

Portfolio Budget Statements 2022–23
Budget Related Paper No. 1.6

Foreign Affairs and Trade Portfolio

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

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ISSN 2653-4045 (Print), 2653-4053 (Online)

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**MINISTER FOR FOREIGN AFFAIRS AND MINISTER FOR WOMEN
MINISTER FOR TRADE, TOURISM AND INVESTMENT**

PARLIAMENT HOUSE

CANBERRA 2600

President of the Senate
Australian Senate
Parliament House
CANBERRA ACT 2600

Speaker
House of Representatives
Parliament House
CANBERRA ACT 2600

Dear Mr President
Dear Mr Speaker

I hereby submit Portfolio Budget Statements in support of the 2022–23 Budget for the *Foreign Affairs and Trade* portfolio.

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

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

Yours sincerely

A handwritten signature in blue ink, reading 'Marise Payne'.

Senator the Hon Marise Payne
Minister for Foreign Affairs
Minister for Women

A handwritten signature in blue ink, reading 'Dan Tehan'.

The Hon Dan Tehan MP
Minister for Trade, Tourism and
Investment

Abbreviations and conventions

The following notation may be used:

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nfp	not for publication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

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

Enquiries

Should you have any enquiries regarding this publication please contact Mr Murali Venugopal, Chief Finance Officer, Department of Foreign Affairs and Trade on (02) 6261 1240.

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

**User Guide
To The
Portfolio Budget Statements**

User guide

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

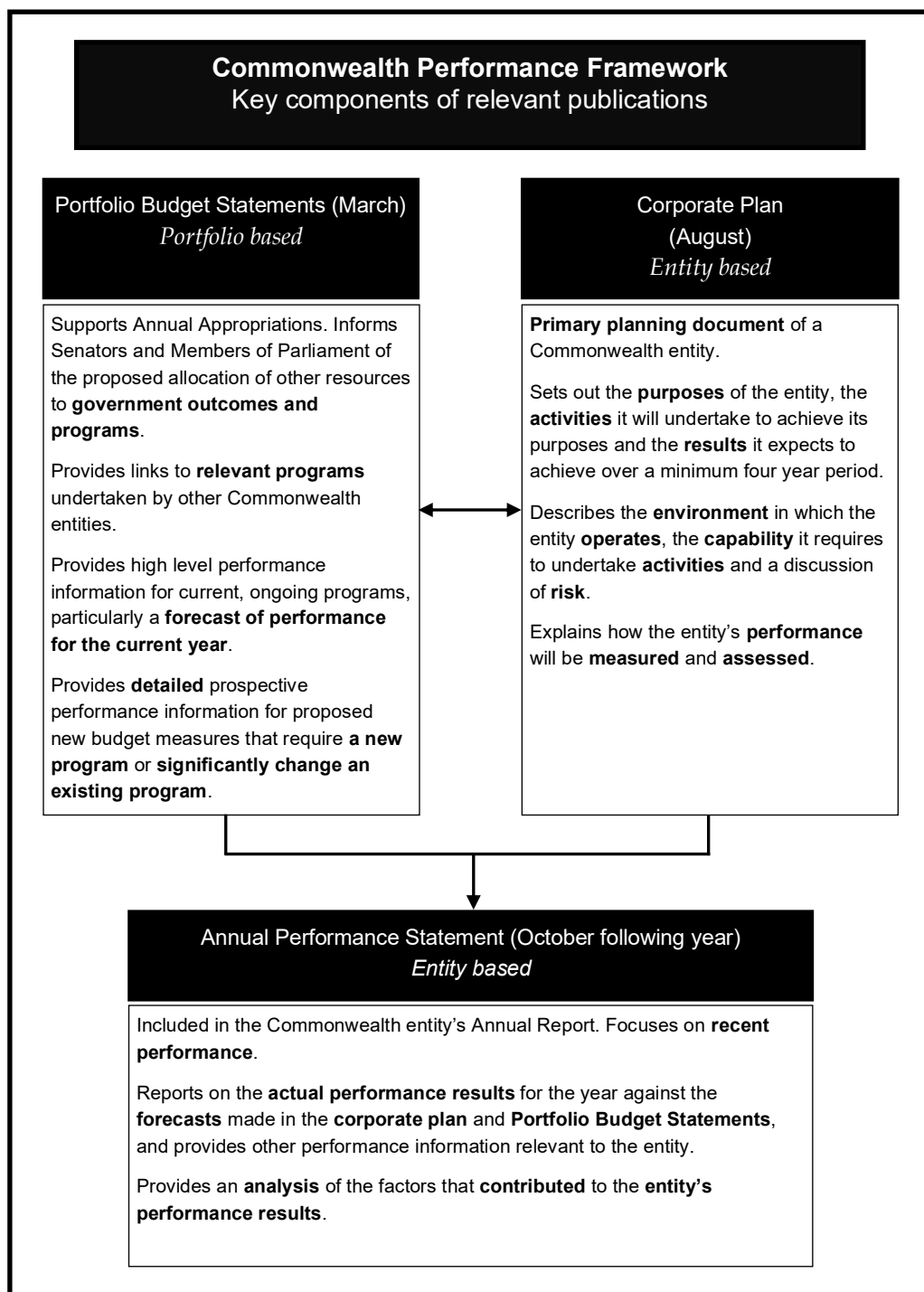
A key role of the PB Statements is to facilitate the understanding of proposed annual appropriations in Appropriation Bills (No. 1 and No. 2) 2022-23 (or Appropriation (Parliamentary Departments) Bill (No. 1) 2022-23 for the parliamentary departments). In this sense, the PB Statements are Budget related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

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

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

The Commonwealth Performance Framework

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



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Portfolio Overview

Foreign Affairs and Trade Portfolio overview

Ministers and portfolio responsibilities

The Foreign Affairs and Trade portfolio has five ministers:

- Senator the Hon Marise Payne, Minister for Foreign Affairs and Minister for Women (sworn in as Minister for Foreign Affairs on 28 August 2018 and Minister for Women on 29 May 2019);
- The Hon Dan Tehan MP, Minister for Trade, Tourism and Investment (sworn in on 22 December 2020);
- Senator the Hon Zed Seselja, Minister for International Development and the Pacific (sworn in on 22 December 2020);
- The Hon Dr David Gillespie MP, Minister for Regional Health and Minister Assisting the Minister for Trade and Investment (sworn in on 2 July 2021); and
- The Hon Michelle Landry MP, Assistant Minister for Regional Tourism and Assistant Minister for Children and Families (sworn in as Assistant Minister for Regional Tourism on 2 July 2021; and Assistant Minister for Children and Families on 28 August 2018).

The portfolio consists of the Department of Foreign Affairs and Trade (DFAT, 'the department'), the Australian Trade and Investment Commission (Austrade), the Australian Centre for International Agricultural Research (ACIAR), the Australian Secret Intelligence Service (ASIS), Tourism Australia and Export Finance Australia (EFA).

Department of Foreign Affairs and Trade (DFAT)

DFAT makes Australia stronger, safer and more prosperous by providing global diplomatic and influencing capability. DFAT leads the development of Australia's international and strategic policy advice and provides timely and responsive consular and passport services.

To achieve this purpose, DFAT has three key outcomes (see *Figure 1: Foreign Affairs and Trade portfolio structure and outcomes*) and priorities as detailed in DFAT's 2021–22 *Corporate Plan*.

DFAT's work is guided by the 2017 *Foreign Policy White Paper*, which sets out a comprehensive framework to advance Australia's security and prosperity in accordance with our values.

DFAT works with the Australian Public Service to shape a stable and prosperous regional and global environment by leveraging Australia's engagement with bilateral and regional partners and multilateral institutions.

Australian Trade and Investment Commission (Austrade)

Austrade's purpose is to deliver quality services and programs to businesses to grow Australia's prosperity across trade, investment, tourism and international education.

To achieve this purpose, Austrade has two key outcomes (*see Figure 1: Foreign Affairs and Trade portfolio structure and outcomes*). Austrade achieves these outcomes by:

1. working with exporters, investors, the tourism industry, government and industry representatives to drive sustained long-term growth through exports and international expansion, and attracting productive foreign investment;
2. reducing the time, cost and risk for our clients by providing authoritative commercial insights and information to help them make informed business decisions; and
3. collaborating closely with state and territory governments and other Commonwealth Government entities to inform and influence policy supporting positive trade and investment outcomes.

Austrade, alongside the department, promotes the opportunities created by free trade agreements (FTAs) and the reduction in non-tariff barriers. Austrade also administers schemes like the Export Market Development Grants (EMDG) Scheme and several tourism programs. These complement its work on policy, projects, programs and research to strengthen Australia's tourism industry and grow Australia's share of the international tourism market.

Australian Secret Intelligence Service (ASIS)

Through ASIS, the portfolio will continue to enhance the Government's understanding of the overseas environment affecting Australia's vital interests and take appropriate action, consistent with applicable legislation, to protect identified interests.

Australian Centre for International Agricultural Research (ACIAR)

ACIAR supports Australia's national interests by contributing to poverty reduction and improved livelihoods through more productive and sustainable agriculture emerging from collaborative international research.

The ACIAR mandate is to amplify the impact of Australia’s outstanding capabilities in agricultural science by brokering and funding agricultural research for development partnerships in developing countries. The agency works with public and private research institutions to improve the productivity and sustainability of agricultural systems and the resilience of food systems in partner countries, with a particular focus on Papua New Guinea and Pacific island countries, and also in East Asia, South and West Asia and Eastern and Southern Africa.

Tourism Australia

Tourism Australia is Australia’s national tourism marketing organisation. It works to promote Australia internationally as a compelling tourism destination for leisure and business events travel. The outcome of Tourism Australia’s activities is to grow demand and foster a competitive and sustainable Australian tourism industry through partnership marketing to targeted global consumers in key markets.

Export Finance Australia (EFA)

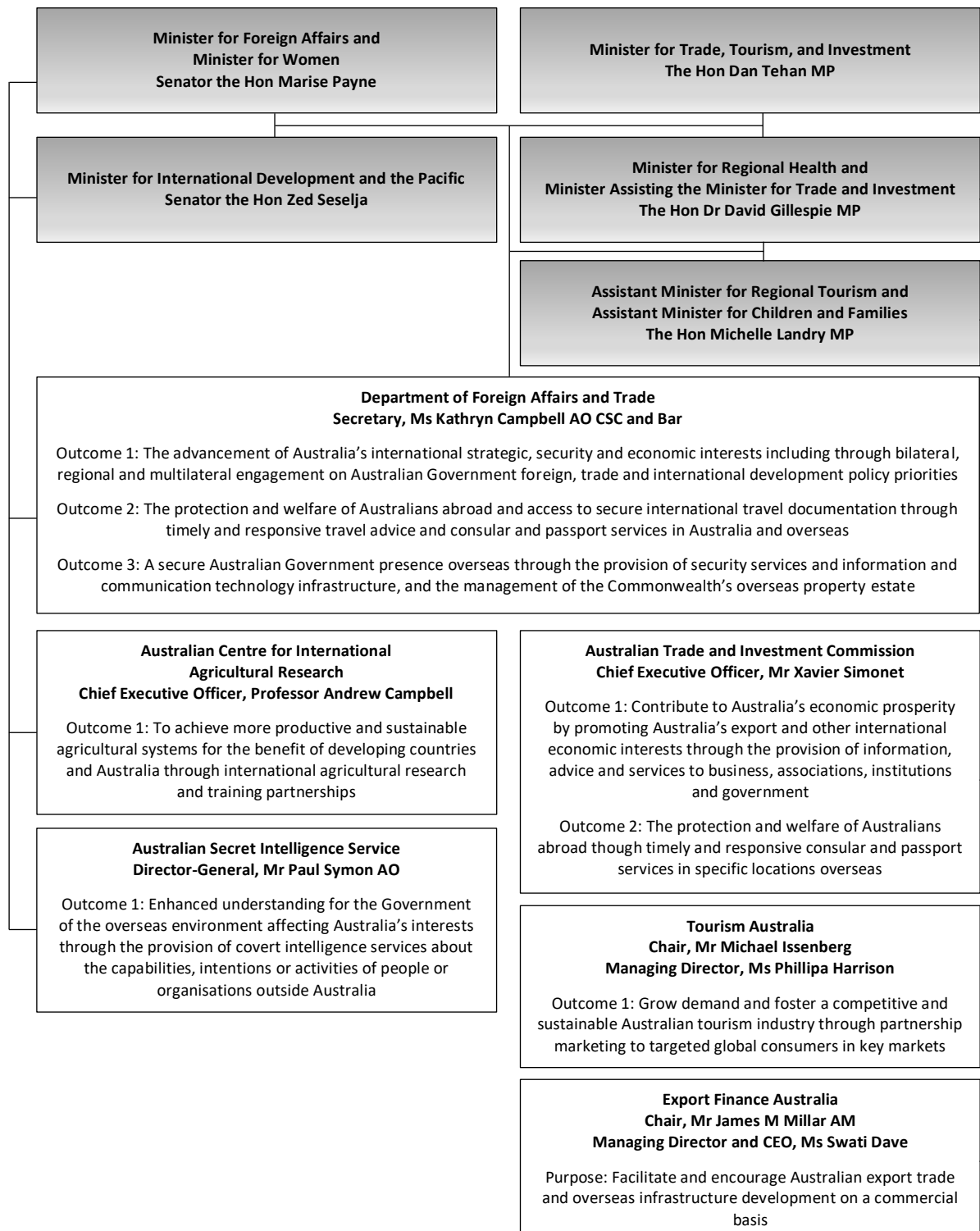
EFA provides financing solutions for Australian exporters and overseas infrastructure development that delivers benefits to Australia. As the Australian Government’s export credit agency, EFA is an integral part of Australia’s international trade focus – supporting businesses, jobs and the community. EFA plays a critical role for its customers and partners by using its commercial financing capability to support viable exporters and overseas infrastructure development when financing from the private sector is unavailable. EFA works closely with banks and other financial institutions to encourage and catalyse private market financing, and partners with DFAT and Austrade in the delivery of these services.

EFA also manages the National Interest Account on behalf of the Australian Government, which includes the Critical Minerals Facility, Defence Export Facility and loans delivered under the Australian Infrastructure Financing Facility for the Pacific. EFA also provides support to other Commonwealth Government entities such as the Northern Australia Infrastructure Facility and National Housing Finance and Investment Corporation.

EFA does not appear in the Portfolio Budget Statements as it is not part of the general government sector.

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

Figure 1: Foreign Affairs and Trade portfolio structure and outcomes



Entity resources and planned performance

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Department of Foreign Affairs and Trade (DFAT)

Entity resources and planned performance

Department of Foreign Affairs and Trade

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Department of Foreign Affairs and Trade

Section 1: Entity overview and resources

1.1 Strategic direction statement

The Department of Foreign Affairs and Trade (DFAT, 'the department') leads the development of Australia's foreign, trade and investment, development and international security policies. DFAT delivers passport and consular services to Australian citizens and manages a secure Australian Government presence overseas.

Australia faces a deteriorating strategic environment in 2022–23. Many Indo-Pacific countries remain vulnerable following the COVID-19 pandemic, while great power strategic competition is intensifying. The rules, norms and institutions that support Australia's prosperity and security are under persistent pressure.

Russia's unprovoked and illegal invasion of Ukraine reinforces Australia's strong support for a open and transparent rules-based international order and the essential role of diplomacy in responding to such challenges. Growing alignment between Russia and China, with its increasing military capability and growing assertiveness, has significant geo-strategic implications and underlines the importance of established rules and norms instead of a 'might is right' approach. Australia will continue to impose high costs on Russia, including through the imposition of sanctions.

Australia is working with partners to support global rules and standards, advance the type of international environment we want to live in and promote an open, resilient, and inclusive Indo-Pacific region.

The Government will continue to partner with our Pacific family and Southeast Asian neighbours to recover from COVID-19, to pursue economic integration and resilience, to deepen our network of partnerships and to combat the risks posed by climate change and natural disasters in the region.

In the Pacific, the whole-of-government Office of the Pacific leads Australia's effort to work in partnership with our Pacific family through the Pacific Step-up, supporting economic resilience and recovery and a more prosperous, stable and secure region.

The department will support the economic growth of Pacific island countries and Timor-Leste through the new Pacific Australia Labour Mobility scheme. The scheme will help employers in rural and regional Australia engage the right workers where and when they need them, while delivering economic benefits for their families and home countries.

Our COVID-19 Response Package for 2022–23 will build on Australia’s assistance to our Pacific family, providing fiscal crisis support, technical expertise and connectivity. The department is supporting enhanced trade and investment flows in the region, including through a new PACER Plus Implementation Unit in Apia, Samoa. Through the Australian Infrastructure Financing Facility for the Pacific (AIFFP), we are financing airports, ports, submarine cables and solar farms in the Pacific and Timor-Leste to address infrastructure needs. The Government has doubled the AIFFP’s lending headroom, allowing us to further support quality climate-resilient infrastructure in the Pacific without creating debt distress.

Australia’s partnerships with Southeast Asian countries and the Association of Southeast Asian Nations (ASEAN) are indispensable. Our Comprehensive Strategic Partnerships with Indonesia, Malaysia and Singapore provide a framework to pursue our shared economic and security interests. We are strengthening our economic partnership with Vietnam and pursuing critical interests with the Philippines and Thailand and deepening cooperation with Brunei. We will mark longstanding diplomatic relationships with Cambodia and Laos in 2022.

ASEAN is central to the regional order – a strong and resilient ASEAN is vital to Australia’s own security and prosperity. The Australia–ASEAN Comprehensive Strategic Partnership underscores Australia’s commitment to ASEAN centrality and to cooperate on shared regional challenges. From 2022–2023, DFAT will lead implementation of the largest increase in Australia’s development cooperation program with ASEAN.

The Government is supporting Australia’s Comprehensive Strategic Partnership with India through an expanded diplomatic presence in Bengaluru and a Centre of Excellence for Critical and Emerging Technology Policy. Three Maitri (friendship) initiatives with India will support our education, community, tourism and investment links and add to our growing bilateral relationship. We will advance cooperation on tourism policy, data sharing, training and industry engagement. The department-led Australia India Infrastructure Forum will serve as a hub to promote two-way investment in infrastructure.

We will contribute to economic recovery and resilience through our bilateral and regional partnerships. Our health investments, including through the Quad (Australia, India, Japan and the United States), will support countries in vaccine delivery. Our new Partnerships for Infrastructure initiative works with Southeast Asian countries to progress priority infrastructure projects and drive inclusive and sustainable growth. Through the Mekong–Australia Partnership we will support economic reform and resilience, invest in human capability, boost trade and investment and build environmental resilience in this vital sub-region of Southeast Asia.

Through *Partnerships for Recovery*, the department works to rebuild regional economies and reverse poverty and inequality trends worsened by the impacts of the pandemic. This directly supports security and stability in the region. Australia will assist in establishing infrastructure that is sustainable and climate adapted, drives economic growth and achieves genuine development goals. The department will continue to be at the forefront of providing timely and effective humanitarian assistance to our neighbours in times of need.

To support Australia's post-pandemic economic recovery, the department will continue to negotiate trade and investment agreements. Our free trade agreements (FTAs) create export opportunities and jobs, reduce the cost of doing business overseas and provide Australian consumers with greater choice. The department's implementation of the Australia-UK FTA will build on our existing strengths in two-way trade and investment. We are negotiating the Australia-India Comprehensive Economic Cooperation Agreement (CECA) to liberalise and deepen trade in goods and services between Australia and India. Negotiation of an FTA with the European Union – our second largest trading partner – is well advanced and work towards early conclusion is a priority. We are also working to support businesses to reduce supply chain vulnerabilities and improve trade diversification.

The department advocates for our interests in international economic bodies and leads efforts to uphold the rules-based trading system, including the process to remove impediments to Australian exports. In the World Trade Organization (WTO) we build coalitions to maintain adherence to existing rules and engage in dispute settlements where necessary to protect our interests.

The department leads and manages Australia's bilateral, minilateral and multilateral efforts, which equip us to meet global challenges. Through new and ongoing initiatives, we will advance our agenda with ASEAN, the Quad, the Pacific Island Forum (PIF), the East Asia Summit and through AUKUS (Australia, United Kingdom and the United States). The department will continue to lead our national interest based approach to China, remaining open to dialogue without preconditions and working in partnership with domestic and international stakeholders.

The department will continue to work with like-minded partners to protect and promote international law, and the rules, norms and standards that support the interests of Australia and the Indo-Pacific region. We will work to set new standards and rules that protect and advance human rights, while also supporting reform efforts. We will seek to reinforce leadership of multilateral institutions by supporting meritorious individuals with a commitment to good governance and transparency, including Australian candidacies. We are investing \$25.6 million over four years from 2021–22 to assist young Australians gain professional experience within international institutions. The department will continue to work closely with the 54 nations under the Antarctic Treaty System in protecting the Antarctic and in sharing research.

Through the Foreign Arrangements Scheme, the department supports and reviews arrangements between state and territory governments and foreign governments to ensure consistency with Australia's foreign policy.

The department supports Australian businesses and citizens overseas through our network of embassies, high commissions and consular posts. We deliver essential consular and passport services, information and advice. The department's global network will be strengthened through the Government's commitment to open new posts in Bern, Switzerland; Male, Maldives; and Bengaluru, India and to continue funding the Special Representative on Afghanistan and the Interim Mission to Afghanistan in Doha.

As Australia's strategic and operating environment becomes more uncertain and challenging, strong foreign affairs capability will be essential to advance Australia's interests. The department's three outcomes detailed in this document, and the priorities outlined in the department's 2021–22 Corporate Plan, provide the roadmap for how we will deliver for the Government and Australia.

1.2 Entity resource statement

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

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

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

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

Table 1.1: Department of Foreign Affairs and Trade resource statement — Budget estimates for 2022-23 as at Budget March 2022

	2021-22 <i>Estimated actual</i> \$'000	2022-23 Estimate \$'000
Departmental		
Annual appropriations - ordinary annual services (a)		
Prior year appropriations available (b)	414,273	382,155
Departmental appropriation (c)	1,751,833	1,826,630
s74 External Revenue (d)	170,978	171,431
Departmental capital budget (e)	59,829	70,707
Annual appropriations - other services - non-operating (f)		
Prior year appropriations available (b)	24,263	39,639
Equity injection	101,768	62,023
Total departmental annual appropriations	2,522,944	2,552,585
Special accounts (g)		
Opening balance	416,263	298,180
Appropriation receipts (h)	87,557	90,687
Appropriation receipts from other entities (i)	32,057	32,832
Non-appropriation receipts	6,027	6,087
Total special accounts	541,904	427,786
<i>less departmental appropriations drawn from annual/special appropriations and credited to special accounts</i>	87,557	90,687
Total departmental resourcing	2,977,291	2,889,684
Administered		
Annual appropriations - ordinary annual services (a)		
Outcome 1	4,037,291	4,290,378
Outcome 2	53,750	750
Administered capital budget (j)	528	528
Payments to corporate entities (k)	135,347	139,643
Annual appropriations - other services - non-operating (f)		
Administered assets and liabilities	5,897	7,548

Table continued on the next page.

