

PORTFOLIO BUDGET STATEMENTS 2022–23
BUDGET RELATED PAPER NO. 1.18

**FOREIGN AFFAIRS AND TRADE
PORTFOLIO**

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

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MINISTER FOR FOREIGN AFFAIRS
MINISTER FOR TRADE AND TOURISM

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 Ms President

Dear Mr Speaker

We hereby submit the October Portfolio Budget Statements in support of the 2022-23 October 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, appearing to read 'Penny Wong'.

Senator the Hon Penny Wong
Minister for Foreign Affairs

A handwritten signature in blue ink, appearing to read 'Don Farrell'.

Senator the Hon Don Farrell
Minister for Trade and Tourism
Special Minister of State

Abbreviations and conventions

The following notation may be used:

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nfp	not for publication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

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

Enquiries

Should you have any enquiries regarding this publication please contact the Chief Financial Officer, Department of Foreign Affairs and Trade on (02) 6261 1111.

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 October 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.

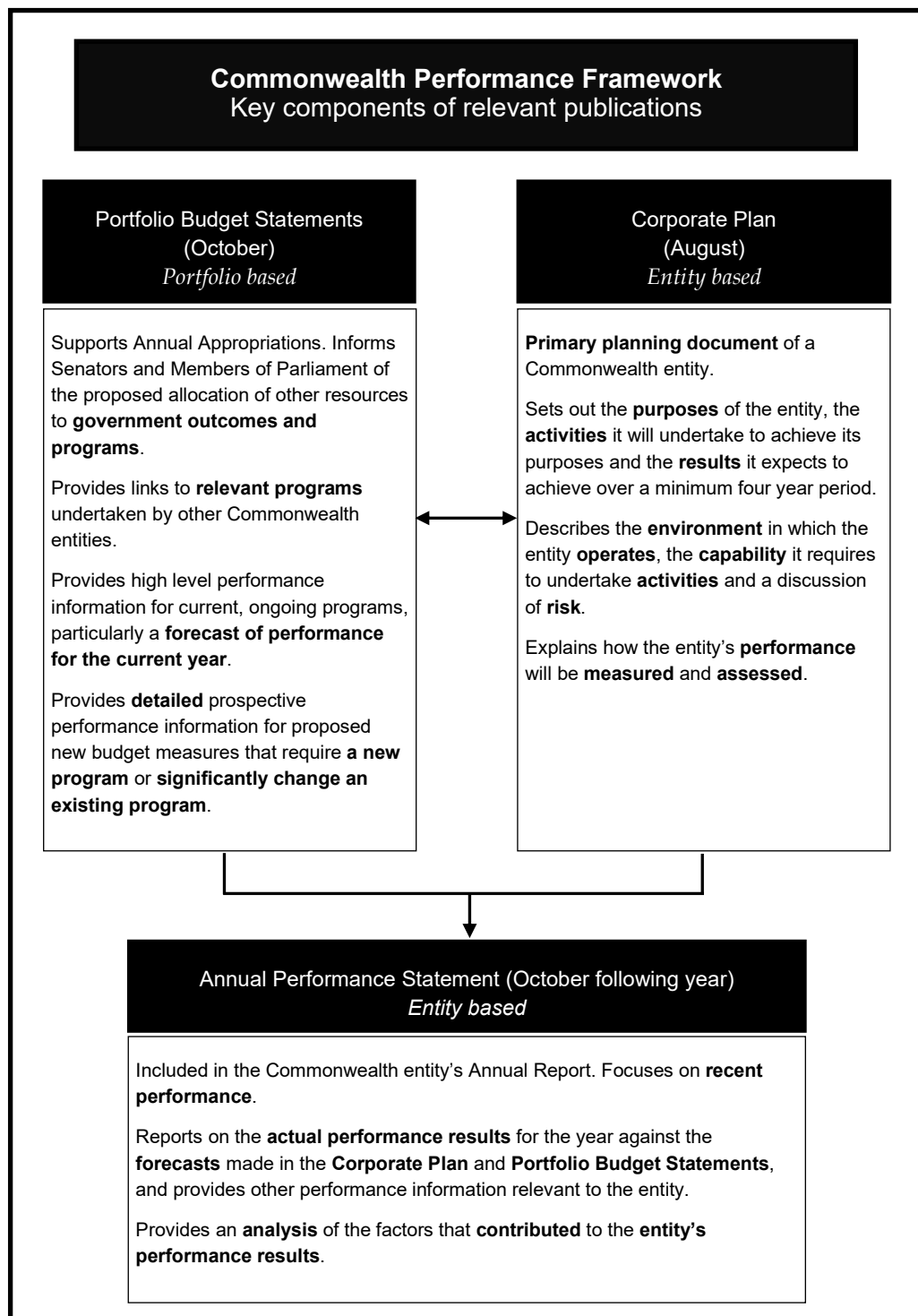
A key role of the PB Statements is to facilitate the understanding of proposed annual appropriations in Appropriation Bills (No. 1 and No. 2) 2022-23 (or Appropriation (Parliamentary Departments) Bill (No. 1) 2022-23 for the parliamentary departments). In this sense, the PB Statements are Budget related 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 Penny Wong, Minister for Foreign Affairs;
- Senator the Hon Don Farrell, Minister for Trade and Tourism, Special Minister of State;
- The Hon Pat Conroy MP, Minister for International Development and the Pacific, and Minister for Defence Industry;
- Senator the Hon Tim Ayres, Assistant Minister for Trade and Assistant Minister for Manufacturing; and
- The Hon Tim Watts MP, Assistant Minister for Foreign Affairs.

