expenses \$'000	2014-15 Estimated expenses \$'000
Programme 2.1: Consular Services		
Administered expenses		
Ordinary annual services (Appropriation Bill No. 1)	200	200
Departmental expenses		
Departmental appropriation ^{1 & 2}	70,412	79,203
Expenses not requiring appropriation in the Budget year ³	5,587	5,626
Total for Programme 2.1	76,199	85,029
Programme 2.2: Passport Services		
Administered expenses		
Special appropriations	1,010	1,010
Departmental expenses		
Departmental appropriation ^{1 & 2}	232,455	246,602
Expenses not requiring appropriation in the Budget year ³	16,196	15,672
Total for Programme 2.2	249,661	263,284
Outcome 2 Totals by appropriation type		
Administered Expenses		
Ordinary annual services (Appropriation Bill No. 1)	200	200
Special appropriations	1,010	1,010
Departmental expenses		
Departmental appropriation ^{1 & 2}	302,867	325,805
Expenses not requiring appropriation in the Budget year ³	21,783	21,298
Total expenses for Outcome 2	325,860	348,313
	2013-14	2014-15
Average Staffing Level (number) ⁴	1,111	1,078

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

² These expenses include a portion of an intra-entity amount of \$53.692 million (2013-14: \$52.273 million) representing rent paid by DFAT to the DFAT Overseas Property Special Account which is eliminated upon consolidation in the Comprehensive Income Statement (Table 3.2.1).

³ Expenses not requiring appropriation in the Budget year is made up of Depreciation Expense, Amortisation Expense, Makegood Expense, Audit Fees.

⁴ ASL figures are estimates only. ASL allocated to Outcome 1 may also, at times, contribute to Outcome 2. Note: Departmental appropriation splits and totals are indicative estimates and may change in the course of the budget year as government priorities change.

Contributions to Outcome 2

Programme 2.1: Consular Services

Programme Objective

- To support and assist Australian travellers and Australians overseas through high-quality consular services, including accurate and timely travel advice, practical contingency planning and rapid crisis response.

Programme Expenses

	2013-14 Revised budget \$'000	2014-15 Budget \$'000	2015-16 Forw ard year 1 \$'000	2016-17 Forw ard year 2 \$'000	2017-18 Forw ard year 3 \$'000
Annual administered expenses:					
Administered items					
Consular Emergency Services ¹	200	200	200	200	200
Annual departmental expenses:					
Foreign Affairs and Trade Operations	70,412	79,203	78,583	78,090	78,498
Expenses not requiring appropriation in the Budget year ²	5,587	5,626	5,627	5,627	5,627
Total programme expenses	76,199	85,029	84,410	83,917	84,325

¹ This expense does not include \$0.55 million for Traveller's Emergency Loans, as these are treated as receivables and form part of the receivable balance in Table 3.2.8.

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

Programme 2.1 Deliverables

- High-quality consular services to an increasing number of Australian travellers and Australian citizens living overseas, including notarial services and assistance with welfare issues, whereabouts enquiries, arrest or detention matters, deaths, medical emergencies and payment of travellers emergency loans to Australians in need.
- High-quality travel advisory services, including issuing accurate and timely travel information on travel destinations, promoting this information through the continuation of the Smartraveller campaign and effectively managing an online travel registration service.
- Effective consular contingency planning for major events or high-risk scenarios, including through regular reviews of procedures and available resources, training of staff, and coordination with other government agencies and foreign governments.
- Coordination of whole-of-government responses to large-scale crises involving conflict, civil unrest, natural disasters or terrorist incidents.

Programme 2.1 Key Performance Indicators

- The department's delivery of consular services is effective, efficient, timely and responsive, and within the scope of Australian Government responsibility.
- Travel advisories are accurate and timely and provide clear guidance to a broad audience of potential risks and the extent of Australian Government assistance; public use of the Smartraveller website and the online registration service continues to grow.
- Consular contingency planning accurately anticipates high-risk events and scenarios, necessary resources for response are readily available, procedures and networks remain valid and viable, and plans are tested and reviewed regularly.
- Timely and effective consular support to Australians through well-coordinated implementation of whole-of-government responses to large-scale crises.

Programme 2.2: Passport Services

Programme Objective

- To provide Australians access to secure international travel documentation through the delivery of high-quality passport services.

Programme Expenses

	2013-14 Revised budget \$'000	2014-15 Budget \$'000	2015-16 Forw ard year 1 \$'000	2016-17 Forw ard year 2 \$'000	2017-18 Forw ard year 3 \$'000
Annual administered expenses:					
Special Appropriations:					
<i>FMA Act 1997 s.28</i>					
Passport Refunds	1,010	1,010	1,010	1,010	1,010
Annual departmental expenses:					
Foreign Affairs and Trade Operations	232,455	246,602	256,598	249,176	250,509
Expenses not requiring appropriation in the Budget year ¹	16,196	15,672	15,674	15,674	15,674
Total programme expenses	249,661	263,284	273,282	265,860	267,193

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

Programme 2.2 Deliverables

- High-quality passport services to Australians, including processing new passport applications, registering lost or stolen passports, issuing emergency passports, and detecting passport fraud.
- Maintenance of security standards, promotion of web-enabled services, and adherence to the client service commitment of passport issue within ten working days, while effectively managing an increasing workload.
- Ongoing implementation of the National Security - Improved Passport Integrity and Strengthened Issuance Systems program.
- Introduction of the new 'P-series' Australian travel document.