Table 1.1: Department of Foreign Affairs and Trade resource statement — Budget estimates for 2022-23 as at Budget March 2022 (continued)

	2021-22 <i>Estimated actual</i> \$'000	2022-23 Estimate \$'000
Total administered annual appropriations	4,232,813	4,438,847
Total administered special appropriations	330,945	340,839
<i>less payments to corporate entities from annual appropriations</i>	135,347	139,643
Total administered resourcing	4,428,411	4,640,043
Total resourcing for DFAT	7,405,702	7,529,727
Average staffing level (number)	5,990	6,103

Third party payments from and on behalf of other entities

	2021-22 <i>Estimated actual</i> \$'000	2022-23 Estimate \$'000
Receipts received from other entities for the provision of services (disclosed above in s74 External Revenue section above)	170,978	171,431
Payments made to corporate entities within the Portfolio Tourism Australia (Annual appropriation)	135,347	139,643

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

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

- (a) Appropriation Bill (No. 1) 2022-23.
- (b) Excludes \$144.0m subject to administrative quarantine by Finance or withheld under section 51 of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act).
- (c) Excludes departmental capital budget (DCB).
- (d) Estimated External Revenue receipts under section 74 of the PGPA Act.
- (e) Departmental capital budgets are not separately identified in Appropriation Bill (No.1) and form part of ordinary annual services items. Please refer to Table 3.5 for further details. For accounting purposes, this amount has been designated as a 'contribution by owner'.
- (f) Appropriation Bill (No. 2) 2022-23.
- (g) Excludes trust moneys held in Services for Other Entities and Trust Moneys (SOETM) and other special accounts. For further information on special accounts, please refer to Budget Paper No. 4 - Agency Resourcing. Please also see Table 2.1 for further information on outcome and program expenses broken down by various funding sources, e.g. annual appropriations, special appropriations and special accounts.
- (h) Amounts credited to the special account(s) from the Department of Foreign Affairs and Trade's annual appropriations.
- (i) Amounts credited to the special account(s) from another entity's annual and special appropriations.
- (j) Administered capital budgets are not separately identified in Appropriation Bill (No. 1) and form part of ordinary annual services items. Please refer to Table 3.10 for further details. For accounting purposes, this amount is designated as a 'contribution by owner'.
- (k) 'Corporate entities' are corporate Commonwealth entities and Commonwealth companies as defined under the PGPA Act.

Note: The Annual Appropriation amounts appearing for 2021-22 estimated actual do not include the Appropriation Bills (No. 3) and (No. 4) 2021-22 as they had not been enacted at the time of publication. \$20.030 million will be received through Appropriation Bill (No. 3) 2021-22. The annual appropriations received from these bills will be recognised in a future Portfolio Budget Statement but only after the Bills have received Royal Assent.

1.3 Budget measures

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

Table 1.2: Department of Foreign Affairs and Trade 2022-23 Budget measures

	Program	2021-22 \$'000	2022-23 \$'000	2023-24 \$'000	2024-25 \$'000	2025-26 \$'000
Payment measures						
Assistance to Ukraine (a)	1.2					
Administered payment		50,000	-	-	-	-
Total		50,000	-	-	-	-
Australia-UK Free Trade Agreement - increasing market access opportunities and strengthening ties between our two countries (b)	1.1					
Departmental payment		-	-	-	-	-
Total		-	-	-	-	-
Comprehensive Strategic Partnership with India - new initiatives (c)	1.1, 1.6					
Administered payment		-	-	-	-	-
Departmental payment		-	-	-	-	-
Total		-	-	-	-	-
COVID-19 Response Package - vaccines and treatments (d)	1.2					
Administered payment		nfp	nfp	-	-	-
Total		nfp	nfp	-	-	-
Honiara High Commission (e)	1.1, 3.2					
Departmental payment		-	-	-	-	-
Total		-	-	-	-	-
Humanitarian Program 2022-23 and Update on Afghan Arrivals (f)	1.1					
Administered payment		-	-	-	-	-
Total		-	-	-	-	-
Strengthening Australia's Leadership in Antarctica (g)	1.1					
Departmental payment		-	-	-	-	-
Total		-	-	-	-	-

Table continued on the next page.

Table 1.2: Department of Foreign Affairs and Trade 2022-23 Budget measures continued

	Program	2021-22 \$'000	2022-23 \$'000	2023-24 \$'000	2024-25 \$'000	2025-26 \$'000
Payment measures continued						
Strengthening the Great Barrier Reef through Stewardship and Leadership (h)	1.1					
Departmental payment		-	-	-	-	-
Total		-	-	-	-	-
Support to the Pacific and Timor-Leste - additional support (i)	1.1, 1.2					
Administered payment		-	280,947	32,794	-	-
Departmental payment		-	4,176	468	-	-
Total		-	285,123	33,262	-	-
Women's Leadership Package (j)	1.1					
Administered payment		-	450	450	450	-
Total		-	450	450	450	-
Total payment measures						
Administered		50,000	281,397	33,244	450	-
Departmental		-	4,176	468	-	-
Total		50,000	285,573	33,712	450	-

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

- (a) The lead entity for the measure Assistance to Ukraine is the Department of Defence. The full measure description and package details appear in *Budget Paper No. 2* under the Defence portfolio.
- (b) The lead entity for the measure Australia UK Free Trade Agreement – increasing market access opportunities and strengthening ties between our two countries is the Department of the Treasury. The full measure description and package details appear in *Budget Paper No. 2* under the Treasury portfolio.
- (c) Decision taken but not yet announced in the 2021-22 MYEFO, with the following impact: 2021-22 \$3.935 million; 2022-23 \$21.591 million, 2023-24 \$26.012 million, 2024-25 \$35.591 million and 2025-26 \$28.607 million. Including \$17.752 million in capital funding.
- (d) The lead entity for the measure COVID-19 Response Package – vaccines and treatments is the Department of Health. The full measure description and package details appear in *Budget Paper No. 2* under the Health portfolio.
- (e) Decision taken but not yet announced in the 2021-22 MYEFO, with the following impact: 2022-23 \$5.295 million, 2023-24 \$15.516 million, 2024-25 \$32.264 million and 2025-26 \$11.823 million. Includes \$45.520 absorbed from the Overseas Property Special Account and \$20.216 million in capital funding.
- (f) The lead entity for the measure Humanitarian Program 2022-23 and Update on Afghan Arrivals is the Department of Home Affairs. The full measure description and package details appear in *Budget Paper No. 2* under the Home Affairs portfolio.
- (g) Decision taken but not yet announced in the 2021-22 MYEFO. The lead entity for the measure titled Strengthening Australia's Leadership in Antarctica is the Department of Agriculture, Water and the Environment. The full measure description and package details appear in *Budget Paper No. 2* under the Agriculture, Water and the Environment portfolio.
- (h) Decision taken but not yet announced in the 2021-22 MYEFO. The lead entity for the measure titled Strengthening the Great Barrier Reef through Stewardship and Leadership is the Department of Agriculture, Water and the Environment. The full measure description and package details appear in *Budget Paper No. 2* under the Agriculture, Water and the Environment portfolio.
- (i) The full measure description and package details appear in *Budget Paper No. 2* under the Foreign Affairs and Trade portfolio.
- (j) The lead entity for the measure Women's Leadership Package is the Department of the Treasury. The full measure description and package details appear in *Budget Paper No. 2* under the Treasury portfolio.

Section 2: Outcomes and planned performance

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

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

Note:

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

The most recent corporate plan for DFAT can be found at:

<https://www.dfat.gov.au/about-us/publications/corporate/dfat-corporate-plan>.

The most recent annual performance statement can be found at:

<https://www.dfat.gov.au/sites/default/files/dfat-annual-report-2020-21.pdf> and

<https://www.transparency.gov.au/annual-reports/department-foreign-affairs-and-trade/reporting-year/2020-21>.

2.1 Budgeted expenses and performance 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

Linked programs

Attorney-General's Department
Programs <ul style="list-style-type: none"> • Program 1.1 – Attorney-General's Department Operating Expenses – Legal Services and Families • Program 1.2 – Attorney-General's Department Operating Expenses – National Security, Integrity and International
Australian Centre for International Agricultural Research
Programs <ul style="list-style-type: none"> • Program 1.1 – International Agricultural Research for Development
Australian Federal Police
Programs <ul style="list-style-type: none"> • Program 1.1 – Federal Policing - Investigations • Program 3.2 – International Police Assistance and External Territories
Australian Trade and Investment Commission
Programs <ul style="list-style-type: none"> • Program 1.1 – Promotion of Australia's Export and Other International Economic Interests • Program 1.2 – Programs to Promote Australia's Exports and Other International Economic Interests

Table continued on the next page.

Linked programs (continued)

Department of Defence
Programs <ul style="list-style-type: none"> Program 2.8 – Australian Defence Force Headquarters
Department of Education, Skills and Employment
Programs <ul style="list-style-type: none"> Program 2.7 – International Education Support
Department of Home Affairs
Programs <ul style="list-style-type: none"> Program 1.2 – National Security and Criminal Justice Program 1.4 – Counter Terrorism Program 1.5 – Regional Cooperation Program 2.2 – Visas Program 3.1 – Trade Facilitation and Industry Engagement Program 3.4 – Border Enforcement
Services Australia
Programs <ul style="list-style-type: none"> Program 1.2 – Customer Service Delivery Program 1.3 – Technology and Transformation
Tourism Australia
Programs <ul style="list-style-type: none"> Program 1.1 – Supporting Outcome 1
Contribution to Outcome 1 made by linked programs <p>Australia maintains a whole-of-government approach in the pursuit of foreign trade and investment, tourism, development and international security interests abroad. DFAT is supported by partner agencies in its associated leadership, advocacy and coordination roles at overseas missions.</p>

Budgeted expenses for Outcome 1

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

Table 2.1.1: Budgeted expenses for Outcome 1

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	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
Program 1.1: Foreign Affairs and Trade Operations					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	77,337	73,403	68,486	51,918	48,973
Special appropriations PGPA Act 2013 s77	100	100	100	100	100
Expenses not requiring appropriation in the Budget year (a)	9,000	6,500	6,500	6,500	6,500
Administered total	86,437	80,003	75,086	58,518	55,573
Departmental expenses					
Departmental appropriation (b)	985,389	1,044,407	927,380	905,156	941,115
Expenses not requiring appropriation in the Budget year (c)	143,580	147,400	150,476	151,712	152,972
Departmental total	1,128,969	1,191,807	1,077,856	1,056,868	1,094,087
Total expenses for program 1.1	1,215,406	1,271,810	1,152,942	1,115,386	1,149,660
Program 1.2: Official Development Assistance					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	3,502,749	3,663,937	3,420,843	3,466,191	3,524,426
Expenses not requiring appropriation in the Budget year (c)	500	500	500	500	500
Administered total	3,503,249	3,664,437	3,421,343	3,466,691	3,524,926
Departmental expenses					
Departmental appropriation	266,806	270,808	274,870	278,993	283,178
Departmental total	266,806	270,808	274,870	278,993	283,178
Total expenses for program 1.2	3,770,055	3,935,245	3,696,213	3,745,684	3,808,104

Table continued on the next page.

Table 2.1.1: Budgeted expenses for Outcome 1 (continued)

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
Program 1.3: Official Development Assistance - Multilateral Replenishments					
Administered expenses					
Expenses not requiring appropriation in the Budget year (d)	7,834	559,351	23,502	997,620	-
Administered total	7,834	559,351	23,502	997,620	-
Total expenses for program 1.3	7,834	559,351	23,502	997,620	-
Program 1.4: Payments to International Organisations					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	364,666	426,339	421,239	416,847	410,017
Administered total	364,666	426,339	421,239	416,847	410,017
Total expenses for program 1.4	364,666	426,339	421,239	416,847	410,017
Program 1.5: New Colombo Plan - Transforming Regional Relationships					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	43,871	45,087	48,962	50,933	50,933
Administered total	43,871	45,087	48,962	50,933	50,933
Total expenses for program 1.5	43,871	45,087	48,962	50,933	50,933
Program 1.6: Public Information Services and Public Diplomacy					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	26,687	34,572	34,119	34,322	34,375
Administered total	26,687	34,572	34,119	34,322	34,375
Total expenses for program 1.6	26,687	34,572	34,119	34,322	34,375
Program 1.7: Programs to Promote Australia's International Tourism Interests					
Administered expenses					
Corporate Commonwealth Entity - Tourism Australia	135,347	139,643	139,740	140,457	140,229
Ordinary annual services (Appropriation Bill No. 1)	19,981	47,040	38,100	20,161	20,223
Administered total	155,328	186,683	177,840	160,618	160,452
Total expenses for program 1.7	155,328	186,683	177,840	160,618	160,452

Table continued on the next page.

Table 2.1.1: Budgeted expenses for Outcome 1 (continued)

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
Outcome 1 Totals by appropriation type					
Administered Expenses					
Ordinary annual services (Appropriation Bill No. 1)	4,035,291	4,290,378	4,031,749	4,040,372	4,088,947
Special appropriations PGPA Act 2013 s77	100	100	100	100	100
Corporate Commonwealth Entity	135,347	139,643	139,740	140,457	140,229
Expenses not requiring appropriation in the Budget year	17,334	566,351	30,502	1,004,620	7,000
Administered total	4,188,072	4,996,472	4,202,091	5,185,549	4,236,276
Departmental expenses					
Departmental appropriation	1,252,195	1,315,215	1,202,250	1,184,149	1,224,293
Expenses not requiring appropriation in the Budget year	143,580	147,400	150,476	151,712	152,972
Departmental total	1,395,775	1,462,615	1,352,726	1,335,861	1,377,265
Total expenses for Outcome 1	5,583,847	6,459,087	5,554,817	6,521,410	5,613,541

	2021-22	2022-23
Average staffing level (number)	3,953	4,028

- (a) Estimated expenses not requiring appropriation in the Budget year relate to the Export Finance Australia administrative fee.
- (b) Departmental appropriation combines ordinary annual services (Appropriation Bill No. 1) and estimated receipts retained under section 74 of the *PGPA Act 2013*.
- (c) Expenses not requiring appropriation in the Budget year are made up of depreciation expenses, amortisation expenses, make good expenses, audit fees, concessional costs for loans, finance costs and impairment of financial instruments.
- (d) Expenses not requiring appropriation in the Budget year relates to the concessional investment discount for the discounting of the investment component for the International Development Association and for new commitments to the International Development Association, the Asian Development Fund, the Global Environment Facility and the Montreal Protocol Multilateral Fund.

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

Table 2.1.2: Program components of Outcome 1

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
1.1.1 - Component 1: Foreign Affairs and Trade Operations					
Annual administered expenses:					
COVID19- Response Package - extension	42,300	-	-	-	-
International Climate Change Engagement	3,000	3,000	3,000	3,000	3,000
Personal Benefits - Locally Engaged Staff pension schemes	7,648	7,839	8,035	8,236	8,441
Agriculture Visa	2,569	14,731	17,200	13,456	13,352
Comprehensive Strategic Partnership with India - Centre of Excellence for Critical and Emerging Technology Policy	98	1,985	1,460	1,286	1,300
Comprehensive Strategic Partnership with India - Economic Policy and Regulation Partnership	-	2,462	2,666	3,292	2,087
Comprehensive Strategic Partnership with India - Enhanced Business Engagement	-	335	336	338	340
Comprehensive Strategic Partnership with India - Matri Scholars Program	-	52	2,231	4,426	4,462
Comprehensive Strategic Partnership with India - Matri Grants and Fellow ships Program	-	609	612	1,123	1,128
Comprehensive Strategic Partnership with India - Matri Cultural Partnerships	-	1,507	1,515	1,522	1,529
Comprehensive Strategic Partnership with India - Bay of Bengal Maritime Partnership	-	2,860	2,873	2,887	2,646
Comprehensive Strategic Partnership with India - Bay of Bengal Trade and Energy Partnership	-	1,883	1,726	1,735	1,743
Comprehensive Strategic Partnership with India - Bay of Bengal Connectivity Partnership	-	1,047	1,057	1,885	1,780
Non-ODA Support for the Cook Islands	2,000	2,000	2,000	2,000	2,000
Non-ODA Support for Palau	-	4,000	4,000	4,000	4,000
Non-ODA AIFFP Support for Palau	-	7,000	-	-	-
OECD – Sustainable Agriculture Research	1,000	1,000	1,000	-	-
Women's Leadership Package	-	450	450	450	-
Other Administered Items	2,768	3,098	1,423	1,452	1,165

Table continued on the next page.

Table 2.1.2: Program components of Outcome 1 (continued)

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
1.1.1 - Component 1: Foreign Affairs and Trade Operations (continued)					
Annual administered expenses:					
<i>Temporary, Targeted and Supplementary Initiatives</i>					
COVID-19 Response Package — Australia's Indo-Pacific Engagement — enhanced partnerships in Southeast Asia	15,954	17,545	16,902	830	-
ASEAN-Australia Comprehensive Strategic Partnership	-	998	1,615	830	-
Seasonal Worker Programme – Machinery of Government from Department of Employment	-	250	-	-	-
Pacific Labour Mobility – Machinery of Government from Department of Employment	500	1,000	-	-	-
Special appropriations: PGPA Act s77	100	100	100	100	100
Expenses not requiring appropriation in the Budget year					
Export Finance Australia - National Interest Account	9,000	6,500	6,500	6,500	6,500
Departmental expenses					
Departmental appropriation	985,389	1,044,407	927,380	905,156	941,115
Expenses not requiring appropriation in the Budget year	143,580	147,400	150,476	151,712	152,972
Total Component 1.1.1 expenses	1,215,406	1,271,810	1,152,942	1,115,386	1,149,660

Table continued on the next page.

Table 2.1.2: Program components of Outcome 1 (continued)

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
1.2.1 - Component 2: Official Development Assistance					
Annual administered expenses:					
Country programs and regional programs	2,270,646	2,280,322	2,317,583	2,505,277	2,531,606
Global programs	367,745	453,270	488,270	462,270	501,170
Humanitarian and emergency response programs	485,250	470,400	475,730	475,730	475,730
<i>Temporary, Targeted and Supplementary Initiatives</i>	379,108	459,945	139,260	22,914	15,920
COVID-19 Response Package - support to the Pacific and Timor-Leste	100,000	-	-	-	-
COVID-19 Response Package — Australia's Indo-Pacific Engagement — enhanced partnerships in Southeast Asia	55,998	61,476	79,796	-	-
COVID-19 Response Package - Australian Support for COVID-19 Vaccine Access in the Pacific and Southeast Asia	162,591	98,309	-	-	-
COVID-19 Response Package - Australian support for India (a)	652	-	-	-	-
ASEAN-Australia Comprehensive Strategic Partnership	-	5,648	15,614	12,475	6,555
Pacific Labour Mobility – reforms	9,867	13,565	11,056	10,439	9,365
Assistance to Ukraine	50,000	-	-	-	-
Support to the Pacific and Timor-Leste additional support	-	280,947	32,794	-	-
Expenses not requiring appropriation in the Budget year	500	500	500	500	500
Departmental expenses					
Departmental appropriation	266,806	270,808	274,870	278,993	283,178
Total Component 1.2.1 expenses	3,770,055	3,935,245	3,696,213	3,745,684	3,808,104

(a) In addition to the *Australian support for India*, emergency medical supplies were provided in assistance to India through the Department of Health.

Table continued on the next page.

Table 2.1.2: Program components of Outcome 1 (continued)

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
1.6.1 - Component 6: Public Information Services and Public Diplomacy					
Annual administered expenses:					
Non-ODA Pacific Sports Program	11,100	15,600	15,600	15,600	15,600
National Foundation for Australia-China Relations	7,785	7,480	7,480	7,480	7,480
Centre for Australia-India Relations	536	3,251	3,279	3,311	3,364
Public Diplomacy and Other International Grants Programs	7,266	8,241	7,760	7,931	7,931
Total Component 1.7.1 expenses	26,687	34,572	34,119	34,322	34,375

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
1.7.1 - Component 7: Programs to Promote Australia's International Tourism Interests					
Annual administered expenses:					
Corporate Commonwealth Entity -					
Tourism Australia	135,347	139,643	139,740	140,457	140,229
Asia Marketing Fund	19,981	20,040	20,100	20,161	20,223
Tourism Marketing	-	27,000	18,000	-	-
Total Component 1.7.1 expenses	155,328	186,683	177,840	160,618	160,452

Table 2.1.3: Performance measure for Outcome 1

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

Outcome 1 – 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	
Program 1.1 – Foreign Affairs and Trade Operations. The department will assist the government to meet its foreign, trade and investment, development and international security policy priorities.	
Key Activities	<p>Key activities reported in the current corporate plan that relate to this program.</p> <ul style="list-style-type: none"> • Pursue relationships, programs and other initiatives that support Australia’s interests and influence in the Indo-Pacific, including by advancing the region’s recovery from the COVID-19 crisis. • Promote a shared agenda for security and prosperity with Pacific island countries and Timor-Leste through economic, security and development engagement. • Advocate and negotiate to open markets, resist protectionism and support the rules-based trading system. • Support Australian businesses to secure opportunities globally, including through free trade agreements and advancing trade and investment collaboration in the region and more widely. • Contribute to domestic economic policy that improves Australia’s international competitiveness. • Work with international and domestic partners to promote Australia’s security interests through effective international advocacy, cooperation and capacity building. • Strengthen intelligence capabilities. • Promote international cooperation on people smuggling, human trafficking and other forms of modern slavery, particularly through the Bali Process. • Further Australia’s interests, including promoting and protecting the rules, norms, standards and institutions that underpin sovereignty, stability and prosperity, and enable cooperation to tackle global challenges. • Undertake effective protocol engagement with foreign services represented in Australia and ensure their security and dignity. • Closely liaise with federal, state and territory governments regarding DFAT’s management of the diplomatic and consular community.

Table continued on the next page.

Table 2.1.3: Performance measure for Outcome 1 (continued)

Program 1.1 (continued) – Foreign Affairs and Trade Operations. The department will assist the government to meet its foreign, trade and investment, development and international security policy priorities.		
Year	Performance measures	Expected Performance Results
Current year 2021-22	Our diplomatic efforts in the Indo-Pacific bolster partnerships and rules and norms that contribute to regional resilience, stability and prosperity and a regional balance favourable to our interests.	On track
	High level of satisfaction of ministers and key stakeholders with the quality and timeliness of advice, briefing and support provided by the department.	On track
	Australia's Step-up in Pacific and Timor-Leste engagement supports stronger and more resilient economies, development outcomes and regional security.	On track
	Global rules-based trading system reflects Australian interests.	Partially on track
	Increased market opening and opportunities for Australian businesses.	Partially on track
	Trade and investment is factored into Australia's economic policy settings.	On track
	Positive trade and investment outcomes supported by the department's economic and commercial diplomacy, and domestic advocacy efforts.	On track
	Security outcomes that reflect Australia's interests.	On track
	Full and active engagement with the National Intelligence Community – (NIC) including through Office of National Intelligence-led prioritisation, coordination and evaluation process – to support Australia's foreign policy interests.	On track
	Our relationships with Europe, the Middle East, Latin America and Africa advance Australia's interests.	On track
	The diplomatic and consular corps posted or accredited to Australia are satisfied with the delivery of protocol services.	Achieved
	Federal and state/territory governments support the department's approach and processes, and foreign diplomats' cooperation with Australia's health and other requirements is strengthened.	Achieved

Table continued on the next page.