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 seven priorities as detailed in DFAT's 2022-23 Corporate Plan.

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 trade and investment services to businesses and policy advice to government to grow Australia's prosperity.

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. supporting Australian businesses to expand and diversify into international markets, win productive foreign investment, promote international education, and strengthen the Australian tourism industry;
2. leading visitor economy policy development and informing the Government's decision-making to drive tourism growth and recovery;
3. together with the Simplified Trade System Taskforce, simplifying cross-border trade regulations, processes, systems and data to reduce barriers and improve the experience for Australian businesses;
4. collaborating closely with federal, state and territory government entities to inform our commercial and practical policy advice to government; and
5. delivering consular and passport services on behalf of the Australian Government in 11 overseas locations.

Austrade, alongside the department, promotes the opportunities created by deepening economic engagement with key partners, including through Free Trade Agreements and the reduction in non-tariff barriers. Austrade administers the Export Market Development Grants program to assist Australian businesses to promote and diversify their operations. In response to the COVID-19 pandemic, Austrade also delivers a range of tourism grant programs to support tourism recovery.

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)

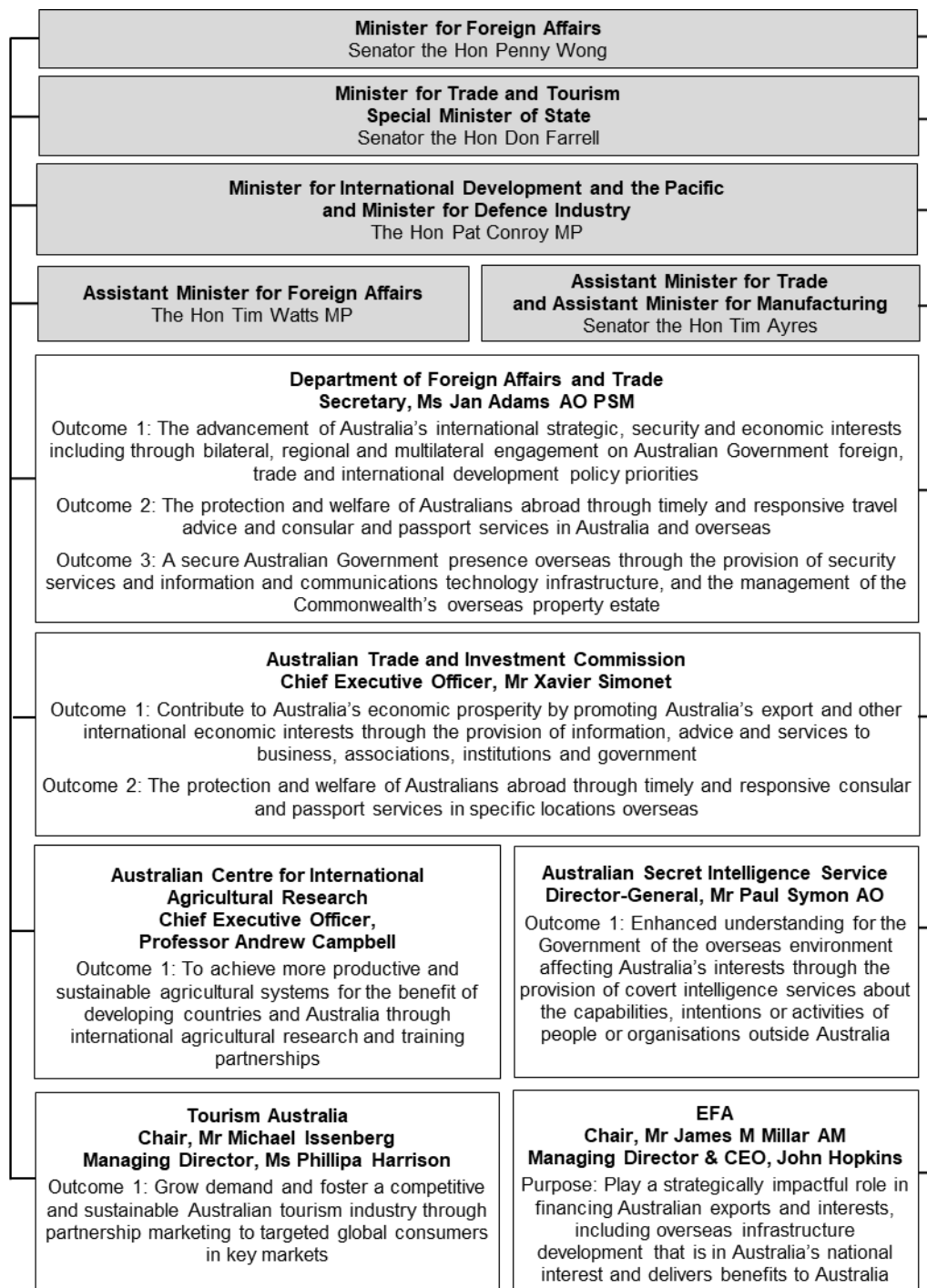
EFA (legally constituted as the Export Finance and Insurance Corporation) plays a strategically impactful role in financing Australian exports and interests, including overseas infrastructure development that is in Australia's national interests and delivers benefits to Australia. As the Australian Government's 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 the October *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