Programme 2.2 Key Performance Indicators

- Public and travel industry clients are satisfied with the department's efficiency and effectiveness in delivering passport services, with routine passports issued within ten working days and urgent passport issues dealt with in a timely and responsive manner.
- Staged delivery of the National Security - Improved Passport Integrity and Strengthened Issuance Systems program within budget and against timelines.
- Successful introduction of the new P-series Australian travel document in mid-2014.
- Prevention, detection and prosecution of passport fraud.

Outcome 3: A secure Australian Government presence overseas through the provision of security services and information and communications technology infrastructure, and the management of the Commonwealth's overseas property estate.

Outcome 3 Strategy

The department continues to prioritise the safety of Australian Government personnel overseas, the security of its diplomatic and consular posts and the safeguarding of government information in line with an environment of increasing security risk. Its activities in this area will be underpinned by thorough assessments of security threats and the preparation and implementation of appropriate risk mitigation strategies and security measures.

The department will work to enhance information and communications technology (ICT) capabilities, at home and at Australia's overseas missions. It will continue to respond to emerging influences on its ICT operating environment, including the increasing use of the internet, a greater focus on whole-of-government programs and solutions, and a continuing increase in the number of staff from other agencies using departmental ICT systems and a challenging cyber-threat environment.

The department will continue to manage the Government's overseas property estate in an efficient and effective manner. The department's forward plan for maintaining, upgrading and refurbishing the overseas property estate will continue with the objective of meeting the Government's accommodation needs and enhancing the estate's value. To more efficiently manage the overseas estate, the department will examine where co-location of overseas missions with likeminded countries may be both practical and in our national interest. In managing the estate, the department will remain focused on providing the best possible protective security, and capability to respond promptly when new or unforeseen security-related challenges arise.

Outcome Expense Statement

Table 2.1.3 provides an overview of the total expenses for outcome 3 by programme.

Table 2.1.3: Budgeted Expenses for Outcome 3

Outcome 3: A secure Australian Government presence overseas through the provision of security services and information and communications technology infrastructure, and the management of the Commonwealth's overseas owned estate	2013-14 Estimated actual expenses \$'000	2014-15 Estimated expenses \$'000
Programme 3.1: Other (Departmental)		
Departmental expenses		
Departmental appropriation ^{1 & 2}	178,959	183,831
Expenses not requiring appropriation in the Budget year ³	9,937	10,023
Total for Programme 3.1	188,896	193,854
Programme 3.2: Overseas Property		
Departmental expenses		
Special Accounts	71,747	73,404
Total for Programme 3.2	71,747	73,404
Outcome 3 Totals by appropriation type		
Departmental expenses		
Departmental appropriation ^{1 & 2}	178,959	183,831
Special Accounts	71,747	73,404
Expenses not requiring appropriation in the Budget year ³	9,937	10,023
Total expenses for Outcome 3	260,643	267,258
	2013-14	2014-15
Average Staffing Level (number) ⁴	944	858

1 Departmental Appropriation combines 'Ordinary annual services (Appropriation Bill No. 1)' and 'Revenue from independent sources (s31)'.
2 These expenses include a portion of an intra-entity amount of \$53.692 million (2013-14: \$52.273 million) representing rent paid by DFAT to the DFAT Overseas Property Special Account which is eliminated upon consolidation in the Comprehensive Income Statement (Table 3.2.1).
3 Expenses not requiring appropriation in the Budget year is made up of Depreciation Expense, Amortisation Expense, Makegood Expense, Audit Fees.
4 ASL figures are estimates only. ASL allocated to Outcome 1 may also, at times, contribute to Outcome 3.
Note: Departmental appropriation splits and totals are indicative estimates and may change in the course of the budget year as government priorities change.

Contributions to Outcome 3

Programme 3.1: Foreign Affairs and Trade Operations

Programme Objective

- To ensure a secure Australian Government presence overseas by sustaining and improving security, and strengthening information and communications technology (ICT) capability at Australia's overseas missions.

Programme Expenses

	2013-14 Revised budget \$'000	2014-15 Budget \$'000	2015-16 Forward year 1 \$'000	2016-17 Forward year 2 \$'000	2017-18 Forward year 3 \$'000
Annual departmental expenses:					
Foreign Affairs and Trade Operations	178,959	183,831	131,189	131,181	133,225
Expenses not requiring appropriation in the Budget year ¹	9,937	10,023	10,026	10,026	10,026
Total programme expenses	188,896	193,854	141,215	141,207	143,251

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

Programme 3.1 Deliverables

- Enhanced protection through strengthened security measures in line with the evolving international security environment, particularly in high-threat locations.
- Protection of classified information and ICT services through effective management of ICT systems and security vetting processes, as well as through staff security training to ensure high standards of awareness and vigilance.
- Continued progress in moving the department's ICT systems infrastructure to a common platform that can be more efficiently integrated and supported, and implementation of key elements of the Government's ICT Reform Program and ICT elements of the Government's national security policy and objectives.
- High-quality overseas ICT services to other government agencies.
- Ongoing implementation of the International Communications Network - upgrade programme.

Programme 3.1 Key Performance Indicators

- Effective threat and risk mitigation strategies appropriate to increased security risks, including timely and effective responses to all security incidents overseas.
- Security risks relating to classified information are minimised, as evidenced by a low number of sensitive security breaches.
- Client satisfaction with the accessibility, reliability and effectiveness of the secure cable network (Official Diplomatic Information Network) and the global secure telecommunications infrastructure.
- Staged delivery of the International Communications Network - upgrade programme within budget and against timelines.

Programme 3.2: Overseas Property

Programme Objective

- To ensure a secure Australian Government presence overseas through the effective management of the Commonwealth's overseas owned estate and of the contracts for the leased estate.