Table 2.1.3: Performance measure for Outcome 1 (continued)

Program 1.1 (continued) – Foreign Affairs and Trade Operations. The department will assist the government to meet its foreign, trade and investment, development and international security policy priorities.		
Year	Performance measures	Planned Performance Results
Budget Year 2022-23	Our diplomatic efforts in the Indo-Pacific bolster partnerships and rules and norms that contribute to regional resilience, stability and prosperity and a regional balance favourable to our interests.	<ul style="list-style-type: none"> • Agreements, decisions, meeting outcomes and public statements by other governments align with our interests.
	High level of satisfaction of ministers and key stakeholders with the quality and timeliness of advice, briefing and support provided by the department.	<ul style="list-style-type: none"> • Baseline to be established.
	Australia's Step-up in Pacific and Timor-Leste engagement supports stronger and more resilient economies, development outcomes and regional security.	<ul style="list-style-type: none"> • Our strong and close partnerships with Pacific island countries and Timor-Leste are maintained and strengthened, created through our bilateral and regional engagement and delivery against the three pillars of the Pacific Step-up: economic prosperity, shared security and people-to-people connections. • We respond to the evolving priorities of the Pacific and Timor-Leste in support of regional COVID-19 recovery.
	Global rules-based trading system reflects Australian interests.	<ul style="list-style-type: none"> • Outcomes in WTO, APEC, G20 and OECD promote economic recovery through trade and investment.
	Increased market opening and opportunities for Australian businesses.	<ul style="list-style-type: none"> • Increased compared to previous year.
	Trade and investment is factored into Australia's economic policy settings.	<ul style="list-style-type: none"> • Economic policy takes into account Australia's trade and investment interests and is consistent with our international trade law obligations.
	Positive trade and investment outcomes supported by the department's economic and commercial diplomacy, and domestic advocacy efforts.	<ul style="list-style-type: none"> • Effective support to Australian business in overseas markets. • Increased public stakeholder understanding of the benefits of trade and investment.

Table continued on the next page.

Table 2.1.3: Performance measure for Outcome 1 (continued)

Program 1.1 (continued) – Foreign Affairs and Trade Operations. The department will assist the government to meet its foreign, trade and investment, development and international security policy priorities.		
Year	Performance measures	Planned Performance Results
Budget Year 2022-23 (continued)	Security outcomes that reflect Australia's interests.	<ul style="list-style-type: none"> Effective implementation of key strategies, particularly those targeting people smuggling and human trafficking, terrorism and cyber.
	Full and active engagement with the National Intelligence Community (NIC) – including through Office of National Intelligence-led prioritisation, coordination and evaluation process – to support Australia's foreign policy interests.	<ul style="list-style-type: none"> DFAT contributes to NIC understanding of developments affecting Australia's foreign policy interests. DFAT's prosecution of Australia's foreign policy interests is better targeted through this engagement with NIC agencies.
	Our relationships with Europe, the Middle East, Latin America and Africa advance Australia's interests.	<ul style="list-style-type: none"> Positive regard for Australian interests increasingly identified in countries of Europe, the Middle East, Latin America and Africa.
	The diplomatic and consular corps posted or accredited to Australia are satisfied with the delivery of protocol services.	<ul style="list-style-type: none"> Maintain satisfaction levels above 85 per cent.
	Federal and state/territory governments support the department's approach and processes, and foreign diplomats' cooperation with Australia's health and other requirements is strengthened.	<ul style="list-style-type: none"> No target. Rationale: Our engagement pertains to supporting coordination of quarantine arrangements for diplomats with relevant agencies. We are unable to set applicable annual targets during the COVID-19 response.
Forward Estimates 2023-26	As per 2022-23	As per 2022-23

Note: This performance information is based on DFAT's 2021-22 Corporate Plan which amended some performance measures from the PBS 2021-22 to reflect our current operating environment, remove duplication, improve verifiability and separate out targets from the performance measure. More detail is provided on page 10 of the 2021-22 Corporate Plan.

Table 2.1.3: Performance measure 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		
Program 1.2 – Official Development Assistance promotes Australia’s national interests by contributing to sustainable and inclusive economic growth and poverty reduction.		
Key Activities	<p>Key activities reported in the current corporate plan that relate to this program.</p> <ul style="list-style-type: none"> Strengthen economic and commercial diplomacy to support Australian businesses, and build domestic support for trade and investment. Focus Australia’s development program predominantly on the Indo-Pacific to promote Australia’s national interest in a stable, prosperous and resilient region in the context of COVID-19, including by: <ul style="list-style-type: none"> delivering assistance to neighbours through the <i>Partnerships for Recovery</i> strategy, prioritising health security, stability and economic recovery, and supporting Pacific and Southeast Asian partners to access and roll out safe and effective COVID-19 vaccines. Manage the development program effectively, efficiently and transparently to deliver results and value for money in line with the Australian development program’s performance framework. Lead the Australian Government’s response to humanitarian crises and conflicts, including an enhanced ability by Indo-Pacific countries to prepare for, respond to and recover from crises. 	
Year	Performance measures	Expected Performance Results
Current year 2021-22	Australia’s development program investments promote health security, stability and economic recovery.	On track
	Timely and effective responses to humanitarian emergencies, including an enhanced Indo-Pacific ability to prepare for, respond to and recover from crises.	On track
	Effective operational and organisational management of the development program, including in its planning, implementation and responsiveness.	On track

Table continued on the next page.

Table 2.1.3: Performance measure for Outcome 1 (continued)

Program 1.2 – Official Development Assistance promotes Australia's national interests by contributing to sustainable and inclusive economic growth and poverty reduction.		
Year	Performance measures	Planned Performance Results
Budget Year 2022-23	Australia's development program investments promote health security, stability and economic recovery.	<ul style="list-style-type: none"> • Ongoing development program is responsive to evolving needs and risks in the Indo-Pacific region and Australian Government priorities. • Effective implementation of temporary, targeted and supplementary COVID-19 measures.
	Timely and effective responses to humanitarian emergencies, including an enhanced Indo-Pacific ability to prepare for, respond to and recover from crises.	<ul style="list-style-type: none"> • Australia responds within 48 hours of a request from a country in the Indo-Pacific. • Effective Australian Government responses to humanitarian crises, displacement and conflict measured through end-of-program reviews of protracted crises response packages and strategic partnership frameworks. • Australian support builds the capacity of Pacific governments and communities to better prepare for respond to and recover from climate change and disasters. • Progress against strategic partnership framework implementation and renewals
	Effective operational and organisational management of the development program, including in its planning, implementation and responsiveness.	<ul style="list-style-type: none"> • Ongoing effective and efficient implementation of investments.
Forward Estimates 2023-26	As per 2022-23	As per 2022-23

Note: This performance information is based on DFAT's 2021-22 Corporate Plan which amended some performance measures from the PBS 2021-22 to reflect our current operating environment, remove duplication, improve verifiability and separate out targets from the performance measure. More detail is provided on page 10 of the 2021-22 Corporate Plan.

Table 2.1.3: Performance criteria 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		
Program 1.3 – Official Development Assistance – Multilateral Replenishments assists developing countries by contributing to sustainable and inclusive economic growth and poverty reduction through contributions to multilateral organisations.		
Key Activities	Key activities reported in the current corporate plan that relate to this program. <ul style="list-style-type: none"> • Further Australia’s interests, including promoting and protecting the rules, norms, standards and institutions that underpin sovereignty, stability and prosperity, and enable cooperation to tackle global challenges. 	
Year	Performance measures	Expected Performance Results
Current year 2021-22	Australia’s diplomatic and geostrategic efforts and financial contributions help shape institutions, rules, norms and standards in line with our national interests and values.	On track
Year	Performance measures	Planned Performance Results
Budget Year 2022-23	Australia’s diplomatic and geostrategic efforts and financial contributions help shape institutions, rules, norms and standards in line with our national interests and values.	<ul style="list-style-type: none"> • Alignment between statements from governments and multilateral institutions, and existing global rules, norms and values.
Forward Estimates 2023-26	As per 2022-23	As per 2022-23

Note: This performance information is based on DFAT’s 2021-22 Corporate Plan which amended some performance measures from the PBS 2021-22 to reflect our current operating environment, remove duplication, improve verifiability and separate out targets from the performance measure. More detail is provided on page 10 of the 2021-22 Corporate Plan.

Table 2.1.3: Performance criteria 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		
Program 1.4 – Payments to International Organisations advances Australia’s foreign, trade and investment, development and international security interests.		
Key Activities	Key activities reported in the current corporate plan that relate to this program. <ul style="list-style-type: none"> • Further Australia’s interests, including promoting and protecting the rules, norms, standards and institutions that underpin sovereignty, stability and prosperity, and enable cooperation to tackle global challenges. 	
Year	Performance measures	Expected Performance Results
Current year 2021-22	Australia’s diplomatic and geostrategic efforts and financial contributions help shape institutions, rules, norms and standards in line with our national interests and values.	On track
Year	Performance measures	Planned Performance Results
Budget Year 2022-23	Australia’s diplomatic and geostrategic efforts and financial contributions help shape institutions, rules, norms and standards in line with our national interests and values.	<ul style="list-style-type: none"> • Alignment between statements from governments and multilateral institutions, and existing global rules, norms and values.
Forward Estimates 2023-26	As per 2022-23	As per 2022-23

Note: This performance information is based on DFAT’s 2021-22 Corporate Plan which amended some performance measures from the PBS 2021-22 to reflect our current operating environment, remove duplication, improve verifiability and separate out targets from the performance measure. More detail is provided on page 10 of the 2021-22 Corporate Plan.

Table 2.1.3: Performance criteria 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		
Program 1.5 – New Colombo Plan – Transforming Regional Relationships advances Australia’s interests and bilateral relationships through enduring people-to-people, institutional and business links with the Indo-Pacific region.		
Key Activities	Key activities reported in the current corporate plan that relate to this program. <ul style="list-style-type: none"> • Increase Australia’s engagement with the Indo-Pacific through the New Colombo Plan (NCP). 	
Year	Performance measures	Expected Performance Results
Current year 2021-22	The New Colombo Plan delivers improved people-to-people, institutional and business links.	On track
Year	Performance measures	Planned Performance Results
Budget Year 2022-23	The New Colombo Plan delivers improved people-to-people, institutional and business links.	<ul style="list-style-type: none"> • High-quality engagement with Australian universities, businesses, alumni and other stakeholders in the New Colombo Plan.
Forward Estimates 2023-26	As per 2022-23	As per 2022-23

Note: This performance information is based on DFAT’s 2021-22 Corporate Plan which amended some performance measures from the PBS 2021-22 to reflect our current operating environment, remove duplication, improve verifiability and separate out targets from the performance measure. More detail is provided on page 10 of the 2021-22 Corporate Plan.

Table 2.1.3: Performance criteria 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		
Program 1.6 – Public Information Services and Public Diplomacy projects a positive and contemporary image of Australia and promotes a clear understanding of government policies and objectives and engagement with the Indo-Pacific region through the department’s soft power activities.		
Key Activities	Key activities reported in the current corporate plan that relate to this program. <ul style="list-style-type: none"> Project a positive and contemporary image of Australia, and promote a clear understanding of Australian policies, objectives and engagement with the Indo-Pacific region through the department’s communications delivered throughout our diplomatic network. 	
Year	Performance measures	Expected Performance Results
Current year 2021-22	Strategic communications and global initiatives reflect Australian interests.	On track
Year	Performance measures	Planned Performance Results
Budget Year 2022-23	Strategic communications and global initiatives reflect Australian interests.	<ul style="list-style-type: none"> Maintained or increased compared to previous year.
Forward Estimates 2023-26	As per 2022-23	As per 2022-23

Note: This performance information is based on DFAT’s 2021-22 Corporate Plan which amended some performance measures from the PBS 2021-22 to reflect our current operating environment, remove duplication, improve verifiability and separate out targets from the performance measure. More detail is provided on page 10 of the 2021-22 Corporate Plan.

Table 2.1.3: Performance criteria 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		
Program 1.7 – Program to Promote Australia’s International Tourism Interests		
Key Activities	The delivery of this program is the responsibility of Austrade and Tourism Australia.	
Year	Performance measures	Expected Performance Results
Current year 2021-22	Refer to Austrade’s Outcomes and planned performance section. Refer to Tourism Australia’s Outcomes and planned performance section.	
Year	Performance measures	Planned Performance Results
Budget Year 2022-23	Refer to Austrade’s Outcomes and planned performance section. Refer to Tourism Australia’s Outcomes and planned performance section.	
Forward Estimates 2023-26	Refer to Austrade’s Outcomes and planned performance section. Refer to Tourism Australia’s Outcomes and planned performance section.	

2.2 Budgeted expenses and performance 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

Linked programs

Australian Trade and Investment Commission
Programs <ul style="list-style-type: none"> • Program 2.1 – Consular and Passport Services
Australian Federal Police
Programs <ul style="list-style-type: none"> • Program 1.1 – Federal Policing Investigations • Program 3.2 – International Police Assistance and External Territories
Services Australia
Programs <ul style="list-style-type: none"> • Program 1.2 – Customer Service Delivery • Program 1.3 – Technology and Transformation
Contribution to Outcome 2 made by linked programs Services Australia, the Australian Federal Police and the Australian Trade and Investment Commission support DFAT in the delivery of high-quality consular services, including the provision of Australian passport information services and the repatriation of vulnerable Australians.

Budgeted expenses for Outcome 2

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

Table 2.2.1: 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	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
Program 2.1: Consular Services					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	43,071	200	200	200	200
Special appropriations <i>PGPA Act 2013</i> s77	100	100	100	100	100
Administered total	43,171	300	300	300	300
Departmental expenses					
Departmental appropriation	139,558	138,239	135,424	136,952	122,449
Departmental total	139,558	138,239	135,424	136,952	122,449
Total expenses for program 2.1	182,729	138,539	135,724	137,252	122,749
Program 2.2: Passport Services					
Administered expenses					
Special appropriations <i>PGPA Act 2013</i> s77	2,000	2,000	2,000	2,000	2,000
Administered total	2,000	2,000	2,000	2,000	2,000
Departmental expenses					
Departmental appropriation	267,462	277,183	282,282	284,570	285,689
Departmental total	267,462	277,183	282,282	284,570	285,689
Total expenses for program 2.2	269,462	279,183	284,282	286,570	287,689

Table continued on the next page.

Table 2.2.1: Budgeted expenses for Outcome 2 (continued)

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
Outcome 2 Totals by appropriation type					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	43,071	200	200	200	200
Special appropriations <i>PGPA Act 2013</i> s77	2,100	2,100	2,100	2,100	2,100
Administered total	45,171	2,300	2,300	2,300	2,300
Departmental expenses					
Departmental appropriation	407,020	415,422	417,706	421,522	408,138
Departmental total	407,020	415,422	417,706	421,522	408,138
Total expenses for Outcome 2	452,191	417,722	420,006	423,822	410,438

	2021-22	2022-23
Average staffing level (number)	1,138	1,160

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

Table 2.2.3: Performance measure for Outcome 2

Table 2.2.3 details the performance measures for each program associated with Outcome 2. It also provides the related key activities as expressed in the current corporate plan where further detail is provided about the delivery of the activities related to the program, the context in which these activities are delivered and how the performance of these activities will be measured. Where relevant, details of 2022–23 Budget measures that have created new programs or materially changed existing programs are provided.

Outcome 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		
Program 2.1 – Consular Services assist Australian travellers and Australians overseas through the provision of consular support services, including timely travel advice and contingency planning for crisis response.		
Key Activities	Key activities reported in the current corporate plan that relate to this program. <ul style="list-style-type: none"> • A responsive consular service focused on those most in need. • Australians empowered to help themselves overseas. • Preparedness for and management of overseas crises, including in the pandemic context assisting Australians abroad wishing to return home. 	
Year	Performance measures	Expected Performance Results
Current year 2021-22	A responsive consular service through our 24/7 global network, focusing on Australians most in need.	On track
	The department is prepared to respond to overseas crises.	On track
Year	Performance measures	Planned Performance Results
Budget Year 2022-23	A responsive consular service through our 24/7 global network, focusing on Australians most in need.	<ul style="list-style-type: none"> • Australians can access consular services as outlined in the Consular Services Charter at all times, including in a crisis situation.
	The department is prepared to respond to overseas crises.	<ul style="list-style-type: none"> • 100 per cent of posts certify annually that crisis action plans are current, and have been exercised for countries of resident accreditation. • Contingency planning and crisis management training is mandatory for all DFAT officers proceeding on long-term posting.
Forward Estimates 2023-26	As per 2022-23	As per 2022-23

Note: This performance information is based on DFAT's 2021-22 Corporate Plan which amended some performance measures from the PBS 2021-22 to reflect our current operating environment, remove duplication, improve verifiability and separate out targets from the performance measure. More detail is provided on page 10 of the 2021-22 Corporate Plan.

Table 2.2.3: Performance measure for Outcome 2 (continued)

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		
Program 2.2 – Passport Services provide Australians access to secure international travel documentation through the delivery of high-quality passport services.		
Key Activities	Key activities reported in the current corporate plan that relate to this program. <ul style="list-style-type: none"> Provide Australians with high-quality passport services. 	
Year	Performance measures	Expected Performance Results
Current year 2021-22	The department maintains a high standard in processing passport applications, investigating and prosecuting fraud.	Partially on track
	Australians have information to prepare for safe travel overseas.	Achieved
	Clients are satisfied with passport services, including online services.	Partially on track
Year	Performance measures	Planned Performance Results
Budget Year 2022-23	The department maintains a high standard in processing passport applications, investigating and prosecuting fraud.	<ul style="list-style-type: none"> 95 per cent of passports processed within 10 business days. 98 per cent of priority passports processed within two business days. 100 per cent of identified high risk passport applications scrutinised by specialist staff. 95 per cent of referrals to prosecuting authorities accepted for prosecution. 90 per cent of administrative investigations finalised within five business days.
	Australians have information to prepare for safe travel overseas.	<ul style="list-style-type: none"> 100 per cent of travel advisories reviewed bi-annually for posts in a volatile risk environment and/or where there are high Australian interests. 100 per cent of travel advisories reviewed annually for all other posts.
	Clients are satisfied with passport services, including online services.	<ul style="list-style-type: none"> 60 per cent of applications commenced online. 85 per cent satisfaction rate of overall passport service from client survey.
Forward Estimates 2023-26	As per 2022-23	As per 2022-23

Note: This performance information is based on DFAT's 2021-22 Corporate Plan which amended some performance measures from the PBS 2021-22 to reflect our current operating environment, remove duplication, improve verifiability and separate out targets from the performance measure. More detail is provided on page 10 of the 2021-22 Corporate Plan.

2.3 Budgeted expenses and performance 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 property estate

Budgeted expenses for Outcome 3

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

Table 2.3.1: Budgeted expenses for Outcome 3

Outcome 3: A secure Australian Government presence overseas through the provision of security services and information and communication technology infrastructure, and the management of the Commonwealth's overseas property estate	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
Program 3.1: Foreign Affairs and Trade Security and IT					
Departmental expenses					
Departmental appropriation	208,892	228,505	156,226	157,255	157,273
Departmental total	208,892	228,505	156,226	157,255	157,273
Total expenses for program 3.1	208,892	228,505	156,226	157,255	157,273
Program 3.2: Overseas Property					
Expenses not requiring appropriation in the Budget year (a)	38,534	38,919	39,309	39,698	40,098
Departmental total	38,534	38,919	39,309	39,698	40,098
Total expenses for program 3.2	38,534	38,919	39,309	39,698	40,098
Outcome 3 Totals by appropriation type					
Departmental expenses					
Departmental appropriation	208,892	228,505	156,226	157,255	157,273
Expenses not requiring appropriation in the Budget year (a)	38,534	38,919	39,309	39,698	40,098
Departmental total	247,426	267,424	195,535	196,953	197,371
Total expenses for Outcome 3	247,426	267,424	195,535	196,953	197,371
Average staffing level (number)					
	2021-22 899	2022-23 915			

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

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

Table 2.3.3: Performance measure for Outcome 3

Table 2.3.3 details the performance measures for each program associated with Outcome 3. It also provides the related key activities as expressed in the current corporate plan where further detail is provided about the delivery of the activities related to the program, the context in which these activities are delivered and how the performance of these activities will be measured. Where relevant, details of 2022–23 Budget measures that have created new programs or materially changed existing programs are provided.

Outcome 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		
Program 3.1 – Foreign Affairs and Trade Security and IT		
Key Activities	Key activities reported in the current corporate plan that relate to this program. <ul style="list-style-type: none"> • Strengthen protective security measures commensurate with the evolving global security environment. • Enhance the security culture of the department across the global network. • Deliver and maintain accessible, reliable and secure ICT systems and infrastructure that meet Australian Government requirements. 	
Year	Performance measures	Expected Performance Results
Current year 2021-22	Effective security management with evidence of risk-based decision-making in line with the DFAT Security Framework.	On track
	Enhanced oversight of the functionality and effectiveness of the security controls and mitigations in place across the network.	On track
	Robust security culture, evidenced by staff engagement with security policy and responsiveness to contemporary and innovative security materials and training programs.	On track
	Fit-for-purpose and secure ICT systems.	On track

Table continued on the next page.

Table 2.3.3: Performance measure for Outcome 3 (continued)

Program 3.1 – Foreign Affairs and Trade Security and IT (continued)		
Year	Performance measures	Planned Performance Results
Budget Year 2022-23	Effective security management with evidence of risk-based decision-making in line with the DFAT Security Framework.	<ul style="list-style-type: none"> The department's protective security maturity rating improves from 'developing' to 'managing' by 2024.
	Enhanced oversight of the functionality and effectiveness of the security controls and mitigations in place across the network.	<ul style="list-style-type: none"> Progress against key Security Enhancement Program milestones.
	Robust security culture, evidenced by staff engagement with security policy and responsiveness to contemporary and innovative security materials and training programs.	<ul style="list-style-type: none"> Progress against the Security Culture Implementation plan.
	Fit-for-purpose and secure ICT systems.	<ul style="list-style-type: none"> Number of security log events collected and complex use cases analysed will increase by 15 per cent. No reduction in overseas partner agencies continued use of DFAT ICT systems.
Forward Estimates 2023-26	As per 2022-23	As per 2022-23

Note: This performance information is based on DFAT's 2021-22 Corporate Plan which amended some performance measures from the PBS 2021-22 to reflect our current operating environment, remove duplication, improve verifiability and separate out targets from the performance measure. More detail is provided on page 10 of the 2021-22 Corporate Plan.

Table 2.3.3: Performance measure for Outcome 3 (continued)

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		
Program 3.2 – Overseas Property		
Key Activities	Key activities reported in the current corporate plan that relate to this program. <ul style="list-style-type: none"> • Deliver a secure Australian Government presence overseas through efficient and effective management of the overseas estate that meets the Government's requirements and maintains property conditions and building services. 	
Year	Performance measures	Expected Performance Results
Current year 2021-22	Construction and refurbishment of departmental overseas property estate completed to agreed quality standards to meet government requirements and deliver operational efficiencies.	Partially on track
	Asset management plans are in place for all owned properties in the overseas estate.	On track
	Satisfaction ratings with the performance of the service provider and the Overseas Property Office and Services.	On track
	Management and refurbishment of the domestic property portfolio, including the state and territory offices, to meet government requirements and deliver operational efficiencies.	On track

Table continued on the next page.

Table 2.3.3: Performance measure for Outcome 3 (continued)

Program 3.2 – Overseas Property (continued)		
Year	Performance measures	Planned Performance Results
Budget Year 2022-23	Construction and refurbishment of departmental overseas property estate completed to agreed quality standards to meet government requirements and deliver operational efficiencies.	<ul style="list-style-type: none"> • Benefits identified in the approved business case are realised. • Off-site construction delivered to Australian Codes and Standards. • 80 per cent of construction projects delivered on time and within approved budget.
	Asset management plans are in place for all owned properties in the overseas estate.	<ul style="list-style-type: none"> • 100 per cent of asset management plans updated for all owned properties.
	Satisfaction ratings with the performance of the service provider and the Overseas Property Office.	<ul style="list-style-type: none"> • Maintained or increased compared to previous year.
	Management and refurbishment of the domestic property portfolio, including the state and territory offices, to meet government requirements and deliver operational efficiencies.	<ul style="list-style-type: none"> • The department has an occupational density of 14m² per occupied work point by 2025.
Forward Estimates 2023-26	As per 2022-23	As per 2022-23

Note: This performance information is based on DFAT's 2021-22 Corporate Plan which amended some performance measures from the PBS 2021-22 to reflect our current operating environment, remove duplication, improve verifiability and separate out targets from the performance measure. More detail is provided on page 10 of the 2021-22 Corporate Plan.