Programme Expenses

	2013-14 Revised budget \$'000	2014-15 Budget \$'000	2015-16 Forw ard year 1 \$'000	2016-17 Forw ard year 2 \$'000	2017-18 Forw ard year 3 \$'000
Special Account Expenses:					
Overseas Property Special Account - <i>Finance Determination 2002-01 (D)</i>	71,747	73,404	75,778	84,699	99,071
Total programme expenses	71,747	73,404	75,778	84,699	99,071

Programme 3.2 Deliverables

- Efficient and effective management and delivery of a substantial construction and refurbishment program in the overseas property estate, including:
 - relocation of the chancery in Nairobi to secure, purpose-built accommodation; construction of a new chancery, residential accommodation and a Head of Mission residence in Jakarta; construction of a new chancery and Head of Mission residence in Bangkok; and a services upgrade of the chancery in Paris.
- Efficient and effective management of the overseas property estate to meet the Government's requirements and maintain conditions and service capabilities.
- Effective management of outsourced property contract arrangements.

Programme 3.2 Key Performance Indicators

- Completion of construction and refurbishment projects within an agreed timeframe and budget.
- Effective and accountable management of the property services contract and construction project contracts.
- Achieve a portfolio condition and utility rating of good or better.
- The majority of tenants rate the performance of the service provider and the Overseas Property Office as good or better.
- Asset management plans are in place for all owned properties in the estate.
- Achieve a management expense ratio appropriate to the unique nature of the Commonwealth's overseas owned estate.

Section 3: Explanatory Tables and Budgeted Financial Statements

Section 3 presents explanatory tables and budgeted financial statements which provide a comprehensive snapshot of agency finances for the 2014-15 budget year. It explains how budget plans are incorporated into the financial statements and provides further details of the reconciliation between appropriations and programme expenses, movements in administered funds, special accounts and government indigenous expenditure.

3.1 EXPLANATORY TABLES

3.1.1 Movement of Administered Funds Between Years

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

Table 3.1.1: Movement of Administered Funds Between Years¹

	2013-14 \$'000	2014-15 \$'000	2015-16 \$'000	2016-17 \$'000	2017-18 \$'000
Outcome 1:					
Public Information Services and Public Diplomacy	(450)	450	-	-	-
Total Movement of Administered Funds	(450)	450	-	-	-

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

3.1.2 Special Accounts

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

Table 3.1.2: Estimates of Special Account Flows and Balances

		Opening balance 2014-15 2013-14	Receipts 2014-15 2013-14	Payments 2014-15 2013-14	Adjustments 2014-15 2013-14	Closing balance 2014-15 2013-14
	Outcome	\$'000	\$'000	\$'000	\$'000	\$'000
Administered Payments and Receipts for Other Entities Special Account - s20 FMA Act Det 2005/26 (A)	1	5,000	200,000	(200,000)	-	5,000
		5,000	200,000	(200,000)	-	5,000
Consular Services Special Account - s20 FMA Act Det 2005/38 (A)	2	44	100	(100)	-	44
		44	100	(100)	-	44
Expositions Special Accounts - s20 FMA Act Det 2007/14 (A)	1	994	-	-	-	994
		994	-	-	-	994
Australia-Indonesia Partnership for Reconstruction and Development (Grants) Special Account - s20 FMA Act Det	1	-	-	-	-	-
		-	-	-	-	-
Australia-Indonesia Partnership for Reconstruction and Development (Loans) Special Account - s20 FMA Act Det	1	53,659	-	(17,636)	-	36,023
		77,595	-	(23,936)	-	53,659
Services for Other Entities and Trust Monies - s20 FMA Act Det 2009/25 (A)	1	9,234	7,000	(7,000)	-	9,234
		9,234	7,000	(7,000)	-	9,234
Overseas Property Special Account - DFAT - s20 FMA Act Det 2002/01 (D)	3	270,273	90,608	(218,565)	-	142,316
		431,246	89,387	(250,360)	-	270,273
Total Special Accounts						
2014-15 Budget estimate		339,204	297,708	(443,301)	-	193,611
<i>Total Special Accounts</i>						
<i>2013-14 estimated actual</i>		<i>524,113</i>	<i>296,487</i>	<i>(481,396)</i>	<i>-</i>	<i>339,204</i>

(A) = Administered
(D) = Departmental

3.1.3 Australian Government Indigenous Expenditure

Table 3.1.3: Australian Government Indigenous Expenditure (AGIE)

Outcome	Appropriations				Other \$'000	Total \$'000	Program
	Bill	Bill	Special	Total			
	No. 1 \$'000	No. 2 \$'000	approp \$'000	approp \$'000			
Department of Foreign and Trade							
Outcome 1							
Administered 2014-15				-		-	
<i>Administered 2013-14</i>				-		-	
Departmental 2014-15	979			979		979	1.1
<i>Departmental 2013-14¹</i>	<i>1,929</i>			<i>1,929</i>		<i>1,929</i>	<i>1.1</i>
Total outcome 2014-15	979	-	-	979	-	979	
<i>Total outcome 2013-14</i>	<i>1,929</i>	-	-	<i>1,929</i>	-	<i>1,929</i>	
Total AGIE 2014-15	979	-	-	979	-	979	
<i>Total AGIE 2013-14</i>	<i>1,929</i>	-	-	<i>1,929</i>	-	<i>1,929</i>	

1 As part of machinery of government changes, AusAID formally integrated with DFAT on 1 November 2013. Figures include all Indigenous expenditure for former AusAID 2013-14. This figure also includes \$870,000 expended on 'Programmes to promote Australia's Tourism interest'.