Section 3: Budgeted financial statements

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

3.1 Budgeted financial statements

3.1.1 Differences between entity resourcing and financial statements

There are no differences between the resource information presented in the Budget Papers and in DFAT's Portfolio Budget Statements.

3.1.2 Explanatory notes and analysis of budgeted financial statements

The total budgeted revenue from government in 2022–23 is \$1,826.6 million as shown in Table 3.1. The increase is primarily attributable to:

- funding for new measures;
- parameter adjustments for overseas and domestic inflation; and
- foreign exchange movements.

The Income Statement shows a budgeted deficit in 2022–23 of \$146.8 million before allowing for net cash funding arrangements.

In addition, all departmental financial statements have been updated to include the estimated impact of the accounting standards for leases (AASB 16).

Budgeted Departmental Balance Sheet

The department will receive an equity injection of \$62.0 million in 2022–23 for the purchase or construction of new assets. The department will also receive \$70.7 million through its Departmental Capital Budget to fund the replacement of existing assets.

For 2022–23, the department's non-financial asset position is budgeted to be \$5,263.8 million at year-end. The major asset component is \$4,578.2 million for land and buildings.

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

Administered expenses for multilateral replenishments are budgeted at \$559.4 million, an increase of \$551.4 million from the 2021–22 estimated actual due to a new multilateral replenishment being finalised.

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

Administered assets and liabilities administered on behalf of the Government are budgeted at \$3,486.2 million and \$2,103.3 million respectively for the year ending 30 June 2023.

Schedule of Budgeted Administered Cash Flows

Administered cash receipts primarily comprise receipts from passport and consular services and are budgeted at \$788.0 million, an increase of \$193.1 million.

Administered cash used in 2022–23 is estimated to increase by \$231.5 million compared to 2021–22. This is due primarily to the profile of the COVID-19 Response Packages across the financial years.

3.2. Budgeted financial statements tables

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forw ard estimate \$'000	2024-25 Forw ard estimate \$'000	2025-26 Forw ard estimate \$'000
EXPENSES					
Employee benefits	983,425	1,045,373	1,019,951	1,013,580	1,003,086
Suppliers	720,385	749,632	588,431	577,781	611,216
Depreciation and amortisation (a)	328,147	335,691	342,524	347,613	352,803
Interest on Right of Use (ROU)	14,476	14,765	15,061	15,362	15,669
Losses from asset sales	3,788	-	-	-	-
Total expenses	2,050,221	2,145,461	1,965,967	1,954,336	1,982,774
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Revenue from contracts with customers	112,186	112,254	112,254	112,254	112,254
Other revenue	58,792	59,177	59,567	59,956	60,356
Total own-source revenue	170,978	171,431	171,821	172,210	172,610
Gains					
Other	630	630	630	630	630
Total gains	630	630	630	630	630
Total own-source income	171,608	172,061	172,451	172,840	173,240
Net (cost of)/contribution by services	(1,878,613)	(1,973,400)	(1,793,516)	(1,781,496)	(1,809,534)
Revenue from Government	1,735,663	1,826,630	1,643,670	1,630,414	1,657,192
Surplus/(deficit) attributable to the Australian Government	(142,950)	(146,770)	(149,846)	(151,082)	(152,342)
OTHER COMPREHENSIVE INCOME					
Total comprehensive income/(loss)	(142,950)	(146,770)	(149,846)	(151,082)	(152,342)
Total comprehensive income/(loss) attributable to the Australian Government	(142,950)	(146,770)	(149,846)	(151,082)	(152,342)

Table continued on the next page.

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

Note: Impact of net cash appropriation arrangements

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
Total comprehensive income/(loss)					
- as per statement of Comprehensive Income	(142,950)	(146,770)	(149,846)	(151,082)	(152,342)
plus: depreciation/amortisation of assets funded through appropriations (departmental capital budget funding and/or equity injections) (a)	134,211	139,360	141,476	141,476	141,476
plus: depreciation/amortisation expenses for ROU assets (b)	146,126	147,565	151,307	155,402	159,578
less: lease principal repayments (b)	137,387	140,155	142,937	145,796	148,712
Net Cash Operating Surplus/ (Deficit)	-	-	-	-	-

Prepared on Australian Accounting Standards basis.

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

(b) Applies leases under AASB 16 Leases.

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	382,579	272,998	175,005	114,243	86,420
Trade and other receivables	548,125	513,597	518,708	518,708	518,708
Total financial assets	930,704	786,595	693,713	632,951	605,128
Non-financial assets					
Land and buildings	4,520,820	4,578,196	4,622,943	4,629,394	4,601,826
Property, plant and equipment	355,534	455,441	513,581	585,201	626,372
Intangibles	147,126	133,418	118,721	104,024	76,720
Inventories	52,886	52,886	52,886	52,886	52,886
Other non-financial assets	43,835	43,835	43,835	43,835	43,835
Total non-financial assets	5,120,201	5,263,776	5,351,966	5,415,340	5,401,639
Assets held for sale	19,092	19,092	19,092	19,092	19,092
Total assets	6,069,997	6,069,463	6,064,771	6,067,383	6,025,859
LIABILITIES					
Payables					
Suppliers	123,377	124,724	126,071	126,071	126,071
Other payables	85,396	85,584	85,772	85,772	85,772
Total payables	208,773	210,308	211,843	211,843	211,843
Interest bearing liabilities					
Leases	1,091,835	1,100,230	1,108,814	1,117,569	1,126,505
Total interest bearing liabilities	1,091,835	1,100,230	1,108,814	1,117,569	1,126,505
Provisions					
Employee provisions	257,416	260,992	264,568	264,568	264,568
Other provisions	38,649	38,649	38,649	38,649	38,649
Total provisions	296,065	299,641	303,217	303,217	303,217
Total liabilities	1,596,673	1,610,179	1,623,874	1,632,629	1,641,565
Net assets	4,473,324	4,459,284	4,440,897	4,434,754	4,384,294
EQUITY*					
Parent entity interest					
Contributed equity	3,154,780	3,287,510	3,418,969	3,563,908	3,665,790
Reserves	1,897,889	1,897,889	1,897,889	1,897,889	1,897,889
Retained surplus (accumulated deficit)	(579,345)	(726,115)	(875,961)	(1,027,043)	(1,179,385)
Total parent entity interest	4,473,324	4,459,284	4,440,897	4,434,754	4,384,294
Total equity	4,473,324	4,459,284	4,440,897	4,434,754	4,384,294

Prepared on Australian Accounting Standards basis.

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

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

	Retained earnings	Asset revaluation reserve	Other reserves	Contributed equity/ capital	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000
Opening balance as at 1 July 2022					
Balance carried forward from previous period	(579,345)	1,897,889	-	3,154,780	4,473,324
Adjusted opening balance	(579,345)	1,897,889	-	3,154,780	4,473,324
Comprehensive income					
Surplus/(deficit) for the period	(146,770)	-	-	-	(146,770)
Total comprehensive income	(146,770)	-	-	-	(146,770)
of which:					
Attributable to the Australian Government	-	-	-	-	-
Transactions with owners					
Contributions by owners					
Equity injection - Appropriation	-	-	-	62,023	62,023
Departmental Capital Budget (DCB)	-	-	-	70,707	70,707
Sub-total transactions with owners	-	-	-	132,730	132,730
Estimated closing balance as at 30 June 2023	(726,115)	1,897,889	-	3,287,510	4,459,284
Closing balance attributable to the Australian Government	(726,115)	1,897,889	-	3,287,510	4,459,284

Prepared on Australian Accounting Standards basis.

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forw ard estimate \$'000	2024-25 Forw ard estimate \$'000	2025-26 Forw ard estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	1,737,702	1,857,439	1,638,559	1,630,414	1,657,192
Sale of goods and rendering of services	159,908	160,361	160,751	160,952	161,352
Net GST received	41,118	41,324	41,324	41,324	41,324
Other	11,258	11,258	11,258	11,258	11,258
Total cash received	1,949,986	2,070,382	1,851,892	1,843,948	1,871,126
Cash used					
Employees	979,849	1,041,797	1,016,375	1,013,580	1,003,086
Suppliers	763,314	788,979	627,778	618,475	651,910
Interest payments on lease liability	14,476	14,765	15,061	15,362	15,669
s74 External Revenue transferred to the OPA	34,096	-	-	-	-
Total cash used	1,791,735	1,845,541	1,659,214	1,647,417	1,670,665
Net cash from/(used by) operating activities	158,251	224,841	192,678	196,531	200,461
INVESTING ACTIVITIES					
Cash received					
Proceeds from sales of property, plant and equipment	37,884	-	-	-	-
Total cash received	37,884	-	-	-	-
Cash used					
Purchase of property, plant and equipment and intangibles	378,410	330,716	279,193	256,436	181,454
Total cash used	378,410	330,716	279,193	256,436	181,454
Net cash from/(used by) investing activities	(340,526)	(330,716)	(279,193)	(256,436)	(181,454)
FINANCING ACTIVITIES					
Cash received					
Contributed equity	198,610	136,449	131,459	144,939	101,882
Total cash received	198,610	136,449	131,459	144,939	101,882
Cash used					
Principal payments on lease liability	137,387	140,155	142,937	145,796	148,712
Total cash used	137,387	140,155	142,937	145,796	148,712
Net cash from/(used by) financing activities	61,223	(3,706)	(11,478)	(857)	(46,830)
Net increase/(decrease) in cash held	(121,052)	(109,581)	(97,993)	(60,762)	(27,823)
Cash and cash equivalents at the beginning of the reporting period	503,631	382,579	272,998	175,005	114,243
Cash and cash equivalents at the end of the reporting period	382,579	272,998	175,005	114,243	86,420

Prepared on Australian Accounting Standards basis.

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forw ard estimate \$'000	2024-25 Forw ard estimate \$'000	2025-26 Forw ard estimate \$'000
NEW CAPITAL APPROPRIATIONS					
Capital budget - Bill 1 (DCB)	79,729	70,707	76,297	86,881	88,687
Equity injections - Bill 2	101,768	62,023	55,162	58,058	13,195
Total new capital appropriations	181,497	132,730	131,459	144,939	101,882
Provided for:					
Purchase of non-financial assets	181,497	132,730	131,459	144,939	101,882
Total items	181,497	132,730	131,459	144,939	101,882
PURCHASE OF NON-FINANCIAL ASSETS					
ASSETS					
Funded by capital appropriations (a)	126,031	101,662	55,162	58,058	13,195
Funded by capital appropriation - DCB (b)	79,729	70,707	76,297	86,881	88,687
Funded internally from departmental resources (c)	172,650	158,347	147,734	111,497	79,572
TOTAL	378,410	330,716	279,193	256,436	181,454
Total cash used to acquire assets	378,410	330,716	279,193	256,436	181,454

Prepared on Australian Accounting Standards basis.

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

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

(c) Includes internally developed assets.

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

	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 2022						
Gross book value	1,821,226	1,781,911	481,090	332,585	19,092	4,435,904
Gross book value - ROU assets	-	1,513,371	566	-	-	1,513,937
Accumulated depreciation/ amortisation and impairment	-	(153,844)	(125,916)	(185,459)	-	(465,219)
Accumulated depreciation/amortisation and impairment - ROU assets	-	(441,844)	(206)	-	-	(442,050)
Opening net book balance	1,821,226	2,699,594	355,534	147,126	19,092	5,042,572
Capital asset additions						
Estimated expenditure on new or replacement assets						
By purchase - appropriation equity (a)	-	-	101,662	-	-	101,662
By purchase - appropriation ordinary annual services (b)	-	-	57,072	13,635	-	70,707
By purchase - appropriation ordinary annual services - ROU assets	-	148,550	-	-	-	148,550
By purchase - other	-	158,219	128	-	-	158,347
Total additions	-	306,769	158,862	13,635	-	479,266
Other movements						
Depreciation/amortisation expense	-	(101,828)	(58,955)	(27,343)	-	(188,126)
Depreciation/amortisation on ROU assets	-	(147,565)	-	-	-	(147,565)
Disposals (c)	-	-	-	-	-	-
Total other movements	-	(249,393)	(58,955)	(27,343)	-	(335,691)
As at 30 June 2023						
Gross book value	1,821,226	1,940,130	639,952	346,220	19,092	4,766,620
Gross book value - ROU assets	-	1,661,921	566	-	-	1,662,487
Accumulated depreciation/ amortisation and impairment	-	(255,672)	(184,871)	(212,802)	-	(653,345)
Accumulated depreciation/amortisation and impairment - ROU assets	-	(589,409)	(206)	-	-	(589,615)
Closing net book balance	1,821,226	2,756,970	455,441	133,418	19,092	5,186,147

Prepared on Australian Accounting Standards basis.

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

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

(c) Net proceeds may be returned to the Official Public Account.

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forw ard estimate \$'000	2024-25 Forw ard estimate \$'000	2025-26 Forw ard estimate \$'000
EXPENSES					
Official Development Assistance	3,502,749	3,663,937	3,420,843	3,466,191	3,524,426
Multilateral replenishments and other loans	7,834	559,351	23,502	997,620	-
Other grants and contributions	525,665	618,802	603,072	566,146	556,279
Export Finance Australia (EFA)	9,000	6,500	6,500	6,500	6,500
Payments to corporate Commonwealth entities - Tourism Australia	135,347	139,643	139,740	140,457	140,229
Other expenses	52,148	10,039	10,234	10,435	10,642
Depreciation and amortisation (a)	500	500	500	500	500
Total expenses administered on behalf of Government	4,233,243	4,998,772	4,204,391	5,187,849	4,238,576
LESS:					
OWN-SOURCE INCOME					
Non-taxation revenue					
Fees and charges	392,979	568,122	552,714	578,436	568,437
AIPRD loan interest	13,572	13,921	14,344	14,727	15,189
EFA National Interest Account (NIA)	16,892	33,513	22,161	19,711	18,661
EFA dividend	5,671	5,250	5,950	6,650	7,350
EFA competitive neutrality	7,700	8,550	9,300	10,050	10,900
Return of prior year administered	31,452	31,610	31,768	31,927	32,086
Other revenue and gains	255	255	255	255	255
Total non-taxation revenue	468,521	661,221	636,492	661,756	652,878
Total own-source revenue administered on behalf of Government	468,521	661,221	636,492	661,756	652,878
Total own-sourced income administered on behalf of Government	468,521	661,221	636,492	661,756	652,878
Net (cost of)/contribution by services	3,764,722	4,337,551	3,567,899	4,526,093	3,585,698
Total comprehensive income/(loss)	(3,764,722)	(4,337,551)	(3,567,899)	(4,526,093)	(3,585,698)

Prepared on Australian Accounting Standards basis.

(a) From 2010-11, the Government introduced net cash appropriation arrangements where Bill 1 revenue appropriations for the depreciation/amortisation expenses of non-corporate Commonwealth entities (and select corporate Commonwealth entities) were replaced with a separate capital budget (the Administered Capital Budget, or ACB) provided through Bill 1 equity appropriations. For information regarding ACBs, please refer to Table 3.10 Administered Capital Budget Statement.

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	23,317	23,317	23,317	23,317	23,317
AIPRD loans	169,661	173,831	178,424	183,400	188,838
Multilateral investments	2,560,275	2,600,275	2,600,275	2,640,275	2,640,275
Investments in portfolio entities	595,802	595,802	595,802	595,802	595,802
Investments in external entities	12,601	20,149	24,000	24,000	24,000
Trade and other receivables	71,539	72,089	72,639	73,189	73,739
Total financial assets	3,433,195	3,485,463	3,494,457	3,539,983	3,545,971
Non-financial assets					
Computer software internally developed	745	773	801	829	857
Total non-financial assets	745	773	801	829	857
Total assets administered on behalf of Government	3,433,940	3,486,236	3,495,258	3,540,812	3,546,828
LIABILITIES					
Payables					
Multilateral replenishments	1,519,645	1,780,357	1,436,221	2,102,428	1,692,740
Other payables	225,100	225,100	225,100	225,100	225,100
Total payables	1,744,745	2,005,457	1,661,321	2,327,528	1,917,840
Provisions					
NIA financial guarantee	16,330	16,330	16,330	16,330	16,330
Employee provisions	81,510	81,510	81,510	81,510	81,510
Total provisions	97,840	97,840	97,840	97,840	97,840
Total liabilities administered on behalf of Government	1,842,585	2,103,297	1,759,161	2,425,368	2,015,680
Net assets/(liabilities)	1,591,355	1,382,939	1,736,097	1,115,444	1,531,148

Prepared on Australian Accounting Standards basis.

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forw ard estimate \$'000	2024-25 Forw ard estimate \$'000	2025-26 Forw ard estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Fees and charges	392,979	568,122	552,714	578,436	568,437
Net GST received	139,994	140,694	141,398	142,812	144,240
Return of prior year administered expenses	31,452	31,610	31,768	31,927	32,086
EFA - NIA	16,892	33,513	22,161	19,711	18,661
EFA dividend	5,671	5,250	5,950	6,650	7,350
EFA competitive neutrality	7,700	8,550	9,300	10,050	10,900
Other	255	255	255	255	255
Total cash received	594,943	787,994	763,546	789,841	781,929
Cash used					
International Development assistance	3,836,606	4,015,303	3,797,417	3,841,838	3,885,124
Other contributions	525,665	618,802	603,072	566,146	556,279
Payments to corporate Commonwealth entities - Tourism Australia	135,347	139,643	139,740	140,457	140,229
Other	61,148	16,539	16,734	16,935	17,142
Total cash used	4,558,766	4,790,287	4,556,963	4,565,376	4,598,774
Net cash from/(used by) operating activities	(3,963,823)	(4,002,293)	(3,793,417)	(3,775,535)	(3,816,845)
INVESTING ACTIVITIES					
Cash received					
Repayments of AIPRD loans	9,751	9,751	9,751	9,751	9,751
Repayment of other loans	10,129	-	-	-	-
Total cash received	19,880	9,751	9,751	9,751	9,751

Table continued on the next page.

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
Cash used					
Purchase of computer software	528	528	528	528	528
Other investing payments for policy purposes	134,882	127,967	132,462	138,578	193,230
Investment in Emerging Markets Impact Investment Fund trust (EMIF)	5,897	7,548	3,851	-	-
Loans made	10,679	550	550	550	550
Total cash used	151,986	136,593	137,391	139,656	194,308
Net cash from/(used by) investing activities	(132,106)	(126,842)	(127,640)	(129,905)	(184,557)
FINANCING ACTIVITIES					
Cash received					
Contributed equity	6,425	8,076	4,379	528	528
Total cash received	6,425	8,076	4,379	528	528
Net cash from/(used by) financing activities	6,425	8,076	4,379	528	528
Net increase/(decrease) in cash held	(4,089,504)	(4,121,059)	(3,916,678)	(3,904,912)	(4,000,874)
Cash and cash equivalents at beginning of reporting period	25,615	23,317	23,317	23,317	23,317
Cash from Official Public Account for:					
- Appropriations and Special Accounts	4,323,660	4,437,271	4,178,738	4,188,079	4,236,426
- Special appropriations	330,945	340,839	369,839	373,613	411,888
Total cash from Official Public Account	4,654,605	4,778,110	4,548,577	4,561,692	4,648,314
Cash to Official Public Account for:					
- Appropriations	567,399	657,051	631,899	656,780	647,440
Total cash to Official Public Account	567,399	657,051	631,899	656,780	647,440
Cash and cash equivalents at end of reporting period	23,317	23,317	23,317	23,317	23,317

Prepared on Australian Accounting Standards basis.

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
NEW CAPITAL APPROPRIATIONS					
Capital budget - Bill 1 (ACB)	528	528	528	528	528
Administered Assets and Liabilities - Bill 2	5,897	7,548	3,851	-	-
Total new capital appropriations	6,425	8,076	4,379	528	528
Provided for:					
Purchase of non-financial assets	528	528	528	528	528
Other Items	5,897	7,548	3,851	-	-
Total items	6,425	8,076	4,379	528	528
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriation - ACB (a)	528	528	528	528	528
TOTAL	528	528	528	528	528
Total cash used to acquire assets	528	528	528	528	528

Prepared on Australian Accounting Standards basis.

(a) Includes purchases from current and previous years' Administered Capital Budgets (ACBs).

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

	Computer softw are and intangibles	Total
	\$'000	\$'000
As at 1 July 2022		
Gross book value	13,696	13,696
Accumulated depreciation/amortisation and impairment	(12,951)	(12,951)
Opening net book balance	745	745
CAPITAL ASSET ADDITIONS		
Estimated expenditure on new or replacement assets		
By purchase - appropriation ordinary annual services (a)	528	528
Total additions	528	528
Other movements		
Depreciation/amortisation expense	(500)	(500)
Total other movements	(500)	(500)
As at 30 June 2023		
Gross book value	13,696	13,696
Accumulated depreciation/ amortisation and impairment	(13,451)	(13,451)
Closing net book balance	245	245

Prepared on Australian Accounting Standards basis.

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

Australian Trade and Investment Commission (Austrade)

**Entity resources and planned
performance**

Australian Trade and Investment Commission

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Australian Trade and Investment Commission

Section 1: Entity overview and resources

1.1 Strategic direction statement

The Australian Trade and Investment Commission (Austrade) is the Australian Government's international trade, education, and investment promotion agency. We also have responsibility for international and domestic tourism policy, including the publication of official tourism statistics. In some overseas locations, Austrade delivers consular and passport services on behalf of the Australian Government. Austrade operates as a statutory agency within the Foreign Affairs and Trade portfolio.

Austrade's purpose is to grow Australia's prosperity by delivering quality trade and investment services. Our outcomes are:

1. to contribute to Australia's economic prosperity by promoting Australia's export and other international economic interests through the provision of information, advice and services to business, associations, institutions, and government; and
2. the protection and welfare of Australians abroad through timely and responsive consular and passport services in specific locations overseas.

Austrade contributes to Australia's economic prosperity by providing effective support to Australian businesses, educational institutions, associations, and government. We assist them to develop international markets, win productive Foreign Direct Investment (FDI), promote international education, and strengthen the Australian tourism industry. Our clients include Australian exporters, tourism operators and international investors.

In a challenging trade environment, Austrade will continue to provide practical in-market support to businesses and institutions in markets around the world. Drawing on our commercial knowledge, international network, relationships and connections with international customers, investors and decision makers, Austrade will identify valuable trade and other opportunities for Australian businesses and institutions.

Austrade will continue to assist exporters to navigate the impacts of the COVID-19 pandemic and the disrupted geopolitical environment. As international borders reopen, Austrade's strategy is to increase activities in markets where we can have the biggest impact for Australian businesses. A high priority will be placed on activities linked to the Agri-Business Expansion Initiative (ABEI), the Australia India Business Exchange (AIBX) and in unlocking opportunities in the Association of Southeast Asian Nations (ASEAN) region.

The Simplified Trade System Implementation Taskforce leads the Government's efforts to simplify cross-border regulations, processes, and systems, and improve the experience for Australian business. The Taskforce will continue engaging closely with business to co-design reforms that deliver better regulations, business processes and solutions to simplify border systems and services, including the development of a 'tell us once' trade system.