3.2 BUDGETED FINANCIAL STATEMENTS

3.2.1 Differences in Agency Resourcing and Financial Statements

In accordance with the Government Finance Statistics provided by the Australian Bureau of Statistics, the budgeted financial statements do not recognise concessionality and the associated discounting of concessional loans. Australian Accounting Standards require concessional loans to reflect a market related rate of interest and be discounted over the loan maturity period. DFAT has two programmes that are affected by this treatment:

- Asian Development Fund replenishments – investment component;
- International Development Association replenishments – investment component;

The investment component does not impact on the fiscal or underlying cash balances, as the provision of a loan only affects the composition of the Australian Government investment in financial assets.

3.2.2 Analysis of Budgeted Financial Statements

Budgeted Departmental Income Statement

Total budgeted appropriation in 2014-15 is \$1,271.0 million, which represents an increase of \$81.3 million in appropriations from 2013-14 as shown in Table 3.2.1. The increase is primarily attributable to:

- the absorption of the former AusAID's departmental funding into DFAT;
- the transfer of climate change and tourism responsibilities to the portfolio;
- funding for new measures;
- parameter adjustments for overseas inflation; and
- foreign exchange movements.

This is partially offset by:

- savings measures agreed in the 2013-14 Mid-Year Economic and Fiscal Outlook;
- savings measures agreed in the 2014-15 Budget; and
- reduced funding for passports reflecting expected decrease in demand.

The Income Statement shows a budgeted deficit in 2014-15 of \$70.9 million, due to the removal of appropriation funding for depreciation and amortisation under the Net Cash funding arrangements. Adjusting for the changed funding arrangements, the operating result attributable to the Department is a surplus of \$40.1 million in 2014-15, all of which relates to the Overseas Property Special Account (OPSA). Surpluses are necessary in the OPSA to fund capital investment projects.

Budgeted Departmental Balance Sheet

The Department will receive an equity injection of \$80.8 million in 2014-15 for the purchase or construction of new assets. The Department will also receive \$53.0 million through its Departmental Capital Budget to fund the replacement of existing assets.

For 2014-15, the Department's non-financial asset position is budgeted to be \$2,946.4 million at year-end. The major asset component is \$2,257.7 million for Land and Buildings which includes \$1,917.0 million managed in the Overseas Property Special Account.

Schedule of Budgeted Income and Expenses Administered on behalf of the Government

In 2014-15 DFAT will receive administered appropriation of \$4,526.6 million (excluding capital funding) for programs administered on behalf of the Government. The significant increase of \$3,919.9 million from 2013-14 is due primarily to the absorption of the Australian Aid Programme from the former AusAID for the amount of \$4,153.1 million.

Administered expenses for 'International Development Assistance' are budgeted at \$3,686.5 million, an increase of \$1,587.7 million from the 2013-14 estimated actual.

Administered expenses for 'Other - International Development Assistance program' are budgeted at \$462.0 million, a decrease of \$76.3 million from the 2012-13 estimated actual. This program includes payments made to UN, Commonwealth and Other International Organisations.

The expenses 'Concessional loan discount' relates to the discounting of the Australia Indonesia Partnerships for Reconstruction and Development (AIPRD) loans.

The expenses 'Concessional investment discount' relate to the discounting of the investment components of the replenishments for the International Development Association (IDA) and the Asian Development Fund (ADF).

This is offset by a forecast decrease in passport revenue (\$11.4 million) resulting from a reduction in the projected volume of passport issues; forecast decrease in estimated payments to international organisations (\$5.1 million) and United Nations Peacekeeping Operations (\$15.7 million).

Schedule of Budgeted Assets and Liabilities Administered on behalf of the Government

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

Asset and liabilities administered on behalf of the Government are budgeted at \$4,549.5 million and \$2,415.4 million respectively for the year ending 30 June 2015.

Administered assets are expected to increase in 2014-15 by \$48.6 million. This is mainly due to new multilateral replenishments being entered into and a one-off cash capital injection for the Export Finance and Insurance Corporation (\$200.0 million).

Administered liabilities are expected to decrease in 2014-15 by \$161.6 million. This is primarily due to reduced liabilities for existing multilateral replenishments.

Schedule of Budgeted Administered Cash Flows

Administered cash received generally moves in line with administered revenue, with the exception of Australian Accounting Standards related fair value revenue which has no cash impact. All administered cash is returned to the Consolidated Revenue Fund.

The 2014-15 forecast of administered cash receipts of \$4,906.8 million primarily comprises receipts from passport and consular services, a dividend payment from the administered investments in EFIC and the absorption of the former AusAID's administered funding into DFAT.

Administered cash used is estimated to increase by \$948.6 million compared to 2013-14. This is primarily due to the absorption of the former AusAID's administered funding into DFAT.

3.2.3 Budgeted Financial Statements Tables

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

	Estimated actual	Budget estimate	Forw ard estimate	Forw ard estimate	Forw ard estimate
	2013-14	2014-15	2015-16	2016-17	2017-18
	\$'000	\$'000	\$'000	\$'000	\$'000
EXPENSES					
Employee benefits	626,625	666,057	658,642	675,132	682,715
Suppliers	629,865	677,506	602,258	591,166	599,801
Grants	11,795	5,000	5,000	4,930	4,930
Depreciation and amortisation	107,577	111,023	113,226	115,913	120,279
Losses from asset sales	252	-	-	1,120	4,038
Other expenses	105	103	103	102	102
Total expenses	1,376,221	1,459,689	1,379,229	1,388,363	1,411,865
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	73,599	73,599	73,599	73,599	73,599
Rental income	34,481	35,359	36,711	39,241	39,875
Other	8,300	8,300	8,300	8,300	8,300
Total own-source revenue	116,380	117,258	118,610	121,140	121,774
Gains					
Other	544	550	554	558	562
Total gains	546	550	554	558	562
Total own-source income	116,926	117,808	119,164	121,698	122,336
Net cost of (contribution by) services	1,259,295	1,341,881	1,260,065	1,266,665	1,289,529
Revenue from Government	1,189,639	1,270,952	1,191,985	1,193,720	1,203,749
Surplus (Deficit) attributable to the Australian Government	(69,656)	(70,929)	(68,080)	(72,945)	(85,780)
Total comprehensive income (loss) attributable to the Australian Government	(69,656)	(70,929)	(68,080)	(72,945)	(85,780)

Table continued on following page.

Note: Impact of Net Cash Appropriation Arrangements					
	2013-14	2014-15	2015-16	2016-17	2017-18
	\$'000	\$'000	\$'000	\$'000	\$'000
Total Comprehensive Income					
(loss) excluding depreciation/amortisation expenses previously funded through revenue appropriations	37,921	40,094	45,146	42,968	34,499
plus depreciation/amortisation expenses previously funded through revenue appropriations ¹	107,577	111,023	113,226	115,913	120,279
Total Comprehensive Income (loss) - as per the Statement of Comprehensive Income	(69,656)	(70,929)	(68,080)	(72,945)	(85,780)

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

Prepared on Australian Accounting Standards basis.

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

	Estimated actual	Budget estimate	Forw ard estimate	Forw ard estimate	Forw ard estimate
	2013-14	2014-15	2015-16	2016-17	2017-18
	\$'000	\$'000	\$'000	\$'000	\$'000
ASSETS					
Financial assets					
Cash and cash equivalents	61,259	61,259	61,259	61,259	61,259
Trade and other receivables	929,358	717,513	562,572	529,247	532,893
Total financial assets	990,617	778,772	623,831	590,506	594,152
Non-financial assets					
Land and buildings	2,169,156	2,257,663	2,503,233	2,669,957	2,630,243
Property, plant and equipment	114,808	206,260	347,211	363,519	403,162
Intangibles	24,101	24,875	28,294	25,265	20,494
Inventories	31,124	31,124	31,124	31,124	31,124
Other non-financial assets	298,797	426,502	304,124	189,990	199,663
Total non-financial assets	2,637,986	2,946,424	3,213,986	3,279,855	3,284,686
Assets held for sale	105	105	105	105	105
Total assets	3,628,708	3,725,301	3,837,922	3,870,466	3,878,943
LIABILITIES					
Payables					
Suppliers	99,621	99,621	99,621	99,621	99,621
Other payables	37,285	37,285	37,285	37,285	37,285
Total payables	136,906	136,906	136,906	136,906	136,906
Provisions					
Employee provisions	215,511	216,203	216,203	216,203	216,203
Other provisions	26,701	26,701	26,701	26,701	26,701
Total provisions	242,212	242,904	242,904	242,904	242,904
Total liabilities	379,118	379,810	379,810	379,810	379,810
Net assets	3,249,590	3,345,491	3,458,112	3,490,656	3,499,133
EQUITY					
Parent entity interest					
Contributed equity	2,170,188	2,304,036	2,454,737	2,559,587	2,646,193
Reserves	702,549	735,531	765,531	783,705	854,620
Retained surplus (accumulated deficit)	376,853	305,924	237,844	147,364	(1,680)
Total parent entity interest	3,249,590	3,345,491	3,458,112	3,490,656	3,499,133
Total Equity	3,249,590	3,345,491	3,458,112	3,490,656	3,499,133

Prepared on Australian Accounting Standards basis.

Table 3.2.3: Departmental Statement of Changes in Equity — Summary of Movement (Budget Year 2014-15)

	Retained earnings \$'000	Asset revaluation reserve \$'000	Other reserves \$'000	Contributed equity/ capital \$'000	Total equity \$'000
Opening balance as at 1 July 2014					
Balance carried forward from previous period	376,853	702,549	-	2,170,188	3,249,590
Adjusted opening balance	376,853	702,549	-	2,170,188	3,249,590
Comprehensive income					
Other comprehensive income	-	32,982	-	-	32,982
Surplus (deficit) for the period	(70,929)	-	-	-	(70,929)
Total comprehensive income	(70,929)	32,982	-	-	(37,947)
of which:					
Attributable to the Australian Government	(70,929)	32,982	-	-	(37,947)
Transactions with owners					
Distributions to owners					
Returns of capital:					
Cash transfers to the OPA	-	-	-	-	-
Contributions by owners					
Equity Injection - Appropriation	-	-	-	80,816	80,816
Departmental Capital Budget (DCBs)	-	-	-	53,032	53,032
Sub-total transactions with owners	-	-	-	133,848	133,848
Estimated closing balance as at 30 June 2015	305,924	735,531	-	2,304,036	3,345,491
Closing balance attributable to the Australian Government	305,924	735,531	-	2,304,036	3,345,491

Prepared on Australian Accounting Standards basis.