As Australia's national investment promotion agency, we will continue to focus on projects with alignment to government priorities and clear and significant benefits to Australia. We will prioritise capital investment, employment creation and the introduction of new technologies and capabilities. Our investment promotion and attraction activities will continue to be concentrated in North America, Western Europe, and North East Asia. Austrade will also seek to diversify through India and ASEAN.

Austrade's support for tourism recovery remains a priority. We deliver a range of temporary grant programs to assist tourism regions and businesses. The *THRIVE 2030 (The Re-Imagined Visitor Economy)* strategy, to be finalised in 2022, charts a course for the recovery and sustainable growth of Australia as a domestic and international tourism destination, including through modernising Tourism Research Australia's data collections.

Austrade will continue to administer the Export Market Development Grants (EMDG) Scheme, which helps Australian small and medium enterprises to meet the challenges associated with undertaking promotion in export markets and diversification. EMDG provides upfront funding certainty for exporters and reduces regulations.

Austrade also continues to deliver timely consular and passport services to Australians in 11 overseas locations, extending the reach of Australia's consular network.

Within Australia, Austrade operates in 10 locations. Our reach is extended through the TradeStart Network, which operates in 28 locations across regional and metropolitan Australia. This network is managed and co-funded in partnership with State, Territory and local governments and industry bodies. We also partner with other Australian Government departments and agencies, businesses, industries, and peak bodies to deliver on our outcomes.

A more detailed description of Austrade's purpose and intent is in Austrade's Corporate Plan 2021–22 and Strategy 2018–2022. Our progress against our goals is detailed in our Annual Performance Statements, contained in the Austrade Annual Report.

1.2 Entity resource statement

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

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

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

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

Table 1.1: Australian Trade and Investment Commission resource statement — Budget estimates for 2022-23 as at Budget March 2022

	2021-22 Estimated actual \$'000	2022-23 Estimate \$'000
Departmental		
Annual appropriations - ordinary annual services (a)		
Prior year appropriations available	63,036	48,032
Departmental appropriation (b)	246,090	261,868
s74 External Revenue (c)	22,000	22,500
Departmental capital budget (d)	13,957	15,104
Annual appropriations - other services - non-operating (e)		
Prior year appropriations available	5,251	4,911
Equity injection	4,620	4,504
Total departmental annual appropriations	354,954	356,919
Total departmental resourcing	354,954	356,919
Administered		
Annual appropriations - ordinary annual services (a)		
Prior year appropriations available	239,421	48,306
Outcome 1	376,088	202,266
Total administered annual appropriations	615,509	250,572
Total administered resourcing	615,509	250,572
Total resourcing for Austrade	970,463	607,491
Average staffing level (number)	1,149	1,147

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

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

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

(b) Excludes departmental capital budget (DCB).

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

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

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

Note: The Annual Appropriation amounts appearing for 2021-22 estimated actual do not include the Appropriation Bills (No. 3) and (No. 4) 2021-22 as they had not been enacted at the time of publication. \$382.080 million will be received through Appropriation Bill (No. 3) 2021-22. The annual appropriations received from these bills will be recognised in a future Portfolio Budget Statement but only after the Bills have received Royal Assent.

1.3 Budget measures

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

Table 1.2: Australian Trade and Investment Commission 2022-23 Budget measures

		2021-22	2022-23	2023-24	2024-25	2025-26
	Program	\$'000	\$'000	\$'000	\$'000	\$'000
Payment measures						
Australian Export and Trade Support						
Administered payment (a)	1.2	-	-	-	-	-
Departmental payment	1.1	-	21,562	-	-	-
Total		-	21,562	-	-	-
Comprehensive Strategic Partnership with India - new initiatives (b)						
Departmental payment	1.1	-	-	-	-	-
Total		-	-	-	-	-
Global Business, Talent and Investment Attraction Taskforce - extension						
Departmental payment	1.1	-	3,274	3,189	-	-
Total		-	3,274	3,189	-	-
Tourism Support						
Administered payment	1.2	75,500	7,500	7,500	-	-
Departmental payment	1.1	3,100	3,300	3,400	-	-
Total		78,600	10,800	10,900	-	-
Total payment measures						
Administered		75,500	7,500	7,500	-	-
Departmental		3,100	28,136	6,589	-	-
Total		78,600	35,636	14,089	-	-

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

(a) Decision taken but not yet announced in the 2021-22 MYEFO, with the following impact:

2022-23 \$20.000 million, 2023-24 \$20.000 million, 2024-25 \$20.000 million and 2025-26 \$20.000 million.

(b) Decision taken but not yet announced in the 2021-22 MYEFO, with the following impact:

2021-22 \$1.421 million; 2022-23 \$4.594 million, 2023-24 \$3.737 million, 2024-25 \$2.771 million and 2025-26 \$2.810 million.

Section 2: Outcomes and planned performance

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

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

Note:

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

The most recent corporate plan for Austrade can be found at:
<https://www.austrade.gov.au/about/corporate-information/corporate-plan>.

The most recent annual performance statement can be found at:
<https://www.transparency.gov.au/annual-reports/australian-trade-and-investment-commission/reporting-year/2020-21>.

2.1 Budgeted expenses and performance for Outcome 1

Outcome 1: Contribute to Australia's economic prosperity by promoting Australia's export and other international economic interests through the provision of information, advice and services to business, associations, institutions and government

Linked programs

Department of Foreign Affairs and Trade
Programs <ul style="list-style-type: none"> • Program 1.1 – Foreign Affairs and Trade Operations • Program 1.6 – Public Information Services and Public Diplomacy
Contribution to Outcome 1 made by linked programs DFAT and Austrade work closely across a number of areas to promote trade and investment; address non-tariff barriers to trade; support and facilitate business; increase science, technology and innovation links; and advocate to uphold the global rules-based trading system. This cooperation results in more economic opportunities and contributes to the projection of a positive image of Australia as a destination for business, investment, tourism and study.
Department of Industry, Science, Energy and Resources
Programs <ul style="list-style-type: none"> • Program 1.1 – Investing in science, technology and commercialisation • Program 2.2 – Growing innovative and competitive businesses, industries and regions
Contribution to Outcome 1 made by linked programs The Department of Industry, Science, Energy and Resources' (DISER) administration of the Modern Manufacturing Strategy requires cooperation with Austrade on National Manufacturing Priorities. DISER and Austrade also cooperate to grow the Australian space industry through the Advancing Space: Australian Civil Space Strategy 2019–2028 with the Australian Space Agency. DISER cooperates with Austrade to grow Australia's cyber security industry in support of the 2020 Cyber Security Strategy and 2021 Digital Economy Strategy.

Table continued on the next page.

Linked programs (continued)

Department of Education, Skills and Employment
Programs <ul style="list-style-type: none"> Program 2.7 – International Education Support
Contribution to Outcome 1 made by linked program Program 2.7 builds partnerships through engagement with foreign governments to advance Australia’s education sector and reputation. The Program also ensures policy and legislation aligns with quality educational outcomes. The Australian Strategy for International Education 2021–2030, led by the Department of Education, Skills and Employment, strengthens the fundamentals of the international education sector and complements Austrade’s focus on enabling the sector’s ongoing international growth.
Department of Agriculture, Water and the Environment
Programs <ul style="list-style-type: none"> Program 3.13 – International Market Access Program 4.1 – Biosecurity and Export Services
Contribution to Outcome 1 made by linked programs The Department of Agriculture, Water and the Environment and Austrade work together to achieve the best outcomes for Australian agricultural, fisheries and forestry exports, including through improved market access and addressing non-tariff measures. The agencies also work cooperatively to deliver whole-of-government programs such as the Agri-Business Expansion Initiative and the Non-Tariff Barrier Action Plan. The department also undertakes activities to preserve Australia’s favourable animal and plant health status, helping maintain overseas markets.
Tourism Australia
Programs <ul style="list-style-type: none"> Program 1.1 – Grow demand and foster a competitive and sustainable Australian tourism industry through partnership marketing to targeted global consumers in key markets
Contribution to Outcome 1 made by linked program Austrade provides research and policy support to Tourism Australia’s activities of promoting the export of Australian tourism services. These exports contribute to Australia’s prosperity.

Table continued on the next page.

Linked programs (continued)

Department of Defence
Programs
<ul style="list-style-type: none"> Program 2.1 – Strategic Policy and Intelligence
Contribution to Outcome 1 made by linked program
Implementation of the Government’s Defence Export Strategy is led by the Department of Defence through the Australian Defence Export Office. This is providing a whole-of-government coordinated approach to supporting Australian defence industry, and cooperation with Austrade is focused on growing exports to underpin sustainability and growth aligned with national priorities.
Department of Infrastructure, Transport, Regional Development and Communications
Programs
<ul style="list-style-type: none"> Program 3.1 – Regional Development
Contribution to Outcome 1 made by linked program
The Department of Infrastructure, Transport, Regional Development and Communications supports tourism demand-driving infrastructure in Australia’s regions through the Government’s Building Better Regions Fund, and cooperation on the International Freight Assistance Mechanism (IFAM) program wind-down. We will jointly finalise the operation of IFAM in July 2022, which has been keeping global air links open while global trade disruptions persist.

Budgeted expenses for Outcome 1

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

Table 2.1.1: Budgeted expenses for Outcome 1

Outcome 1:					
Contribute to Australia's economic prosperity by promoting Australia's export and other international economic interests through the provision of information, advice and services to business, associations, institutions and government					
	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forw ard estimate \$'000	2024-25 Forw ard estimate \$'000	2025-26 Forw ard estimate \$'000
Program 1.1: Promotion of Australia's export and other international economic interests					
Departmental expenses					
Departmental appropriation	259,071	246,695	213,135	199,950	196,492
s74 External Revenue (a)	21,000	21,500	22,500	24,500	24,500
Expenses not requiring appropriation in the Budget year (b)	36,900	15,000	15,000	15,000	15,000
Departmental total	316,971	283,195	250,635	239,450	235,992
Total expenses for program 1.1	316,971	283,195	250,635	239,450	235,992
Program 1.2: Programs to promote Australia's exports and other international economic interests					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	996,099	206,266	165,400	157,900	157,900
Administered total	996,099	206,266	165,400	157,900	157,900
Total expenses for program 1.2	996,099	206,266	165,400	157,900	157,900

Table continued on the next page.

Table 2.1.1: Budgeted expenses for Outcome 1 (continued)

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
Outcome 1 Totals by appropriation type					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	996,099	206,266	165,400	157,900	157,900
Administered total	996,099	206,266	165,400	157,900	157,900
Departmental expenses					
Departmental appropriations	259,071	246,695	213,135	199,950	196,492
Section 74 External Revenue (a)	21,000	21,500	22,500	24,500	24,500
Expenses not requiring appropriation in the Budget year (b)	36,900	15,000	15,000	15,000	15,000
Departmental total	316,971	283,195	250,635	239,450	235,992
Total expenses for Outcome 1	1,313,070	489,461	416,035	397,350	393,892
	2021-22	2022-23			
Average staffing level (number)	1,113	1,111			

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

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

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

Table 2.1.2: Program components of Outcome 1

Program 1.2: Programs to promote Australia's exports and other international economic interests

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
1.2.1 - Component 1: Export Market Development Grants scheme					
Annual administered expenses:					
Ordinary annual services					
(Appropriation Bill No. 1)	157,900	157,900	157,900	157,900	157,900
Total component 1 expenses	157,900	157,900	157,900	157,900	157,900
1.2.2 - Component 2: National Tourism Icons Program					
Annual administered expenses:					
Ordinary annual services					
(Appropriation Bill No. 1)	10,990	4,000	-	-	-
Total component 2 expenses	10,990	4,000	-	-	-
1.2.3 - Component 3: International Freight Assistance Mechanism					
Annual administered expenses:					
Ordinary annual services					
(Appropriation Bill No. 1)	567,817	36,866	-	-	-
Total component 3 expenses	567,817	36,866	-	-	-
1.2.4 - Component 4: Supporting Australia's Exhibiting Zoos and Aquariums					
Annual administered expenses:					
Ordinary annual services					
(Appropriation Bill No. 1)	72,106	-	-	-	-
Total component 4 expenses	72,106	-	-	-	-
1.2.5 - Component 5: Business Events Grants					
Annual administered expenses:					
Ordinary annual services					
(Appropriation Bill No. 1)	25,726	-	-	-	-
Total component 5 expenses	25,726	-	-	-	-
1.2.6 - Component 6: Recovery of Regional Tourism					
Annual administered expenses:					
Ordinary annual services					
(Appropriation Bill No. 1)	30,000	-	-	-	-
Total component 6 expenses	30,000	-	-	-	-
1.2.7 - Component 7: COVID-19 Consumer Travel Support Program					
Annual administered expenses:					
Ordinary annual services					
(Appropriation Bill No. 1)	131,560	-	-	-	-
Total component 7 expenses	131,560	-	-	-	-
1.2.8 - Component 8: Tourism Tropical North Queensland					
Annual administered expenses:					
Ordinary annual services					
(Appropriation Bill No. 1)	-	7,500	7,500	-	-
Total component 8 expenses	-	7,500	7,500	-	-
Total program expenses	996,099	206,266	165,400	157,900	157,900

Table 2.1.3: Performance measure for Outcome 1

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

Outcome 1 – Contribute to Australia’s economic prosperity by promoting Australia’s export and other international economic interests through the provision of information, advice and services to business, associations, institutions and government		
Program 1.1 – Promotion of Australia’s export and other international economic interests		
Key Activities	Austrade: <ul style="list-style-type: none"> • connects export-ready Australian businesses to overseas opportunities and works with them to achieve commercial outcomes • wins productive foreign investment • promotes Australian capability internationally • works with priority industry sectors to drive sustained long-term growth of Australian exports • reduces the time, cost and risk for its clients • provides authoritative commercial insights and information to help clients make informed business decisions • informs and influences policy to support positive trade and investment outcomes, including for tourism and international education • supports Australia’s regional exporters through the TradeStart network • supports businesses through the delivery of grant and other support programs. 	
Year	Performance measures	Expected Performance Results
Current year 2021-22	High level of satisfaction for Austrade’s clients with Austrade’s services.	On track. Austrade expects the level of satisfaction to be at least 85 per cent, as measured in an annual survey.
Year	Performance measures	Planned Performance Results
Budget Year 2022-23	High level of satisfaction for Austrade’s clients with Austrade’s services.	Maintained or improved compared to the previous year.
Forward Estimates 2023-26	As per 2022-23.	As per 2022-23.

Table continued on the next page.

Table 2.1.3: Performance criteria for Outcome 1 (continued)

Program 1.2 – Programs to promote Australia’s export and other international economic interests		
Key Activities	Austrade administers programs that support Australian businesses’ engagement in international business. It provides financial assistance for exporters through programs like the Export Market Development Grants (EMDG) Scheme.	
Year	Performance measures	Expected Performance Results
Current year 2021-22	EMDG recipients report that the receipt of a grant encouraged them to increase their export promotion activities.	On track. Austrade expects at least 70 per cent of EMDG recipients report that receiving a grant encouraged them to increase their export promotion activities.
Year	Performance measures	Planned Performance Results
Budget Year 2022-23	EMDG recipients report that the receipt of a grant encouraged them to increase their export promotion activities.	Maintained or improved compared to the previous year.
Forward Estimates 2023-26	As per 2022-23.	As per 2022-23.

2.2 Budgeted expenses and performance for Outcome 2

Outcome 2: The protection and welfare of Australians abroad through timely and responsive consular and passport services in specific locations overseas

Linked programs

Department of Foreign Affairs and Trade
Programs <ul style="list-style-type: none"> • Program 2.1 – Consular Services • Program 2.2 – Passport Services • Program 3.1 – Foreign Affairs and Trade Security and IT • Program 3.2 – Overseas Property
Contribution to Outcome 2 made by linked programs Austrade delivers consular and passport services on behalf of the Australian Government in locations where DFAT does not have a presence. Where an Austrade office is located within a DFAT-managed mission or post, DFAT is responsible for the safety and security of that Austrade presence.

Budgeted expenses for Outcome 2

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

Table 2.2.1: Budgeted expenses for Outcome 2

Outcome 2: The protection and welfare of Australians abroad through timely and responsive consular and passport services in specific locations overseas					
	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forw ard estimate \$'000	2024-25 Forw ard estimate \$'000	2025-26 Forw ard estimate \$'000
Program 2.1: Consular Services					
Departmental expenses					
Departmental appropriation	10,315	10,440	10,580	10,726	10,883
s74 External Revenue (a)	1,000	1,000	1,000	1,000	1,000
Departmental total	11,315	11,440	11,580	11,726	11,883
Total expenses for program 2.1	11,315	11,440	11,580	11,726	11,883
Outcome 2 Totals by appropriation type					
Departmental expenses					
Departmental appropriation	10,315	10,440	10,580	10,726	10,883
s74 External Revenue (a)	1,000	1,000	1,000	1,000	1,000
Departmental total	11,315	11,440	11,580	11,726	11,883
Total expenses for Outcome 2	11,315	11,440	11,580	11,726	11,883
	2021-22	2022-23			
Average staffing level (number)	36	36			

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

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

Table 2.2.3: Performance measure for Outcome 2

Table 2.2.3 details the performance measures for each program associated with Outcome 2. It also provides the related key activities as expressed in the current corporate plan where further detail is provided about the delivery of the activities related to the program, the context in which these activities are delivered and how the performance of these activities will be measured. Where relevant, details of 2022–23 Budget measures that have created new programs or materially changed existing programs are provided.

Outcome 2 – The protection and welfare of Australians abroad through timely and responsive consular and passport services in specific locations overseas		
Program 2.1 – Consular and Passport Services		
Key Activities	In overseas locations where Austrade has designated consular management responsibilities, Austrade will continue to place a high priority on helping Australians through the delivery of effective consular services, efficient passport services and practical contingency planning, in accordance with DFAT's Consular Services and Passports Client Services charters.	
Year	Performance measures	Expected Performance Results
Current year 2021-22	Effective delivery of consular and passport services to Australians overseas.	On track. Austrade expects that at least 97 per cent of routine passport applications are processed accurately as per Australian Passport Office benchmark.
Year	Performance measures	Planned Performance Results
Budget Year 2022-23	Effective delivery of consular and passport services to Australians overseas.	Maintained or improved compared to the previous year.
Forward Estimates 2023-26	As per 2022-23.	As per 2022-23.

Section 3: Budgeted financial statements

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

3.1 Budgeted financial statements

3.1.1 Differences between entity resourcing and financial statements

There has been no difference between the resource information presented in the Budget Papers and in Austrade’s Portfolio Budget Statements.

3.1.2 Explanatory notes and analysis of budgeted financial statements

An analysis of Austrade’s budgeted financial statements, as reflected in the departmental financial statements and administered schedules, is provided below.

Departmental financial statements

The departmental financial statements represent the assets, liabilities, revenues and expenses which are controlled by Austrade. Departmental expenses include employee and supplier expenses and other administrative costs which are incurred by Austrade in undertaking its operations.

Budgeted departmental comprehensive income statement

This statement provides estimated actual financial results for 2021–22 and the estimated revenue and expenses for 2022–23 and forward years.

Total income in 2022–23 is estimated to be \$279.8 million and includes \$22.6 million in funding for the new measures outlined in Table 1.2: Australian Trade and Investment Commission 2022–23 Budget Measures.

The recognition of expense for lease assets and payments under AASB 16 is presented in Table 3.1: Comprehensive Income Statement.

Budgeted departmental balance sheet

This statement discloses the estimated end of year financial position for Austrade. Austrade’s budgeted net asset position at the end of 2022–23 of \$54.9 million, an increase of \$4.8 million from the closing 2021–22 position.

Departmental capital budget statement

This statement shows all planned departmental capital expenditure on non-financial assets, whether funded through capital appropriations, additional equity, borrowings, or funds from internal sources.

Departmental statement of asset movements

This statement shows budgeted acquisitions and disposals of non-financial assets during the budget year.

Schedule of administered activity

Details of transactions administered by Austrade on behalf of the Government are shown in the following schedules to the financial statements.

Schedule of budgeted income and expenses administered on behalf of Government

This schedule discloses revenue and expenses administered on behalf of the Government.

Administered expenses of \$206.3 million for 2022–23 relate to the International Freight Assistance Mechanism (IFAM) (\$36.9 million), Export Market Development Grants (EMDG) Scheme (\$157.9 million), National Tourism Icons Program (\$4.0 million) and Tourism Tropical North Queensland (\$7.5 million). The EMDG Scheme comprises \$150.0 million in grant expenditure and \$7.9 million in expenditure for the costs of administration on behalf of the Government.

Schedule of budgeted assets and liabilities administered on behalf of Government

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

Total administered assets and liabilities for 2022–23 are estimated at \$1.1 million and \$24.3 million respectively.

Schedule of budgeted administered cash flows

This schedule shows cash flows administered on behalf of the Government. All cash received is expected to be expended on the relevant programs.

3.2. Budgeted financial statements tables

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
EXPENSES					
Employee benefits	178,620	171,429	155,696	150,305	147,289
Suppliers	91,602	87,268	70,239	64,076	63,220
Depreciation and amortisation	57,446	35,406	35,815	36,339	36,999
Finance costs	618	532	465	456	367
Total expenses	328,286	294,635	262,215	251,176	247,875
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	20,500	21,000	22,000	24,000	24,000
Rental income	500	500	500	500	500
Other revenue	1,000	1,000	1,000	1,000	1,000
Total own-source revenue	22,000	22,500	23,500	25,500	25,500
Total own-source income	22,000	22,500	23,500	25,500	25,500
Net (cost of)/contribution by services	(306,286)	(272,135)	(238,715)	(225,676)	(222,375)
Revenue from Government	268,864	257,347	223,205	210,142	206,835
Surplus/(deficit) attributable to the Australian Government	(37,422)	(14,788)	(15,510)	(15,534)	(15,540)
Total comprehensive income/(loss) attributable to the Australian Government	(37,422)	(14,788)	(15,510)	(15,534)	(15,540)

Table continued on the next page.

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
Total comprehensive income/(loss) - as per statement of					
Comprehensive Income	(37,422)	(14,788)	(15,510)	(15,534)	(15,540)
plus: depreciation/amortisation of assets funded through appropriations (departmental capital budget funding and/or equity injections) (a)	36,900	15,000	15,000	15,000	15,000
plus: depreciation/amortisation expenses for ROU assets (b)	20,546	20,406	20,815	21,339	21,999
less: principal repayments on leased assets (b)	20,024	20,618	20,305	20,805	21,459
Net Cash Operating Surplus/ (Deficit)	-	-	-	-	-

Prepared on Australian Accounting Standards basis.

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

(b) Applies leases under AASB 16 Leases.