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

	Estimated actual 2013-14 \$'000	Budget estimate 2014-15 \$'000	Forw ard estimate 2015-16 \$'000	Forw ard estimate 2016-17 \$'000	Forw ard estimate 2017-18 \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	1,209,318	1,349,976	1,259,662	1,199,143	1,205,953
Sale of goods and rendering of services	107,714	108,958	110,040	112,840	113,474
Net GST received	30,545	31,375	31,375	31,375	31,375
Other	13,892	8,300	8,300	8,300	8,300
Total cash received	1,361,469	1,498,609	1,409,377	1,351,658	1,359,102
Cash used					
Employees	605,939	588,637	580,953	594,730	683,273
Suppliers	692,844	762,024	682,989	681,386	603,882
Net GST paid	31,375	31,375	31,375	31,375	31,375
Other	2,649	5,103	5,103	5,032	5,032
Total cash used	1,332,807	1,387,139	1,300,420	1,312,523	1,323,562
Net cash from (used by) operating activities	28,662	111,470	108,957	39,135	35,540
INVESTING ACTIVITIES					
Cash received					
Proceeds from sales of property, plant, equipment and intangibles	1,091	-	-	19,775	67,302
Total cash received	1,091	-	-	19,775	67,302
Cash used					
Purchase of property, plant, equipment and intangibles	241,610	375,738	327,262	171,178	121,290
Other	179	-	-	-	-
Total cash used	241,789	375,738	327,262	171,178	121,290
Net cash from (used by) investing activities	(240,698)	(375,738)	(327,262)	(151,403)	(53,988)
FINANCING ACTIVITIES					
Cash received					
Contributed equity	125,210	133,422	150,701	104,726	86,628
Other	89,490	209,323	64,379	22,051	(4,957)
Total cash received	214,700	342,745	215,080	126,777	81,671
Cash used					
Dividends paid	-	79,447	-	-	-
Other	1,025	-	-	18,655	63,264
Total cash used	1,025	79,447	-	18,655	63,264
Net cash from (used by) financing activities	213,675	263,298	215,080	108,122	18,407
Net increase (decrease) in cash held	1,639	(970)	(3,225)	(4,146)	(41)
Cash and cash equivalents at the beginning of the reporting period	59,346	60,985	60,015	56,790	52,644
Effect of exchange rate movements on cash and cash equivalents at the beginning of reporting period	-	-	-	-	-
Cash and cash equivalents at the end of the reporting period	60,985	60,015	56,790	52,644	52,603

Prepared on Australian Accounting Standards basis.

Table 3.2.5: Departmental Capital Budget Statement

	Estimated actual	Budget estimate	Forw ard estimate	Forw ard estimate	Forw ard estimate
	2013-14	2014-15	2015-16	2016-17	2017-18
	\$'000	\$'000	\$'000	\$'000	\$'000
NEW CAPITAL APPROPRIATIONS					
Capital budget - Bill 1 (DCB)	38,181	53,032	52,339	52,260	47,993
Equity injections - Bill 2	62,110	80,816	98,362	52,590	38,613
Total new capital appropriations	100,291	133,848	150,701	104,850	86,606
Provided for:					
Purchase of non-financial assets	100,291	133,848	150,701	104,850	86,606
Total Items	100,291	133,848	150,701	104,850	86,606
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriations ¹	66,754	152,512	165,398	52,903	39,695
Funded by capital appropriation - DCB ²	24,397	52,230	255,429	191,234	24,136
Funded internally from departmental resources ³	59,446	54,032	52,339	52,260	47,993
TOTAL	150,597	258,774	473,166	296,397	111,824
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	150,597	258,774	473,166	296,397	111,824
Total cash used to acquire assets	150,597	258,774	473,166	296,397	111,824

¹ Includes both current Bill 2 and prior Act 2 & 4 appropriations.

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

³ Includes the following sources of funding:

- purchases from the DFAT Overseas Property Special Account
- current Bill 1 and prior year Act 1 & 3 appropriations (excluding amounts from the DCB).
- donations and contributions
- s31 relevant agency receipts
- proceeds from the sale of assets

Prepared on Australian Accounting Standards basis.

Table 3.2.6: Statement of Asset Movements (2014-15)

	Land	Buildings	Other property, plant and equipment	Computer software and intangibles	L&B, IP&E held for sale	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
As at 1 July 2014						
Gross book value	1,108,813	1,124,716	675,666	82,479	2,972	2,994,646
Accumulated depreciation/amortisation and impairment	-	(64,373)	(560,858)	(58,378)	(2,867)	(686,476)
Opening net book balance	1,108,813	1,060,343	114,808	24,101	105	2,308,170
CAPITAL ASSET ADDITIONS						
Estimated expenditure on new or replacement assets						
By purchase - appropriation equity ¹ appropriation ordinary annual services ²	-	115,542	136,124	7,108	-	258,774
Total additions	-	115,542	136,124	7,108	-	258,774
Other movements						
Depreciation/amortisation expense	-	(60,017)	(44,672)	(6,334)	-	(111,023)
Disposals ³	-	-	-	-	-	-
Other	8,592	24,390	-	-	-	32,982
Total other movements	8,592	(35,627)	(44,672)	(6,334)	-	(78,041)
As at 30 June 2015						
Gross book value	1,117,405	1,264,648	811,790	89,587	2,972	3,286,402
Accumulated depreciation/amortisation and impairment	-	(124,390)	(605,530)	(64,712)	(2,867)	(797,499)
Closing net book balance	1,117,405	1,140,258	206,260	24,875	105	2,488,903

¹ 'Appropriation equity' refers to equity injections provided through Appropriation Bill (No. 2) 2013-14.

² 'Appropriation ordinary annual services' refers to funding provided through Appropriation Bill (No. 1) 2013-14 for depreciation/amortisation expenses, DCBs or other operational expenses.

³ Net Proceeds may be returned to the OPA.