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	4,595	9,116	9,116	9,116	9,116
Trade and other receivables	63,368	58,847	58,847	58,847	58,847
Total financial assets	67,963	67,963	67,963	67,963	67,963
Non-financial assets					
Land and buildings	81,485	74,106	77,750	66,800	67,777
Property, plant and equipment	6,697	5,675	4,803	3,081	1,309
Intangibles	32,034	37,152	38,439	40,091	41,162
Other non-financial assets	3,573	3,573	3,573	3,573	3,573
Total non-financial assets	123,789	120,506	124,565	113,545	113,821
Total assets	191,752	188,469	192,528	181,508	181,784
LIABILITIES					
Payables					
Suppliers	18,327	18,327	18,327	18,327	18,327
Other payables	10,584	10,584	10,584	10,584	10,584
Total payables	28,911	28,911	28,911	28,911	28,911
Interest bearing liabilities					
Leases	66,220	58,117	62,050	52,183	53,682
Total interest bearing liabilities	66,220	58,117	62,050	52,183	53,682
Provisions					
Employee provisions	43,566	43,566	43,566	43,566	43,566
Other provisions	2,947	2,947	2,947	2,947	2,947
Total provisions	46,513	46,513	46,513	46,513	46,513
Total liabilities	141,644	133,541	137,474	127,607	129,106
Net assets	50,108	54,928	55,054	53,901	52,678
EQUITY*					
Parent entity interest					
Contributed equity	187,512	207,120	222,756	237,137	251,454
Reserves	40,293	40,293	40,293	40,293	40,293
Retained surplus (accumulated deficit)	(177,697)	(192,485)	(207,995)	(223,529)	(239,069)
Total parent entity interest	50,108	54,928	55,054	53,901	52,678
Total equity	50,108	54,928	55,054	53,901	52,678

Prepared on Australian Accounting Standards basis.

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

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

	Retained earnings	Asset revaluation reserve	Contributed equity/ capital	Total equity
	\$'000	\$'000	\$'000	\$'000
Opening balance as at 1 July 2022				
Balance carried forward from previous period	(177,697)	40,293	187,512	50,108
Adjusted opening balance	(177,697)	40,293	187,512	50,108
Comprehensive income				
Surplus/(deficit) for the period	(14,788)	-	-	(14,788)
Total comprehensive income	(14,788)	-	-	(14,788)
of which:				
Attributable to the Australian Government	(14,788)	-	-	(14,788)
Contributions by owners				
Equity injection - Appropriation	-	-	4,504	4,504
Departmental Capital Budget (DCB)	-	-	15,104	15,104
Sub-total transactions with owners	-	-	19,608	19,608
Estimated closing balance as at 30 June 2023	(192,485)	40,293	207,120	54,928
Closing balance attributable to the Australian Government	(192,485)	40,293	207,120	54,928

Prepared on Australian Accounting Standards basis.

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	267,372	261,868	223,205	210,142	206,835
Sale of goods and rendering of services	21,000	21,500	22,500	24,500	24,500
Other	1,000	1,000	1,000	1,000	1,000
Total cash received	289,372	284,368	246,705	235,642	232,335
Cash used					
Employees	178,620	171,429	155,696	150,305	147,289
Suppliers	91,602	87,268	70,239	64,076	63,220
Interest payments on lease liability	618	532	465	456	367
Total cash used	270,840	259,229	226,400	214,837	210,876
Net cash from/(used by) operating activities	18,532	25,139	20,305	20,805	21,459
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant and equipment and intangibles	21,040	19,608	15,636	14,381	14,317
Total cash used	21,040	19,608	15,636	14,381	14,317
Net cash from/(used by) investing activities	(21,040)	(19,608)	(15,636)	(14,381)	(14,317)
FINANCING ACTIVITIES					
Cash received					
Contributed equity	18,577	19,608	15,636	14,381	14,317
Total cash received	18,577	19,608	15,636	14,381	14,317
Cash used					
Principal payments on lease liability	20,024	20,618	20,305	20,805	21,459
Total cash used	20,024	20,618	20,305	20,805	21,459
Net cash from/(used by) financing activities	(1,447)	(1,010)	(4,669)	(6,424)	(7,142)
Net increase/(decrease) in cash held	(3,955)	4,521	-	-	-
Cash and cash equivalents at the beginning of the reporting period	8,550	4,595	9,116	9,116	9,116
Cash and cash equivalents at the end of the reporting period	4,595	9,116	9,116	9,116	9,116

Prepared on Australian Accounting Standards basis.

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
NEW CAPITAL APPROPRIATIONS					
Capital budget - Bill 1 (DCB)	13,957	15,104	15,202	14,230	14,299
Equity injections - Bill 2	4,620	4,504	434	151	18
Total new capital appropriations	18,577	19,608	15,636	14,381	14,317
Provided for:					
Purchase of non-financial assets	18,577	19,608	15,636	14,381	14,317
Total items	18,577	19,608	15,636	14,381	14,317
PURCHASE OF NON-FINANCIAL ASSETS					
ASSETS					
Funded by capital appropriations (a)	7,083	4,504	434	151	18
Funded by capital appropriation - DCB (b)	13,957	15,104	15,202	14,230	14,299
TOTAL	21,040	19,608	15,636	14,381	14,317
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	21,040	19,608	15,636	14,381	14,317
Total cash used to acquire assets	21,040	19,608	15,636	14,381	14,317

Prepared on Australian Accounting Standards basis.

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

(b) Does not include annual finance lease costs. Includes purchases from current and previous years' Departmental capital budgets (DCBs).

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

	Buildings	Other property, plant and equipment	Computer software and intangibles	Total
	\$'000	\$'000	\$'000	\$'000
As at 1 July 2022				
Gross book value	24,560	13,856	134,953	173,369
Gross book value - ROU assets	131,213	-	-	131,213
Accumulated depreciation/amortisation and impairment	(5,525)	(7,159)	(102,919)	(115,603)
Accumulated depreciation/amortisation and impairment - ROU assets	(68,763)	-	-	(68,763)
Opening net book balance	81,485	6,697	32,034	120,216
Capital asset additions				
Estimated expenditure on new or replacement assets				
By purchase - appropriation equity (a)	12	-	4,492	4,504
By purchase - appropriation ordinary annual services (b)	3,500	278	11,326	15,104
By purchase - other - ROU assets	12,515	-	-	12,515
Total additions	16,027	278	15,818	32,123
Other movements				
Depreciation/amortisation expense	(3,000)	(1,300)	(10,700)	(15,000)
Depreciation/amortisation on ROU assets	(20,406)	-	-	(20,406)
Total Other movements	(23,406)	(1,300)	(10,700)	(35,406)
As at 30 June 2023				
Gross book value	28,072	14,134	150,771	192,977
Gross book value - ROU assets	143,728	-	-	143,728
Accumulated depreciation/amortisation and impairment	(8,525)	(8,459)	(113,619)	(130,603)
Accumulated depreciation/amortisation and impairment - ROU assets	(89,169)	-	-	(89,169)
Closing net book balance	74,106	5,675	37,152	116,933

Prepared on Australian Accounting Standards basis.

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

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

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forw ard estimate \$'000	2024-25 Forw ard estimate \$'000	2025-26 Forw ard estimate \$'000
EXPENSES					
Employee benefits	5,543	5,043	5,043	5,043	5,043
Suppliers	202,388	32,281	2,852	2,852	2,852
Grants	788,168	168,942	157,505	150,005	150,005
Total expenses administered on behalf of Government	996,099	206,266	165,400	157,900	157,900
Net (cost of)/contribution by services	996,099	206,266	165,400	157,900	157,900
Total comprehensive income/(loss)	(996,099)	(206,266)	(165,400)	(157,900)	(157,900)

Prepared on Australian Accounting Standards basis.

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forw ard estimate \$'000	2024-25 Forw ard estimate \$'000	2025-26 Forw ard estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	80	80	80	80	80
Trade and other receivables	1,008	1,008	1,008	1,008	1,008
Total financial assets	1,088	1,088	1,088	1,088	1,088
Total assets administered on behalf of Government	1,088	1,088	1,088	1,088	1,088
LIABILITIES					
Payables					
Suppliers	4,936	4,936	4,936	4,936	4,936
Grants	3,202	3,202	3,202	3,202	3,202
Other payables	128	128	128	128	128
Total payables	8,266	8,266	8,266	8,266	8,266
Provisions					
Employee provisions	2,420	2,420	2,420	2,420	2,420
Other provisions	13,569	13,569	13,569	13,569	13,569
Total provisions	15,989	15,989	15,989	15,989	15,989
Total liabilities administered on behalf of Government	24,255	24,255	24,255	24,255	24,255
Net assets/(liabilities)	(23,167)	(23,167)	(23,167)	(23,167)	(23,167)

Prepared on Australian Accounting Standards basis.

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Other	91,517	-	-	-	-
Total cash received	91,517	-	-	-	-
Cash used					
Grant	725,231	168,942	157,505	150,005	150,005
Suppliers	202,388	32,281	2,852	2,852	2,852
Employees	5,543	5,043	5,043	5,043	5,043
Total cash used	933,162	206,266	165,400	157,900	157,900
Net cash from/(used by) operating activities	(841,645)	(206,266)	(165,400)	(157,900)	(157,900)
Net increase/(decrease) in cash held	(841,645)	(206,266)	(165,400)	(157,900)	(157,900)
Cash and cash equivalents at beginning of reporting period	80	80	80	80	80
Cash from Official Public Account for: - Appropriations	841,645	206,266	165,400	157,900	157,900
Total cash from Official Public Account	841,645	206,266	165,400	157,900	157,900
Cash to Official Public Account for: - Appropriations	-	-	-	-	-
Total cash to Official Public Account	-	-	-	-	-
Cash and cash equivalents at end of reporting period	80	80	80	80	80

Prepared on Australian Accounting Standards basis.

Australian Centre for International Agricultural Research (ACIAR)

**Entity resources and planned
performance**

Australian Centre for International Agricultural Research

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Australian Centre for International Agricultural Research

Section 1: Entity overview and resources

1.1 Strategic direction statement

The Australian Centre for International Agricultural Research (ACIAR) contributes to poverty reduction and improved livelihoods through more productive and sustainable agriculture emerging from collaborative international research.

The ACIAR mandate is to amplify the impact of Australia's outstanding capabilities in agricultural science by brokering and funding agricultural research for development partnerships in developing countries. The agency works with public and private research institutions to improve the productivity and sustainability of agricultural systems and the resilience of food systems in partner countries.

ACIAR supports Australia's national interests by contributing to sustainable economic growth, poverty reduction and enhanced regional stability, with a particular focus on economic diplomacy and women's economic empowerment. ACIAR's work aligns closely with Australia's development assistance program, supporting research collaboration while emphasising human capacity building and private sector-led development, targeted at improved livelihoods in agriculture, forestry and fisheries. Our research portfolio encompasses:

- key agriculture sectors – crops, fisheries, forestry, horticulture and livestock;
- science and disciplines supporting these sectors – agronomy, plant genetics, livestock production, agribusiness, social sciences, soil and land management, water, and climate; and
- assessment of achievements to guide future investment – impact evaluation.

Our work aims to contribute to poverty reduction and improved regional security, with a particular focus on Papua New Guinea and Pacific island countries, and in partner countries in East Asia, South and West Asia and Eastern and Southern Africa.

ACIAR builds the knowledge base that underpins six strategic development objectives:

- food security and poverty reduction;
- natural resources and climate change;
- human health and nutrition;
- gender equity and women's empowerment;
- inclusive value chains; and
- scientific and policy capacity building.

These objectives are consistent with the ACIAR purpose under the enabling legislation and reflect the Australian Government's policy imperatives articulated in the *Partnerships for Recovery* strategy.

Around 65 per cent of our research expenditure is implemented through bilateral arrangements between ACIAR and partner countries in the Indo-Pacific region. In 2022–2023, ACIAR will continue to develop long-term agreements for research collaboration in the Indo-Pacific region, with a focus on the Pacific. In most countries and regions, these agreements will put into effect a program of research collaboration that is more consolidated geographically and thematically. They will also detail the intent for co-investment by some countries. We will continue to maintain permanent representation in 10 countries.

As a part of our statutory mandate, ACIAR manages Australia's investment in the global agricultural research system, chief among which is the Consultative Group on International Agriculture Research Centres (CGIAR). ACIAR represents Australia on the CGIAR System Council, and Australians occupy a disproportionate number of leadership positions across the CGIAR network. ACIAR will strengthen its regional research support to other multilateral institutions, including the Pacific Community, the Asia-Pacific Association of Agricultural Research Institutions, and the World Vegetable Center to promote and support collaborative research initiatives that progress our six strategic objectives.

In 2022–23, the COVID-19 pandemic is expected to continue to influence the prioritisation and execution of our activities. ACIAR will continue to target investment towards critical gaps and opportunities, and will adapt its delivery modalities in response to ongoing disruptions and constraints, including in international travel.

1.2 Entity resource statement

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

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

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

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

Table 1.1: Australian Centre for International Agricultural Research resource statement — Budget estimates for 2022-23 as at Budget March 2022

	2021-22 <i>Estimated actual</i> \$'000	2022-23 Estimate \$'000
Departmental		
Annual appropriations - ordinary annual services (a)		
Prior year appropriations available (b)	3,472	3,000
Departmental appropriation (c)	9,362	9,444
s74 External Revenue (d)	2,023	2,113
Departmental capital budget (e)	246	248
Total departmental annual appropriations	15,103	14,805
Total departmental resourcing	15,103	14,805
Administered		
Annual appropriations - ordinary annual services (a)		
Prior year appropriations available (b)	2,755	2,000
Outcome 1	91,191	92,920
Total administered annual appropriations	93,946	94,920
Special accounts (d)		
Opening balance	8,851	7,508
Appropriation receipts	11,460	8,348
Total special account receipts	20,311	15,856
Total administered resourcing	114,257	110,776
Total resourcing for ACIAR	129,360	125,581
	2021-22	2022-23
Average staffing level (number)	78	78

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

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

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

(b) Excludes \$0.141m subject to administrative quarantine by Finance or withheld under section 51 of the *Public Governance, Performance and Accountability Act 2013 (PGPA Act)*.

(c) Excludes departmental capital budget (DCB).

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

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

Section 2: Outcomes and planned performance

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

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

Note:

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

The most recent corporate plan for ACIAR can be found at:

<https://www.aciar.gov.au/publication/corporate-publications/corporate-plan-2021-22>.

The most recent annual performance statement can be found at:

<https://www.aciar.gov.au/publication/corporate-publications/annual-report-2020-21>.

2.1 Budgeted expenses and performance for Outcome 1

Outcome 1: To achieve more productive and sustainable agricultural systems for the benefit of developing countries and Australia through international agricultural research and training partnerships

Linked programs

Department of Foreign Affairs and Trade
Programs <ul style="list-style-type: none"> • Program 1.2 – Official Development Assistance
Contribution to Outcome 1 made by linked programs ACIAR manages a range of co-investments with DFAT including research and capacity building. These investments enable ACIAR to leverage resources and access complementary expertise. The ACIAR overseas offices are located within Australian high commissions/embassies and work in close collaboration with DFAT.

Budgeted expenses for Outcome 1

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

Table 2.1.1: Budgeted expenses for Outcome 1

Outcome 1: To achieve more productive and sustainable agricultural systems for the benefit of developing countries and Australia through international agricultural research and training partnerships.					
	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
Program 1.1: International Agricultural Research and Development					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	91,191	92,920	95,262	97,643	100,279
Special accounts	8,928	8,314	6,041	1,954	120
Administered total	100,119	101,234	101,303	99,597	100,399
Departmental expenses					
Departmental appropriation	9,362	9,444	9,499	9,563	9,629
s74 External Revenue (a)	2,023	2,113	2,162	2,250	2,250
Expenses not requiring appropriation in the Budget year (b)	1,431	1,274	1,246	1,219	1,179
Departmental total	12,816	12,831	12,907	13,032	13,058
Total expenses for program 1.1	112,935	114,065	114,210	112,629	113,457

Table continued on the next page.

Table 2.1.1: Budgeted expenses for Outcome 1 (continued)

Outcome 1 Totals by appropriation type					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	91,191	92,920	95,262	97,643	100,279
Special accounts	8,928	8,314	6,041	1,954	120
Administered total	100,119	101,234	101,303	99,597	100,399
Departmental appropriation	9,362	9,444	9,499	9,563	9,629
s74 External Revenue (a)	2,023	2,113	2,162	2,250	2,250
Expenses not requiring appropriation in the Budget year (b)	1,431	1,274	1,246	1,219	1,179
Departmental total	12,816	12,831	12,907	13,032	13,058
Total expenses for Outcome 1	112,935	114,065	114,210	112,629	113,457
	2021-22	2022-23			
Average staffing level (number)	78	78			

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

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

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

Table 2.1.3: Performance measure for Outcome 1

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

Outcome 1 – To achieve more productive and sustainable agricultural systems for the benefit of developing countries and Australia through international agricultural research and training partnerships	
Program 1 – International agricultural research for development for more productive and sustainable agriculture	
Key Activities	<p>ACIAR is an investor, broker, facilitator and manager of strategic partnerships in agricultural research for development, and an evaluator and communicator of research findings. The partnership model ensures that partner countries have input into and ownership of research priorities and the delivery of research programs. This approach maximises the relevance of the research undertaken and the likelihood that research outputs and findings will be used and will make a difference to those countries and to Australia. ACIAR has a well-established Impact Evaluation Program that helps us to refine our priorities, learn lessons from current and past projects, and report accurately to the Minister, the Parliament and the wider Australian public.</p> <p>To contribute to reducing poverty and improving the livelihoods of many in the Indo-Pacific region through more productive and sustainable agriculture emerging from collaborative international research, we deliver programs in line with the ACIAR 10-Year Strategy 2018–2027 through three key activities:</p> <ol style="list-style-type: none"> 1. Global research collaborations 2. Bilateral and regional research projects, and 3. Scientific and policy capacity-building activities.

Table continued on the next page.

Table 2.1.3: Performance measure for Outcome 1 (continued)

Program 1 – International agricultural research for development for more productive and sustainable agriculture (continued)		
Year	Performance measures	Expected Performance Results
Current year 2021-22	Through annual project progress reports, mid- and end-project reviews, long-term adoption studies and impact pathway analyses, case studies (quantitative and qualitative), and financial activity indicators, as appropriate to each performance criteria, ACIAR will measure the extent to which these activities are: <ul style="list-style-type: none"> • exceeding expectations • meeting expectations • not meeting expectations. 	All three key activities meeting or exceeding expectations.
Budget Year 2022-23	As per 2021-22.	All three key activities meeting or exceeding expectations.
Forward Estimates 2023-26	As per 2022-23.	All three key activities meeting or exceeding expectations.

Section 3: Budgeted financial statements

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

3.1 Budgeted financial statements

3.1.1 Differences between entity resourcing and financial statements

There are no differences between the resource information presented in the Budget Papers and in the ACIAR Portfolio Budget Statements.

3.1.2 Explanatory notes and analysis of budgeted financial statements

The departmental financial statements represent the assets, liabilities, revenues and expenses that are controlled by ACIAR. Departmental expenses include employee and supplier expenses and other administrative costs which are incurred by ACIAR in undertaking its operations.

Budgeted departmental comprehensive income statement

The total budgeted revenue from government in 2022–23 is \$9.44 million, which represents an increase of \$0.08 million in appropriations from 2021–22 as shown in Table 3.1. The increase is primarily attributable to parameter adjustments for overseas and domestic inflation.

The Income Statement shows a budgeted deficit in 2022–23 of \$0.64 million due to the removal of appropriation funding for depreciation and amortisation funding under the Net Cash funding arrangements.

Budgeted departmental balance sheet

The statement discloses the estimated end of year financial position for ACIAR. The ACIAR budgeted net asset position of \$4.34 million at the end of 2022–23 represents a decrease of \$0.39 million from the 2021–22 estimate actual in Table 3.2. This is mainly due to the variation between capital program funding (\$0.25 million) and estimated depreciation expense (\$0.51 million).

Departmental statement of changes in equity – summary of movement

This statement shows changes in equity resulting from the net impact of movements in accumulated results, assets revaluation and other reserves, and contributed equity.

Total equity at the end of 2022–23 is estimated to be \$4.34 million, a decrease of \$0.39 million mainly due to the variation between capital program funding (\$0.25 million) and estimated depreciation expense (\$0.51 million).

Budgeted departmental statement of cashflows

This statement shows the extent and nature of cash flows as a result of the ACIAR operating, investing and financing activities. The ACIAR cash balance at the end of 2022–23 is estimated to be \$0.01 million.

Departmental capital budget statement

This statement shows all planned departmental capital expenditure on non-financial assets, whether funded through capital appropriations, additional equity, borrowings, or funds from internal sources.

Departmental statements of asset movements

This statement shows budgeted acquisitions and disposals of non-financial assets during the budget year.

Schedule of administered activity

In 2022–23, ACIAR will receive administered appropriation of \$92.92 million for programs administered on behalf of the Government. The expenditure is for 'Official Development Assistance'.

Schedule of budgeted assets and liabilities administered on behalf of government

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

Total administered assets and liabilities for 2022–23 are estimated at \$2.84 million and \$6.69 million respectively.

Schedule of budgeted administered cash flows

This schedule shows cash flows administered on behalf of the Government. All cash received is expected to be expended on the relevant programs.

3.2. Budgeted financial statements tables**Table 3.1: Comprehensive income statement (showing net cost of services) for the period ended 30 June**

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
EXPENSES					
Employee benefits	7,447	7,088	7,230	7,550	7,560
Suppliers	3,358	3,673	3,608	3,439	4,439
Depreciation and amortisation (a)	1,397	1,240	1,212	1,185	1,145
Finance costs	72	65	58	44	36
Other expenses	1	1	1	1	-
Total expenses	12,275	12,067	12,109	12,219	13,180
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	1,773	1,863	1,912	2,000	2,000
Other	403	125	78	78	1,034
Total own-source revenue	2,176	1,988	1,990	2,078	3,034
Total own-source income	2,176	1,988	1,990	2,078	3,034
Net (cost of)/contribution by services	(10,099)	(10,079)	(10,119)	(10,141)	(10,146)
Revenue from Government	9,362	9,444	9,499	9,563	9,629
Surplus/(deficit) attributable to the Australian Government	(737)	(635)	(620)	(578)	(517)
Total comprehensive income/(loss) attributable to the Australian Government	(737)	(635)	(620)	(578)	(517)

Table continued on the next page.

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

Note: Impact of net cash appropriation arrangements

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
Total comprehensive income/(loss)					
- as per statement of					
Comprehensive Income	(737)	(635)	(620)	(578)	(517)
plus: depreciation/amortisation of assets funded through appropriations (departmental capital budget funding and/or equity injections) (a)	600	509	580	572	537
plus: depreciation/amortisation expenses for ROU assets (b)	797	731	632	613	608
less: lease principal repayments (b)	660	605	592	607	628
Net Cash Operating Surplus/ (Deficit)	-	-	-	-	-

Prepared on Australian Accounting Standards basis.

- (a) From 2010-11, the Government introduced net cash appropriation arrangements where Bill 1 revenue appropriations for the depreciation/amortisation expenses of non-corporate Commonwealth entities (and select corporate Commonwealth entities) were replaced with a separate capital budget (the Departmental Capital Budget, or DCB) provided through Bill 1 equity appropriations. For information regarding DCBs, please refer to Table 3.5 Departmental Capital Budget Statement.
- (b) Applies leases under AASB 16 Leases.

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	12	12	12	12	12
Trade and other receivables	5,041	5,041	5,041	5,041	5,041
Total financial assets	5,053	5,053	5,053	5,053	5,053
Non-financial assets					
Buildings	5,578	4,717	3,971	3,247	2,524
Plant and equipment	590	515	385	291	270
Intangibles	1,294	1,238	1,152	1,037	889
Other non-financial assets	107	107	107	107	107
Total non-financial assets	7,569	6,577	5,615	4,682	3,790
Assets held for sale					
Total assets	12,622	11,630	10,668	9,735	8,843
LIABILITIES					
Payables					
Suppliers	213	213	213	213	213
Other payables	129	129	129	129	129
Total payables	342	342	342	342	342
Interest bearing liabilities					
Loans					
Leases	5,223	4,618	4,026	3,419	2,791
Total interest bearing liabilities	5,223	4,618	4,026	3,419	2,791
Provisions					
Employee provisions	1,845	1,845	1,845	1,845	1,845
Other provisions	487	487	487	487	487
Total provisions	2,332	2,332	2,332	2,332	2,332
Total liabilities	7,897	7,292	6,700	6,093	5,465
Net assets	4,725	4,338	3,968	3,642	3,378
EQUITY*					
Parent entity interest					
Contributed equity	3,327	3,575	3,825	4,077	4,330
Reserves	353	353	353	353	353
Retained surplus (accumulated deficit)	1,045	410	(210)	(788)	(1,305)
Total parent entity interest	4,725	4,338	3,968	3,642	3,378
Total equity	4,725	4,338	3,968	3,642	3,378

Prepared on Australian Accounting Standards basis.

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

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

	Retained earnings	Asset revaluation reserve	Contributed equity/ capital	Total equity
	\$'000	\$'000	\$'000	\$'000
Opening balance as at 1 July 2022				
Balance carried forward from previous period	1,045	353	3,327	4,725
Adjusted opening balance	1,045	353	3,327	4,725
Comprehensive income				
Surplus/(deficit) for the period	(635)	-	-	(635)
Total comprehensive income	(635)	-	-	(635)
of which:				
Attributable to the Australian Government	(635)	-	-	(635)
Transactions with owners				
Contributions by owners				
Departmental Capital Budget (DCB)	-	-	248	248
Sub-total transactions with owners	-	-	248	248
Estimated closing balance as at 30 June 2023	410	353	3,575	4,338
Closing balance attributable to the Australian Government	410	353	3,575	4,338

Prepared on Australian Accounting Standards basis.

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	9,362	9,444	9,499	9,563	9,629
Sale of goods and rendering of services	2,023	2,113	2,162	2,250	2,250
Other	369	91	44	44	1,000
Total cash received	11,754	11,648	11,705	11,857	12,879
Cash used					
Employees	7,447	7,088	7,230	7,550	7,560
Suppliers	3,575	3,890	3,825	3,656	4,655
Interest payments on lease liability	72	65	58	44	36
Total cash used	11,094	11,043	11,113	11,250	12,251
Net cash from/(used by) operating activities	660	605	592	607	628
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant and equipment and intangibles	246	248	250	252	253
Total cash used	246	248	250	252	253
Net cash from/(used by) investing activities	(246)	(248)	(250)	(252)	(253)
FINANCING ACTIVITIES					
Cash received					
Contributed equity	246	248	250	252	253
Total cash received	246	248	250	252	253
Cash used					
Principal payments on lease liability	660	605	592	607	628
Total cash used	660	605	592	607	628
Net cash from/(used by) financing activities	(414)	(357)	(342)	(355)	(375)
Net increase/(decrease) in cash held	-	-	-	-	-
Cash and cash equivalents at the beginning of the reporting period	12	12	12	12	12
Cash and cash equivalents at the end of the reporting period	12	12	12	12	12

Prepared on Australian Accounting Standards basis.

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forw ard estimate \$'000	2024-25 Forw ard estimate \$'000	2025-26 Forw ard estimate \$'000
NEW CAPITAL APPROPRIATIONS					
Capital budget - Bill 1 (DCB)	246	248	250	252	253
Total new capital appropriations	246	248	250	252	253
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriation - DCB (a)	246	248	250	252	253
TOTAL	246	248	250	252	253
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	246	248	250	252	253
Total cash used to acquire assets	246	248	250	252	253

Prepared on Australian Accounting Standards basis.

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

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

	Buildings	Plant and equipment	Computer software and intangibles	Total
	\$'000	\$'000	\$'000	\$'000
As at 1 July 2022				
Gross book value	683	850	2,232	3,765
Gross book value - ROU assets	7,450	-	-	7,450
Accumulated depreciation/ amortisation and impairment	(161)	(260)	(938)	(1,359)
Accumulated depreciation/amortisation and impairment - ROU assets	(2,394)	-	-	(2,394)
Opening net book balance	5,578	590	1,294	7,462
Capital asset additions				
Estimated expenditure on new or replacement assets				
By purchase - appropriation ordinary annual services (a)	20	77	151	248
Total additions	20	77	151	248
Other movements				
Depreciation/amortisation expense	(150)	(152)	(207)	(509)
Depreciation/amortisation on ROU assets	(731)			(731)
As at 30 June 2023				
Gross book value	703	927	2,383	4,013
Gross book value - ROU assets	7,450	-	-	7,450
Accumulated depreciation/ amortisation and impairment	(311)	(412)	(1,145)	(1,868)
Accumulated depreciation/amortisation and impairment - ROU assets	(3,125)	-	-	(3,125)
Closing net book balance	4,717	515	1,238	6,470

Prepared on Australian Accounting Standards basis.

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

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forw ard estimate \$'000	2024-25 Forw ard estimate \$'000	2025-26 Forw ard estimate \$'000
EXPENSES					
Employee benefits	4,556	4,622	4,711	4,845	4,935
Suppliers	95,112	96,612	96,592	94,752	95,464
Total expenses administered on behalf of Government	99,668	101,234	101,303	99,597	100,399
Non-taxation revenue					
Sale of goods and rendering of services	8,928	8,314	6,041	1,954	120
Total non-taxation revenue	8,928	8,314	6,041	1,954	120
Total own-source revenue administered on behalf of Government	8,928	8,314	6,041	1,954	120
Total own-sourced income administered on behalf of Government	8,928	8,314	6,041	1,954	120
Net (cost of)/contribution by services	90,740	92,920	95,262	97,643	100,279
Total comprehensive income/(loss)	90,740	92,920	95,262	97,643	100,279

Prepared on Australian Accounting Standards basis.

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	3,008	1,664	1,000	1,239	2,239
Taxation receivables	1,052	1,052	1,052	1,052	1,052
Trade and other receivables	108	108	108	108	108
Total financial assets	4,168	2,824	2,160	2,399	3,399
Non-financial assets					
Other non-financial assets	16	16	16	16	16
Total non-financial assets	16	16	16	16	16
Total assets administered on behalf of Government	4,184	2,840	2,176	2,415	3,415
LIABILITIES					
Payables					
Suppliers	3,932	3,932	3,932	3,932	3,932
Other payables	3,593	2,249	1,585	1,824	2,824
Total payables	7,525	6,181	5,517	5,756	6,756
Provisions					
Employee provisions	511	511	511	511	511
Total provisions	511	511	511	511	511
Total liabilities administered on behalf of Government	8,036	6,692	6,028	6,267	7,267
Net assets/(liabilities)	(3,852)	(3,852)	(3,852)	(3,852)	(3,852)

Prepared on Australian Accounting Standards basis.

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Net GST received	5,000	5,000	5,000	5,000	5,000
Other	2,235	6,970	5,377	2,193	1,120
Total cash received	7,235	11,970	10,377	7,193	6,120
Cash used					
Suppliers	95,112	96,612	96,592	94,752	95,464
Net GST paid	5,000	5,000	5,000	5,000	5,000
Employees	4,205	4,270	4,357	4,465	4,535
Other	351	352	354	380	400
Total cash used	104,668	106,234	106,303	104,597	105,399
Net cash from/(used by) operating activities	(97,433)	(94,264)	(95,926)	(97,404)	(99,279)
Net increase/(decrease) in cash held	(97,433)	(94,264)	(95,926)	(97,404)	(99,279)
Cash and cash equivalents at beginning of reporting period	9,250	3,008	1,664	1,000	1,239
Cash from Official Public Account for: - Appropriations	91,191	92,920	95,262	97,643	100,279
Total cash from Official Public Account	91,191	92,920	95,262	97,643	100,279
Cash and cash equivalents at end of reporting period	3,008	1,664	1,000	1,239	2,239

Prepared on Australian Accounting Standards basis.

Australian Secret Intelligence Service (ASIS)

**Entity resources and planned
performance**

Australian Secret Intelligence Service

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Australian Secret Intelligence Service

Section 1: Entity overview and resources

1.1 Strategic direction statement

In 2022–23, the Australian Secret Intelligence Service (ASIS) will continue to enhance government understanding of the overseas environment affecting Australia’s vital interests. ASIS will take appropriate action, consistent with applicable legislation, to protect and promote Australia’s vital interests through the provision of unique foreign intelligence services as directed by the Government.

The primary functions of ASIS are:

- to obtain, in accordance with the Government’s requirements, intelligence about the capabilities, intentions or activities of people or organisations outside Australia;
- to communicate, in accordance with the Government’s requirements, such intelligence;
- to provide assistance to the Defence Force in support of military operations and to cooperate with the Defence Force on intelligence matters;
- to conduct counter-intelligence activities;
- to liaise with intelligence or security services, or other authorities, of other countries;
- to cooperate with and assist the Australian Signals Directorate, the Australian Geospatial-Intelligence Organisation, the Australian Security Intelligence Organisation and other Commonwealth and State authorities in the performance of their functions; and
- to undertake such other activities as the responsible minister directs relating to the capabilities, intentions or activities of people or organisations outside Australia.

1.2 Entity resource statement

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

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

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

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

Table 1.1: Australian Secret Intelligence Service resource statement — Budget estimates for 2022-23 as at Budget March 2022

	2021-22 <i>Estimated actual</i> \$'000	2022-23 Estimate \$'000
Departmental		
Annual appropriations - ordinary annual services (a)		
Prior year appropriations available	197,654	183,825
Departmental appropriation (b)	314,520	340,965
s74 External Revenue (c)	53,051	36,884
Departmental capital budget (d)	39,405	40,564
Annual appropriations - other services - non-operating (e)		
Equity injection	2,341	2,858
<i>Total departmental annual appropriations</i>	<i>606,971</i>	<i>605,096</i>
Total departmental resourcing	606,971	605,096
Total resourcing for ASIS	606,971	605,096

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

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

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

(b) Excludes departmental capital budget (DCB).

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

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

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

Note: The Annual Appropriation amounts appearing for 2021-22 estimated actual do not include the Appropriation Bills (No. 3) and (No. 4) 2021-22 as they had not been enacted at the time of publication. \$14.554 million will be received through Appropriation Bill (No. 3) 2021-22 and \$0.105 million will be received through Appropriation Bill (No. 4) 2021-22. The annual appropriations received from these bills will be recognised in a future Portfolio Budget Statement but only after the Bills have received Royal Assent.

Section 2: Outcomes and planned performance

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

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

2.1 Budgeted expenses and performance for Outcome 1

Outcome 1: Enhanced understanding for the Government of the overseas environment affecting Australia's interests through the provision of covert intelligence services about the capabilities, intentions or activities of people or organisations outside Australia

Budgeted expenses for Outcome 1

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

Table 2.1.1: Budgeted expenses for Outcome 1

Outcome 1: Enhanced understanding for the Government of the overseas environment affecting Australia's interests through the provision of covert intelligence services about the capabilities, intentions or activities of people or organisations outside Australia					
	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
Program 1.1: Secret Intelligence					
Departmental expenses					
Departmental appropriation (including s74 revenue (a))	286,568	283,387	281,146	280,846	263,021
Expenses not requiring appropriation in the Budget year (b)	39,747	42,454	41,433	41,125	40,999
Departmental total	326,315	325,841	322,579	321,971	304,020
Total expenses for program 1.1	326,315	325,841	322,579	321,971	304,020
Program 1.2: Other Services					
Departmental expenses					
Departmental appropriation (including s74 revenue (a))	95,522	94,462	93,716	93,616	87,674
Expenses not requiring appropriation in the Budget year (b)	13,249	14,151	13,811	13,708	13,666
Departmental total	108,771	108,613	107,527	107,324	101,340
Total expenses for program 1.2	108,771	108,613	107,527	107,324	101,340

Table continued on the next page.

Table 2.1.1: Budgeted expenses for Outcome 1 (continued)

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
Outcome 1 Totals by appropriation type					
Departmental expenses					
Departmental appropriation (including s74 revenue (a))	382,090	377,849	374,862	374,462	350,695
Expenses not requiring appropriation in the Budget year (b)	52,996	56,605	55,244	54,833	54,665
Departmental total	435,086	434,454	430,106	429,295	405,360
Total expenses for Outcome 1	435,086	434,454	430,106	429,295	405,360

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

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

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

Section 3: Budgeted financial statements

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

3.1 Budgeted financial statements

3.2. Budgeted financial statements tables

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
EXPENSES					
Total expenses (a)	435,086	434,454	430,106	429,295	405,360
LESS:					
OWN-SOURCE INCOME					
Own-Source Revenue	53,051	36,884	32,237	30,702	30,566
Total own-source income	53,051	36,884	32,237	30,702	30,566
Net (cost of)/contribution by services	(382,035)	(397,570)	(397,869)	(398,593)	(374,794)
Revenue from Government	329,039	340,965	342,625	343,760	320,129
Surplus/(deficit) attributable to the Australian Government	(52,996)	(56,605)	(55,244)	(54,833)	(54,665)
Total comprehensive income/(loss) attributable to the Australian Government	(52,996)	(56,605)	(55,244)	(54,833)	(54,665)

Note: Impact of net cash appropriation arrangements

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
Total comprehensive income/(loss) - as per statement of Comprehensive Income	(52,996)	(56,605)	(55,244)	(54,833)	(54,665)
plus: depreciation/amortisation of assets funded through appropriations (departmental capital budget funding and/or equity injections) (b)	52,996	56,605	55,244	54,833	54,665
Net Cash Operating Surplus/ (Deficit)	-	-	-	-	-

Prepared on Australian Accounting Standards basis.

(a) Includes depreciation on ROU assets.

(b) From 2010-11, the Government introduced net cash appropriation arrangements where Bill 1 revenue appropriations for the depreciation/amortisation expenses of non-corporate Commonwealth entities (and select corporate Commonwealth entities) were replaced with a separate capital budget (the Departmental Capital Budget, or DCB) provided through Bill 1 equity appropriations.

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
ASSETS					
Financial assets	189,495	183,622	184,361	185,166	185,939
Non-financial assets	337,897	331,422	317,388	304,498	292,215
Total assets	527,392	515,044	501,749	489,664	478,154
LIABILITIES					
Payables	107,333	107,832	108,252	108,725	109,171
Provisions	58,908	59,244	59,563	59,895	60,222
Total liabilities	166,241	167,076	167,815	168,620	169,393
Net assets	361,151	347,968	333,934	321,044	308,761
EQUITY*					
Parent entity interest					
Contributed equity	542,781	586,203	627,413	669,356	711,738
Reserves	79,243	79,243	79,243	79,243	79,243
Retained surplus (accumulated deficit)	(260,873)	(317,478)	(372,722)	(427,555)	(482,220)
Total parent entity interest	361,151	347,968	333,934	321,044	308,761
Total equity	361,151	347,968	333,934	321,044	308,761

Prepared on Australian Accounting Standards basis.

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

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

	Retained earnings	Asset revaluation reserve	Other reserves	Contributed equity/ capital	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000
Opening balance as at 1 July 2022					
Balance carried forward from previous period	(260,873)	79,243	-	542,781	361,151
Adjusted opening balance	(260,873)	79,243	-	542,781	361,151
Comprehensive income					
Surplus/(deficit) for the period	(56,605)	-	-	-	(56,605)
Total comprehensive income	(56,605)	-	-	-	(56,605)
of which:					
Attributable to the Australian Government	(56,605)	-	-	-	(56,605)
Transactions with owners					
Contributions by owners					
Equity injection - Appropriation	-	-	-	2,858	2,858
Departmental Capital Budget (DCB)	-	-	-	40,564	40,564
Sub-total transactions with owners	-	-	-	43,422	43,422
Estimated closing balance as at 30 June 2023	(317,478)	79,243	-	586,203	347,968
Closing balance attributable to the Australian Government	(317,478)	79,243	-	586,203	347,968

Prepared on Australian Accounting Standards basis.

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
OPERATING ACTIVITIES					
Total cash received	381,515	377,014	374,123	373,657	349,922
Total cash used	381,515	377,014	374,123	373,657	349,922
Net cash from/(used by) operating activities	-	-	-	-	-
INVESTING ACTIVITIES					
Total cash received	-	-	-	-	-
Total cash used	56,290	50,130	41,210	41,943	42,382
Net cash from/(used by) investing activities	(56,290)	(50,130)	(41,210)	(41,943)	(42,382)
FINANCING ACTIVITIES					
Total cash received	56,290	50,130	41,210	41,943	42,382
Total cash used	-	-	-	-	-
Net cash from/(used by) financing activities	56,290	50,130	41,210	41,943	42,382
Net increase/(decrease) in cash held	-	-	-	-	-
Cash and cash equivalents at the end of the reporting period	72,281	72,281	72,281	72,281	72,281

Prepared on Australian Accounting Standards basis.

Tourism Australia

Entity resources and planned performance

Tourism Australia

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Tourism Australia

Section 1: Entity overview and resources

1.1 Strategic direction statement

Tourism Australia (TA) is Australia's national tourism marketing organisation that promotes Australia as a compelling tourism destination for leisure and business events travel. TA's purpose is to grow demand to enable a competitive and sustainable Australian tourism industry, with the ambition to support a full recovery of Australia's tourism industry to 2018–19 expenditure levels by 2024–25.

Operating environment and industry outlook

In 2022–23, various economic, travel industry, marketing channel and consumer trends are predicted to impact Australian tourism and TA's operating model.

While rollout of vaccination programs raised hopes of a return to economic strength, the spread of the Omicron variant is presenting concerns for the global economic outlook. The global economy is projected to moderate from 5.9 per cent in 2021 to 4.4 per cent in 2022 and to slow to 3.8 per cent in 2023 (IMF, January 2022). Australia has managed the health and general economic impacts of the pandemic relatively well. The overall economic outlook is positive. TA will continue to monitor the economic environment and its impact on consumer confidence to inform our marketing activities and initiatives to support the recovery of Australia's tourism industry. We will concentrate effort in 15 international markets, adjusting approaches to ensure the best use of resources.

Omicron-related uncertainty has made international travellers more cautious and continues to impact bookings but return to travel is forecast to gather pace this year, with short haul intra regional travel predicted to lead the recovery (Tourism Economics, 2021). Australian borders reopened to international travellers from 21 February 2022, leading to an initial spike in interest to travel, with searches for inbound travel to Australia increasing by 23 per cent (Skyscanner, 2022). International aviation capacity is predicted to take until 2023–24 for Australian airports and airlines to recover to pre-COVID passenger levels. Forward airline schedules show Australia is forecast to see 31 per cent of pre-COVID seat capacity in March, increasing to 60 per cent in April 2022.

TA will provide a competitive edge for Australian tourism by launching a global campaign to re-establish Australia as the most desirable destination in the world. Communications will highlight what makes Australia unique, building on the longstanding *There's Nothing Like Australia* campaign. TA will focus on rejuvenating industry advocacy through trade engagement and programs to support industry to return to growth, maximising conversion and supporting aviation recovery. This will include trade familiarisation programs to inspire distributors and frontline travel sellers to promote and sell Australian tourism experiences to their customers, partnership marketing activities to extend the reach of our campaigns through bought media and our partners' marketing channels; connecting Australian industry with global distributors through trade event platforms such as in-market marketplaces and events; and continuing to educate through the Aussie Specialist Program.

While the use of traditional marketing channels remains relevant, digital and video channels continue to rise in importance, as does content. As consumers stayed home due to COVID-19 restrictions, the use of digital services soared. A significant proportion of the habits amassed over these restricted periods are predicted to continue (PWC, 2021), including the growth in streaming, gaming and user-generated content. TA will continue to work with our media agency partner, Universal McCann (UM), to ensure our marketing activities maximise consumer and technology trends. We will continue to use consumer insights to inform our efforts.

TA will continue to monitor consumer and travel sentiment. The results from our International Sentiment Tracker (January 2022), show impacts of the Omicron variant, with consumer confidence down by 6 percentage points to 101 overall in our key markets. Most consumers surveyed perceive Australia positively, but the perception of Australia as a safe destination decreased. Sentiment across European markets improved (potentially reflecting consumers feeling the current COVID-19 wave had reached its peak), while there were declines in sentiment by consumers in Eastern markets, particularly in China, India and Indonesia. We will also monitor forward bookings and searches to inform delivery of the right messaging at the most opportune time and continue to be flexible and nimble in our response to consumer needs.

Strategies

Target audiences and markets

TA will target leisure and business events consumers in markets that offer the best potential to build Australia's tourism recovery.

Leisure		
Audience	Definition	Markets
High Yield Travellers (HYT)	Purpose of trip: Holiday and visiting friends and relatives (VFR) Spend per night: >\$200 Total trip spend: >\$1,500	Grow – United Kingdom, United States, Germany, Singapore, Japan Watch – China, Hong Kong Sustain – New Zealand, Malaysia, Canada, India, France, Indonesia Distribute – Italy, Republic of Korea
HYT – Premium/Luxury	Purpose of trip: Holiday and VFR Spend per person per night: >\$1,000	China, United States, United Kingdom
HYT - Working Holiday Makers	Purpose of trip: Employment Length of stay: >31 days Age group: <35 years	United Kingdom, France, Republic of Korea, Japan, Germany
Business Events (BE)		
Audience	Definition	Markets
HYT – BE Incentive	Incentive agents and corporate decision makers	New Zealand, China, North America, United Kingdom, South/Southeast Asia
HYT – BE Association	Association planners and decision-makers	United Kingdom/Europe, North America

Strategic priorities and enabling factors

To aid the recovery of our industry, TA will focus effort on six strategic priorities:

- **Reinvigorate our brand to recapture market share:** Produce effective marketing campaigns and clever through-the-funnel activity to keep Australia on High Yield Travellers' consideration list and drive demand as markets open. Develop impactful brand campaigns to regain competitiveness and grow market share.
- **Maximise conversion and support aviation recovery:** Continue to drive conversion with commercial partners (key distribution partners and airlines) supporting aviation route recovery.
- **Rejuvenate advocacy fast with face-to-face engagement with trade and media:** Create highly credible, motivating and timely advocacy for Australia by getting the trade and media to experience it first-hand for the first time since the pandemic struck our shores.
- **Elevate and champion Indigenous and sustainable tourism:** Continue to improve understanding, support industry readiness, and build demand to create an even more competitive future destination.
- **Support industry recovery and growth:** Continue to be a platform for industry, a source of information and insights, and an advocate with stakeholders to reengage international markets and reimagine future opportunities.
- **Expedite Business Events recovery:** Drive demand to increase conversion and position Australia for long-term growth.

The following enabling factors will be important to delivery of our strategic priorities:

- insights-driven strategies and decision-making;
- engaged and supportive stakeholders;
- motivated staff;
- agile resourcing;
- strategic financial management; and
- robust governance.

Further detail is available in our Corporate Plan 2022–23 to 2025–26, with outcomes presented in our annual report.

1.2 Entity resource statement

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

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

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

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

Table 1.1: Tourism Australia resource statement — Budget estimates for 2022-23 as at Budget March 2022

	2021-22 <i>Estimated actual</i> \$'000	2022-23 Estimate \$'000
Opening balance/cash reserves at 1 July		
Funds from Government		
Annual appropriations - ordinary annual services (a)		
Outcome 1	135,347	139,643
Total annual appropriations	135,347	139,643
Amounts received from related entities		
Amounts from portfolio department (b)	19,981	47,040
Total amounts received from related entities	19,981	47,040
Total funds from Government	155,328	186,683
Funds from industry sources		
Rendering services	9,026	9,600
Total funds from industry sources	9,026	9,600
Funds from other sources		
Interest	100	100
Total funds from other sources	100	100
Total net resourcing for Tourism Australia	164,454	196,383
	2021-22	2022-23
Average staffing level (number) (c)	207	207

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

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

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

(b) Funding provided by the portfolio department (Asia Marketing Fund and Tourism Support) as payment to Tourism Australia from portfolio department's administered programs.