Prepared on Australian Accounting Standards basis.

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

	Estimated actual	Budget estimate	Forw ard estimate	Forw ard estimate	Forw ard estimate
	2013-14	2014-15	2015-16	2016-17	2017-18
	\$'000	\$'000	\$'000	\$'000	\$'000
EXPENSES ADMINISTERED ON BEHALF OF GOVERNMENT					
Employee benefits	2,347	2,480	2,471	2,446	2,574
Suppliers	29,977	36,852	37,319	37,755	38,269
International Development Assistance	2,100,773	3,686,467	3,746,451	3,860,533	4,257,651
Other - International Development Assistance	538,386	462,050	342,941	549,680	437,236
IDA/ADF grants	99,079	-	-	248,764	-
Concessional loan discount	25,500	14,991	-	-	-
Concessional investment discount	423,741	-	-	953,505	-
Grants and contributions	403,547	462,240	465,233	463,005	489,565
Depreciation and amortisation	685	1,507	1,507	1,489	1,489
Other expenses	13,664	13,279	13,613	14,060	1,300
Total expenses administered on behalf of Government	3,637,699	4,679,866	4,609,535	6,131,237	5,228,084
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Non-taxation revenue					
Sale of goods and rendering of services	398,447	439,479	489,189	527,825	541,170
Interest	10,240	9,641	1,062	97	97
Dividends	24,100	16,000	16,400	16,400	16,400
Other revenue	37,942	39,456	41,355	42,199	41,444
Total non-taxation revenue	470,729	504,576	548,006	586,521	599,111
Total own-source revenues administered on behalf of Government	470,729	504,576	548,006	586,521	599,111
Total own-sourced income administered on behalf of Government	470,729	504,576	548,006	586,521	599,111
Net Cost of (contribution by) services	(3,166,970)	(4,175,290)	(4,061,529)	(5,544,716)	(4,628,973)

Prepared on Australian Accounting Standards basis.

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

	Estimated actual	Budget estimate	Forward estimate	Forward estimate	Forward estimate
	2013-14	2014-15	2015-16	2016-17	2017-18
	\$'000	\$'000	\$'000	\$'000	\$'000
ASSETS ADMINISTERED ON BEHALF OF GOVERNMENT					
Financial assets					
Cash and cash equivalents	24,705	24,705	24,705	24,705	24,705
Trade and other receivables	20,540	24,384	25,060	25,060	25,060
Loans and Receivables	106,978	110,174	110,341	110,891	110,891
Appropriation receivable - special accounts	30,000	17,637	-	-	-
Appropriation receivable - other	2,532,546	2,386,502	2,087,878	3,189,531	2,832,739
Investments AAP (IDA/ADF)	1,533,608	1,533,608	1,533,608	1,683,608	1,683,608
Investments accounted for using the equity method	238,687	438,687	438,687	438,687	438,687
Accrued Revenue	-	-	-	-	-
Total financial assets	4,487,064	4,535,697	4,220,279	5,472,482	5,115,690
Non-financial assets					
Leasehold improvements	4,259	4,282	5,103	5,982	5,468
Infrastructure, plant and equipment	871	1,115	1,130	1,145	2,613
Intangibles	6,092	6,074	6,056	6,056	6,056
Other non-financial assets	2,381	2,381	2,381	2,381	2,381
Total non-financial assets	13,603	13,852	14,670	15,564	16,518
Total assets administered on behalf of Government	4,500,667	4,549,549	4,234,949	5,488,046	5,132,208
LIABILITIES ADMINISTERED ON BEHALF OF GOVERNMENT					
Payables					
Suppliers	399	399	399	399	399
IDA/ADF grant component	451,760	376,614	299,791	466,433	388,858
IDA/ADF concessional component	1,512,864	1,273,528	1,022,472	1,850,142	1,590,837
Aid program payable	539,575	692,446	708,175	800,065	780,002
Other payables	23,213	23,213	23,213	23,213	23,213
Total payables	2,527,811	2,366,200	2,054,050	3,140,252	2,783,309
Provisions					
Employee provisions	49,152	49,152	49,152	49,152	49,152
Total provisions	49,152	49,152	49,152	49,152	49,152
Total liabilities administered on behalf of Government	2,576,963	2,415,352	2,103,202	3,189,404	2,832,461
Net assets/(liabilities)	1,923,704	2,134,197	2,131,747	2,298,642	2,299,747

Prepared on Australian Accounting Standards basis.

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

	Estimated actual	Budget estimate	Forw ard estimate	Forw ard estimate	Forw ard estimate
	2013-14	2014-15	2015-16	2016-17	2017-18
	\$'000	\$'000	\$'000	\$'000	\$'000
OPERATING ACTIVITIES					
Cash received					
Sales of goods and rendering of services	396,623	439,479	489,189	527,825	541,170
Interest	7,244	7,607	126	97	97
Dividends	24,100	16,000	16,400	16,400	16,400
Return of prior year administered expenses	3,176	12,140	12,869	13,641	13,982
Net GST received	12,299	2,120	2,170	2,210	2,210
Other	3,526,901	4,429,428	4,761,254	4,030,635	5,613,318
Total cash received	3,970,343	4,906,774	5,282,008	4,590,808	6,187,177
Cash used					
Grant and contributions	670,714	1,116,228	1,133,360	1,292,943	1,330,526
Employees	-	-	-	-	-
Personal benefits	2,347	2,480	2,471	2,446	2,574
Suppliers	31,877	36,852	37,319	37,755	38,269
Net GST paid	2,080	2,120	2,170	2,210	2,210
Borrowing costs	2,177	1,419	644	-	-
International Development Assistance	3,692,411	4,191,079	4,306,712	4,461,114	4,825,262
Total cash used	4,401,606	5,350,178	5,482,676	5,796,468	6,198,841
Net cash from (used by) operating activities	(431,263)	(443,404)	(200,668)	(1,205,660)	(11,664)
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant and equipment	2,506	2,293	2,325	2,383	2,443
Purchase of investment	22,447	200,000	-	-	-
Total cash used	24,953	202,293	2,325	2,383	2,443
Net cash from (used by) investing activities	(24,953)	(202,293)	(2,325)	(2,383)	(2,443)
FINANCING ACTIVITIES					
Cash received					
Capital Injections	510,976	225,231	27,302	1,134,100	2,593
Total cash received	510,976	225,231	27,302	1,134,100	2,593
Net cash from (used by) financing activities	510,976	225,231	27,302	1,134,100	2,593
Net increase (decrease) in cash held	54,760	(420,466)	(175,691)	(73,943)	(11,514)
Cash and cash equivalents at beginning of reporting period	24,705	24,705	24,705	24,705	24,705
Net Effect	54,760	(420,466)	(175,691)	(73,943)	(11,514)
Cash and cash equivalents at end of reporting period	24,705	24,705	24,705	24,705	24,705

Prepared on Australian Accounting Standards basis.

Table 3.2.10: Schedule of Administered Capital Budget Statement

	Estimated actual	Budget estimate	Forw ard estimate	Forw ard estimate	Forw ard estimate
	2013-14	2014-15	2015-16	2016-17	2017-18
	\$'000	\$'000	\$'000	\$'000	\$'000
NEW CAPITAL APPROPRIATIONS					
Capital budget - Bill 1 (ACB)	2,505	2,293	2,325	2,383	2,443
Administered Assets and Liabilities - Bill 2	2,800,510	212,698	13,527	1,118,957	150
Total new capital appropriations	2,803,015	214,991	15,852	1,121,340	2,593
Provided for:					
Purchase of non-financial assets	-	2,293	2,325	2,383	2,443
Other Items	2,800,510	212,698	13,527	1,118,957	150
Total Items	2,800,510	214,991	15,852	1,121,340	2,593
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriations ¹	-	-	-	-	-
Funded by capital appropriation - ACB ²	2,505	2,293	2,325	2,383	2,443
TOTAL AMOUNT SPENT	2,505	2,293	2,325	2,383	2,443
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	2,505	2,293	2,325	2,383	2,443
Total cash used to acquire assets	2,505	2,293	2,325	2,383	2,443

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

² Does not include annual finance lease costs. Includes purchase from current and previous years' Administered Capital Budgets (ACBs).

Prepared on Australian Accounting Standards basis.

Table 3.2.11: Statement of Administered Asset Movements (2014-15)

	Buildings	Other property, plant and equipment	Other	Total
	\$'000	\$'000	\$'000	\$'000
As at 1 July 2014				
Gross book value	6,347	6,607	10,677	23,631
Accumulated depreciation/amortisation and impairment	(2,876)	(5,485)	(4,585)	(12,946)
Opening net book balance	3,471	1,122	6,092	10,685
CAPITAL ASSET ADDITIONS				
Estimated expenditure on new or replacement assets				
By purchase - appropriation equity ¹	-	-	-	-
By purchase - appropriation ordinary annual services ²	1,820	473	-	2,293
Total additions	1,820	473	-	2,293
Other movements				
Depreciation/amortisation expense	(1,009)	(480)	(18)	(1,507)
Total other movements	(1,009)	(480)	(18)	(1,507)
As at 30 June 2015				
Gross book value	8,167	7,080	10,677	25,924
Accumulated depreciation/amortisation and impairment	(3,885)	(5,965)	(4,603)	(14,453)
Closing net book balance	4,282	1,115	6,074	11,471

¹ 'Appropriation equity' refers to equity injections or Administered Assets and Liabilities appropriations provided through Appropriation Act No. 2 and Bill No. 4 2013-14, including CDABs.

² 'Appropriation ordinary annual services' refers to funding provided through Appropriation Act No. 1 and Bill No. 3 2013-14 for depreciation/amortisation expenses, ACBs or other operational expenses.

³ Net proceeds may be returned to the OPA.

Prepared on Australian Accounting Standards basis.

3.2.4 Notes to the Financial Statements

Departmental Financial Statements and Schedule of Administered Activity

Under the Australian Government's budgeting framework, and consistent with Australian Accounting Standards, transactions that agencies control (departmental transactions) are budgeted for, and reported on, separately to transactions which 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 items are those assets, liabilities, revenues and expenses in relation to an agency or authority that 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 that 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 budgeting framework

Under the Australian Government's budgeting framework, separate annual appropriations are provided for:

- Departmental appropriations: representing the Government's funding for agency programmes;
- Departmental capital budget appropriations: representing the Government's funding through additional equity for the replacement of existing agency assets as they reach the end of their useful life;
- Departmental capital appropriations: for new investments by the Government through additional equity;
- Administered expense appropriations: for the estimated administered expenses relating to specific programmes; and
- Administered capital appropriations: for increases in administered equity through funding non-expense administered payments.

Administered investments in controlled entities

The department has one administered investment in the Export Finance and Insurance Corporation (EFIC) with an estimated asset value of \$438.7 million as at 30 June 2015. This investment is revalued once each financial year based on the net asset position of EFIC as at 30 June.

Asset Valuation

In accordance with current Australian accounting standards and the Finance Minister's Orders, the Department's assets are carried at fair value.