(c) Average Staffing Level (ASL) figures are estimates only.

1.3 Budget measures

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

Table 1.2: Tourism Australia 2022-23 Budget measures

	Program	2021-22 \$'000	2022-23 \$'000	2023-24 \$'000	2024-25 \$'000	2025-26 \$'000
Payment measures (if applicable)						
Tourism Support	1.1					
Departmental expenses (a)		-	27,000	18,000	-	-
Total		-	27,000	18,000	-	-
Total payment measures						
Departmental		-	27,000	18,000	-	-
Total		-	27,000	18,000	-	-

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

(a) Measure relates to a decision made post MYEFO. This measure forms part of the Government's Tourism Support.

Section 2: Outcomes and planned performance

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

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

Note:

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

The most recent corporate plan for Tourism Australia can be found at:
<https://www.tourism.australia.com/en/about/our-organisation/our-performance-and-reporting.html>.

The most recent annual performance statement can be found at:
<https://www.tourism.australia.com/en/about/our-organisation/our-performance-and-reporting.html>.

2.1 Budgeted expenses and performance for Outcome 1

Outcome 1: Grow demand and foster a competitive and sustainable Australian tourism industry through partnership marketing to targeted global consumers in key markets

Linked programs

Department of Foreign Affairs and Trade
Programs <ul style="list-style-type: none"> Program 1.7 – Programs to promote Australia’s international tourism interests
Contribution to Outcome 1 made by linked programs The program provides funding to Tourism Australia to deliver Outcome 1.
Australian Trade and Investment Commission
Programs <ul style="list-style-type: none"> Program 1.2 – Programs to promote Australia’s export and other international economic interests
Contribution to Outcome 1 made by linked programs Austrade has Commonwealth responsibility for international and domestic tourism policy and issues official tourism statistics. Austrade provides the information to Tourism Australia to promote the export of Australian tourism services, contributing to Australia’s prosperity.
Department of Home Affairs
Programs <ul style="list-style-type: none"> Program 3.1 – Trade facilitation and industry engagement
Contribution to Outcome 1 made by linked programs Tourism Australia works with the Department of Home Affairs by providing advice on visa and traveller facilitation policy relevant to the Australian tourism industry.

Table continued on the next page.

Linked programs (continued)

Department of Infrastructure, Transport, Regional Development and Communications
Programs <ul style="list-style-type: none">• Program 2.3 – Air transport
Contribution to Outcome 1 made by linked programs <p>An efficient, sustainable, competitive, safe and secure air transport system contributes increasing international visitor arrivals and expenditure, and growing demand for Australia as a destination for tourism and business events.</p>
Programs <ul style="list-style-type: none">• Program 3.1 – Regional development
Contribution to Outcome 1 made by linked programs <p>Tourism Australia works in partnership with state and territory governments, industry and commercial partners to build demand and increase visitor arrivals and spend in Australia, including encouraging international visitors to disperse beyond gateway cities into regional areas.</p>

Budgeted expenses for Outcome 1

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

Table 2.1.1: Budgeted expenses for Outcome 1

Outcome 1: Grow demand and foster a competitive and sustainable Australian tourism industry through partnership marketing to targeted global consumers in key markets					
	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
Program 1.1: Supporting Outcome 1					
Revenue from Government					
Ordinary annual services (Appropriation Bill No. 1)	135,347	139,643	139,740	140,457	140,229
Payment from portfolio department (a)	19,981	47,040	38,100	20,161	20,223
Expenses not requiring appropriation in the budget year (b)	10,000	20,000	-	-	-
Revenues from Own sources	9,126	9,700	7,900	7,900	8,900
Total expenses for Program 1.1	174,454	216,383	185,740	168,518	169,352
Outcome 1 totals by resource type					
Revenue from Government					
Ordinary annual services (Appropriation Bill No. 1)	135,347	139,643	139,740	140,457	140,229
Payment from portfolio department (a)	19,981	47,040	38,100	20,161	20,223
Expenses not requiring appropriation in the budget year (b)	10,000	20,000	-	-	-
Revenues from Own sources	9,126	9,700	7,900	7,900	8,900
Total expenses for Outcome 1	174,454	216,383	185,740	168,518	169,352
	2021-22	2022-23			
Average staffing level (number) (c)	207	207			

(a) Asia Marketing Fund and Tourism Support.

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

(c) Average Staffing Level (ASL) figures are estimates only.

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

Table 2.1.2: Program components of Outcome 1

Program 1.1: Supporting Outcome 1					
	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
1.1.1 - Component 1: Grow Demand					
Annual departmental expenses:					
Programme Support	130,841	183,926	157,879	143,240	143,949
Total component 1 expenses	130,841	183,926	157,879	143,240	143,949
1.1.2 - Component 2: Industry Development					
Annual departmental expenses:					
Programme Support	43,613	32,457	27,861	25,278	25,403
Total component 2 expenses	43,613	32,457	27,861	25,278	25,403
Program support					
Total program expenses	174,454	216,383	185,740	168,518	169,352

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

Table 2.1.3: Performance measure for Outcome 1

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

Outcome 1 – Grow demand and foster a competitive and sustainable Australian tourism industry through partnership marketing to targeted global consumers in key markets		
Program 1.1: Supporting Outcome 1		
Component 1.1.1: Grow Demand		
Objective: Identify and target best prospect consumers both in Australia and in our target markets, inspire them to travel to and throughout Australia.		
Key Activities	<p>Leisure travellers in key international markets (High Yield Travellers (HYT), Premium/Luxury HYT, Working Holiday Maker HYT):</p> <ul style="list-style-type: none"> • Consumer research to build knowledge about what motivates target audiences when choosing a travel destination; • Marketing activities to stimulate target audiences (brand advertising and promotions, broadcasts, public relations, international media hosting, content development and social media); • Campaigns, supported by state and territory tourism organisations and commercial partners; and • Work in partnership with government and industry to align efforts and activities, increasing Australia's collective share of voice to achieve efficiency and effectiveness. <p>Business events decision-makers in key international markets:</p> <ul style="list-style-type: none"> • Consumer research to build knowledge of the needs of incentive and association decision-makers when choosing destinations for corporate and association meetings; and • Marketing activities to promote Australia as a business events destination, including brand advertising, content and public relations, trade events and buyer and agent familiarisations. 	
Year	Performance measures	Expected Performance Results
Current year 2021-22	<u>Key metric</u> <i>Total tourism expenditure</i> <i>International tourism expenditure</i> <i>International leisure expenditure</i> <i>Business events expenditure</i> <i>Destination brand – awareness</i> <i>Destination brand – consideration</i> <i>Destination brand – intention</i>	<u>Estimated performance</u> \$64.6b – Partially on track \$3.5b – Partially on track \$1.8b – Partially on track \$0.2b – Partially on track 40 per cent – Achieved 35 per cent – On track 21 per cent – Achieved

Table continued on the next page.

Table 2.1.3: Performance measure for Outcome 1 (continued)

Program 1.1: Supporting Outcome 1 Component 1.1.1: Grow Demand (continued) Objective: Identify and target best prospect consumers both in Australia and in our target markets, inspire them to travel to and throughout Australia.		
Year	Performance measures	Planned Performance Results
Budget Year 2022-23	<u>Key metric</u> <i>Total tourism expenditure</i> <i>Other metrics as outlined in Tourism Australia's 2022-26 Corporate Plan</i>	<u>Estimated performance</u> \$102.1b
Forward Estimates 2023-26	<u>Key metric</u> <i>Total tourism expenditure</i> <i>Other metrics as outlined in Tourism Australia's 2022-26 Corporate Plan</i>	<u>Target</u> \$123.8b

Table continued on the next page.

Table 2.1.3: Performance measure for Outcome 1 (continued)

Outcome 1 – Grow demand and foster a competitive and sustainable Australian tourism industry through partnership marketing to targeted global consumers in key markets		
Program 1.1: Supporting Outcome 1 Component 1.1.2: Industry development Objective: An Australian tourism industry that is competitive and sustainable and delivers on the needs of the target customer.		
Key Activities	Target audiences: The Australian tourism industry and trade and distribution partners in key international markets Key activities: <ul style="list-style-type: none"> • Driving industry recovery through programs and platforms for the distribution system to do business • Supporting supply-side industry goals • Dissemination of insights and engagement of industry stakeholders. 	
Year	Performance measures	Expected Performance Results
Current year 2021-22	<u>Key metric</u> Industry stakeholder net promoter score (NPS) Qualified Aussie Specialist Agents Event satisfaction of participants BE Bid Fund Program, total ROI BE Bid Fund Program, economic impact of converted events BE Advance Program partnerships	<u>Estimated performance</u> 50 – On track 30,000 – Achieved 90 per cent – Achieved 21:1 – On track \$150m – On track 20 – On track
Year	Performance measures	Planned Performance Results
Budget Year 2022-23	<u>Key metric</u> Industry stakeholder NPS Other metrics as outlined in Tourism Australia's 2022-26 Corporate Plan	<u>Target</u> 52
Forward Estimates 2023-26	<u>Key metric</u> Industry stakeholder NPS Other metrics as outlined in Tourism Australia's 2022-26 Corporate Plan	<u>Target</u> 52

Section 3: Budgeted financial statements

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

3.1 Budgeted financial statements

3.1.1 Differences between entity resourcing and financial statements

Tourism Australia has no significant differences between the resource information presented in the Budget Papers and in the Portfolio Budget Statements as a result of differences between whole-of-government level reporting (under Australian Accounting Standard 1049) and entity level financial reporting.

3.1.2 Explanatory notes and analysis of budgeted financial statements

The departmental financial statements represent the assets, liabilities, revenues and expenses which are controlled by Tourism Australia. Departmental expenses include employee and supplier expenses and other administrative costs which are incurred by Tourism Australia in undertaking marketing operations.

Total operating revenue for 2022–23 is estimated at \$196.4 million and is made up of the Government funding of \$186.7 million, and revenue from other sources of \$9.7 million. The Government funding includes (1) appropriations of \$139.6 million, (2) \$20.0 million for the Asian Marketing Fund, (3) \$27.0 million for Tourism Support.

The change from 2021–22 includes:

- Appropriation for 2022–23 reflects additional level of funding for Tourism Australia adjusted for foreign exchange movements, domestic inflation and the efficiency dividend.
- Two budget measures: the Asian Marketing Fund and Tourism Support (FY2022–23 \$27.0 million and FY2023–24 \$18.0 million).

Corresponding total expenses are also estimated to be \$216.4 million.

Budgeted departmental balance sheet

Tourism Australia is budgeting a net asset position of \$23.0 million in 2022–23. Net assets are projected to remain the same beyond 2022–23.

3.2. Budgeted financial statements tables**Table 3.1: Comprehensive income statement (showing net cost of services) for the period ended 30 June**

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forw ard estimate \$'000	2024-25 Forw ard estimate \$'000	2025-26 Forw ard estimate \$'000
EXPENSES					
Employee benefits	36,330	37,300	37,957	38,627	39,700
Suppliers	128,777	167,464	136,002	118,050	117,811
Depreciation and amortisation	9,191	11,460	11,620	11,678	11,678
Finance costs	156	159	161	163	163
Total expenses	174,454	216,383	185,740	168,518	169,352
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Rendering services	7,643	8,500	6,500	6,000	7,000
Interest	100	100	100	100	100
Rental income	1,383	1,100	1,300	1,800	1,800
Total own-source revenue	9,126	9,700	7,900	7,900	8,900
Total own-source income	9,126	9,700	7,900	7,900	8,900
Net (cost of)/contribution by services	(165,328)	(206,683)	(177,840)	(160,618)	(160,452)
Revenue from Government (a)	155,328	186,683	177,840	160,618	160,452
Surplus/(deficit) attributable to the Australian Government	(10,000)	(20,000)	-	-	-
OTHER COMPREHENSIVE INCOME					
Total comprehensive income/(loss)	(10,000)	(20,000)	-	-	-
Total comprehensive income/(loss) attributable to the Australian Government	(10,000)	(20,000)	-	-	-

Table continued on the next page.

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

Note: Impact of net cash appropriation arrangements

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forw ard estimate \$'000	2024-25 Forw ard estimate \$'000	2025-26 Forw ard estimate \$'000
Total comprehensive income/(loss)					
- as per statement of					
Comprehensive Income	(10,473)	(20,156)	160	-	-
plus: depreciation/amortisation					
expenses for ROU assets (b)	6,873	6,960	7,120	7,178	7,178
less: lease principal repayments (b)	6,400	6,804	6,960	7,178	7,178
Net Cash Operating Surplus/ (Deficit)	(10,000)	(20,000)	-	-	-

Prepared on Australian Accounting Standards basis.

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

(b) Applies leases under AASB 16 Leases.

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	43,590	22,346	22,506	22,506	22,506
Trade and other receivables	3,594	3,594	3,594	3,594	3,594
Total financial assets	47,184	25,940	26,100	26,100	26,100
Non-financial assets					
Land and buildings	13,286	24,846	17,726	10,548	11,743
Property, plant and equipment	723	723	723	723	723
Intangibles	8,219	5,319	5,319	5,319	5,319
Other non-financial assets	2,124	2,124	2,124	2,124	2,124
Total non-financial assets	24,352	33,012	25,892	18,714	19,909
Assets held for sale					
Total assets	71,536	58,952	51,992	44,814	46,009
LIABILITIES					
Payables					
Suppliers	5,198	5,198	5,198	5,198	5,198
Other payables	4,903	4,903	4,903	4,903	4,903
Total payables	10,101	10,101	10,101	10,101	10,101
Interest bearing liabilities					
Lease Liability					
Lease liabilities - Adjustments	6,873	14,220	-	-	8,373
Lease liabilities - Opening Balance	12,287	12,760	20,176	13,216	6,038
Lease liabilities - Principal payments	(6,400)	(6,804)	(6,960)	(7,178)	(7,178)
Total interest bearing liabilities	12,760	20,176	13,216	6,038	7,233
Provisions					
Employee provisions	4,651	4,651	4,651	4,651	4,651
Other provisions	1,014	1,014	1,014	1,014	1,014
Total provisions	5,665	5,665	5,665	5,665	5,665
Total liabilities	28,526	35,942	28,982	21,804	22,999
Net assets	43,010	23,010	23,010	23,010	23,010
EQUITY*					
Parent entity interest					
Contributed equity	1,543	1,543	1,543	1,543	1,543
Reserves	3,640	3,640	3,640	3,640	3,640
Retained surplus (accumulated deficit)	37,827	17,827	17,827	17,827	17,827
Total parent entity interest	43,010	23,010	23,010	23,010	23,010
Total equity	43,010	23,010	23,010	23,010	23,010

Prepared on Australian Accounting Standards basis.

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

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

	Retained earnings	Asset revaluation reserve	Other reserves	Contributed equity/ capital	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000
Opening balance as at 1 July 2022					
Balance carried forward from previous period	37,827	3,632	8	1,543	43,010
Adjusted opening balance	37,827	3,632	8	1,543	43,010
Comprehensive income					
Surplus/(deficit) for the period	(20,000)	-	-	-	(20,000)
Total comprehensive income	(20,000)	-	-	-	(20,000)
of which:					
Attributable to the Australian Government	-	-	-	-	-
Estimated closing balance as at 30 June 2023	17,827	3,632	8	1,543	23,010
Closing balance attributable to the Australian Government	17,827	3,632	8	1,543	23,010

Prepared on Australian Accounting Standards basis.

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriation provided by portfolio department	155,328	186,683	177,840	160,618	160,452
Sale of goods and rendering of services	9,026	9,600	7,800	7,800	8,800
Interest	100	100	100	100	100
Total cash received	164,454	196,383	185,740	168,518	169,352
Cash used					
Employees	36,330	37,300	37,957	38,627	39,700
Suppliers	128,777	167,464	136,002	118,050	117,811
Interest payments on lease liability	156	159	161	163	163
Other	1,480	-	-	-	-
Total cash used	166,743	204,923	174,120	156,840	157,674
Net cash from/(used by) operating activities	(2,289)	(8,540)	11,620	11,678	11,678
INVESTING ACTIVITIES					
Cash received					
Proceeds from sales of property, plant and equipment	-	-	-	-	-
Total cash received	-	-	-	-	-
Cash used					
Purchase of property, plant and equipment and intangibles	9,700	5,900	4,500	4,500	4,500
Total cash used	9,700	5,900	4,500	4,500	4,500
Net cash from/(used by) investing activities	(9,700)	(5,900)	(4,500)	(4,500)	(4,500)
FINANCING ACTIVITIES					
Cash received					
Contributed equity	-	-	-	-	-
Total cash received	-	-	-	-	-
Cash used					
Principal payments on lease liability	6,400	6,804	6,960	7,178	7,178
Total cash used	6,400	6,804	6,960	7,178	7,178
Net cash from/(used by) financing activities	(6,400)	(6,804)	(6,960)	(7,178)	(7,178)
Net increase/(decrease) in cash held	(18,389)	(21,244)	160	-	-
Cash and cash equivalents at the beginning of the reporting period	61,979	43,590	22,346	22,506	22,506
Cash and cash equivalents at the end of the reporting period	43,590	22,346	22,506	22,506	22,506

Prepared on Australian Accounting Standards basis.

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forw ard estimate \$'000	2024-25 Forw ard estimate \$'000	2025-26 Forw ard estimate \$'000
PURCHASE OF NON-FINANCIAL ASSETS					
Funded internally from departmental resources (a)	9,700	5,900	4,500	4,500	4,500
TOTAL	9,700	5,900	4,500	4,500	4,500
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	9,700	5,900	4,500	4,500	4,500
Total cash used to acquire assets	9,700	5,900	4,500	4,500	4,500

Prepared on Australian Accounting Standards basis.

(a) Includes the following sources of funding: current Bill 1 appropriations, and internally developed assets.

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

	Buildings	Other property, plant and equipment	Computer software	Other intangibles	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
As at 1 July 2022					
Gross book value	10,774	3,551	16,490	29,215	60,030
Gross book value - ROU assets	31,098	-	-	-	31,098
Accumulated depreciation/ amortisation and impairment	(9,406)	(2,828)	(15,732)	(21,754)	(49,720)
Accumulated depreciation/amortisation and impairment - ROU assets	(19,180)	-	-	-	(19,180)
Opening net book balance	13,286	723	758	7,461	22,228
Capital asset additions					
Estimated expenditure on new or replacement assets					
By purchase - appropriation ordinary annual services (a)	5,000	100	800	-	5,900
By purchase - appropriation ordinary annual services - ROU assets	14,220	-	-	-	14,220
Total additions	19,220	100	800	-	20,120
Other movements					
Depreciation/amortisation expense	(700)	(100)	(1,400)	(2,300)	(4,500)
Depreciation/amortisation on ROU assets	(6,960)	-	-	-	(6,960)
Other - ROU assets	-	-	-	-	-
Total other movements	(7,660)	(100)	(1,400)	(2,300)	(11,460)
As at 30 June 2023					
Gross book value	15,774	3,651	17,290	29,215	65,930
Gross book value - ROU assets	45,318	-	-	-	45,318
Accumulated depreciation/ amortisation and impairment	(10,106)	(2,928)	(17,132)	(24,054)	(54,220)
Accumulated depreciation/amortisation and impairment - ROU assets	(26,140)	-	-	-	(26,140)
Closing net book balance	24,846	723	158	5,161	30,888

Prepared on Australian Accounting Standards basis.

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

Portfolio glossary

Term	Meaning
Accrual accounting	System of accounting where items are brought to account and included in the financial statements as they are earned or incurred, rather than as they are received or paid.
Accumulated depreciation	The aggregate depreciation recorded for a particular depreciating asset.
Additional Estimates	Where amounts appropriated at Budget time are insufficient, Parliament may appropriate more funds to portfolios through the Additional Estimates Acts.
Administered	Revenues, expenses, assets or liabilities managed by agencies on behalf of the Commonwealth. Agencies do not control administered items. Administered expenses include grants, subsidies and benefits. In many cases, administered expenses fund the delivery of third-party outputs.
Annual appropriation	Two Appropriation Bills are introduced into Parliament in May and comprise the Budget for the financial year beginning 1 July. Further Bills are introduced later in the financial year as part of the additional estimates. Parliamentary departments have their own appropriations.
Appropriation	An authorisation by Parliament to spend monies from the Consolidated Revenue Fund for a particular purpose.
Capital expenditure	Expenditure by an agency on capital projects, for example purchasing a building.
Consolidated Revenue Fund	Section 81 of the Constitution stipulates that all revenue raised, or money received by the Commonwealth forms the one consolidated revenue fund (CRF).
Departmental	Revenue, expenses, assets and liabilities that are controlled by the agency in providing its outputs. Departmental items would generally include computers, plant and equipment assets used by agencies in providing goods and services and most employee expenses, supplier costs and other administrative expenses incurred.
Depreciation	Apportionment of an asset's capital value as an expense over its estimated useful life to take account of normal usage, obsolescence, or the passage of time.

Term	Meaning
Effectiveness indicators	Measure the joint or independent contribution of programs to the achievement of their specified outcome.
Efficiency indicators	Measure the adequacy of an agency's management of its programs. Includes price, quality and quantity indicators. The interrelationship between the three efficiency indicators of any one program should be considered when judging efficiency.
Equity or net assets	Residual interest in the assets of an entity after deduction of its liabilities.
Expense	Total value of all the resources consumed in producing goods and services or the loss of future economic benefits in the form of reductions in assets or increases in liabilities of an entity.
Fair value	Valuation methodology: the amount for which an asset could be exchanged, or a liability settled, between knowledgeable and willing parties in an arm's length transaction. The fair value can be affected by the conditions of the sale, market conditions and the intentions of the asset holder.
Operating result	Equals revenue less expense.
Outcomes	The Government's objectives in each portfolio area. Outcomes are desired results, impacts or consequences for the Australian community as influenced by the actions of the Australian Government. Actual outcomes are assessments of the end results or impacts actually achieved.
Price	One of the three key efficiency indicators. The amount the Government or the community pays for the delivery of programs.
Program	Activity that delivers benefits, services or transfer payments to individuals, industry and/or the community as a whole, with the aim of achieving the intended result specified in an outcome statement.
Quality	One of the three key efficiency indicators. Relates to the characteristics by which customers or stakeholders judge an organisation, product or service. Assessment of quality involves use of information gathered from interested parties to identify differences between the user's expectations and experiences.

Term	Meaning
Quantity	One of the three key efficiency indicators. Examples include: the size of a program; count or volume measures; how many or how much.
Revenue	Total value of resources earned or received to cover the production of goods and services.
Special Account	Special Accounts allow money in the Consolidated Revenue Fund to be acknowledged as set-aside (hypothecated) for a particular purpose. Amounts credited to a Special Account may only be spent for the purposes of the Special Account. Special Accounts can only be established by a written determination of the Finance Minister (section 78 of the <i>Public Governance, Performance and Accountability Act 2013</i> (PGPA Act 2013)) or through an Act of Parliament (section 80 of the PGPA Act 2013).
Special Appropriations (including Standing Appropriations)	An amount of money appropriated by a particular Act of Parliament for a specific purpose and number of years. For Special Appropriations the authority to withdraw funds from the Consolidated Revenue Fund does not generally cease at the end of the financial year. Standing Appropriations are a sub-category consisting of ongoing Special Appropriations – the amount appropriated will depend on circumstances specified in the legislation.