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, development and international security policies. DFAT delivers passport and consular services to Australian citizens and manages a secure Australian Government presence overseas.

Australia's international environment is more contested and unpredictable. Geostrategic tensions, a weakening global economy, the effects of the COVID-19 pandemic, climate change and Russia's war against Ukraine are producing greater instability. Advancing Australia's international interests to support our security and prosperity has become more challenging – yet more important – than ever.

The department will work across the Australian government and internationally to support a region that is stable, prosperous, resilient and respectful of sovereignty. We will engage – including by listening intently – with our Pacific family and Southeast Asian partners. We will aid in the development of resilient nations and regional institutions. We will collaborate with the United States and other partners, including through the Quad and AUKUS, to shape the strategic equilibrium that will underpin peace and security.

We will promote a rules-based international order, including through the multilateral system. We will act to support international law and norms that guide respectful international behaviour and form the basis for peaceful resolution of disputes. The department will continue to lead Australia's response to Russia's illegal war against Ukraine. We will strengthen Australia's historically exemplary arms control and non-proliferation record, including via AUKUS.

In managing relations with China, we will pursue our objectives in a calm and consistent manner. Where we can, we will engage constructively with China to address shared challenges like climate change. Domestically, we will work with key stakeholders to build resilience and social cohesion.

New energy and more resources will be brought to the Pacific to build a stronger and more united Pacific family. The whole-of-government Office of the Pacific will lead Australia's efforts to meet shared challenges with our Pacific partners and achieve our shared interest in a stable, prosperous and resilient region. We will partner with other Pacific countries to address our region's shared challenges of climate change, COVID-19, and strategic contest.

Australia recognises the need for urgent climate action. Through the Australian Infrastructure Financing Facility for the Pacific (AIFFP), we are sustainably financing the infrastructure needs of the Pacific and Timor-Leste. We will establish the Pacific Climate Infrastructure Financing Partnership as a stream within the AIFFP, allowing us to further support quality climate-resilient infrastructure.

The department has supported the Government's high tempo of diplomatic engagement in the Pacific. With 19 Australian missions in the region, the largest Pacific diplomatic network of any country, there is emphasis on building genuine and respectful relationships. We are modernising our Chancery in Honiara, as well as reinstating regular bipartisan Parliamentary Pacific visits - demonstrating that strengthening Pacific partnerships is a national objective.

A strong, united Pacific Islands Forum is central to protecting our shared interests across the region. We are also working with likeminded partners including through Partners in the Blue Pacific (PBP). Through the PBP we will better coordinate, harness our collective strengths, and support Pacific priorities and institutions. We will implement an Indo-Pacific Broadcasting Strategy, boosting engagement with Australian content in the Indo-Pacific.

The Government is also committed to improving and expanding the highly valued Pacific Australia Labour Mobility (PALM) scheme. The department will lead the ambitious reform agenda in close consultation with our partners in the Pacific and Timor-Leste to expand and enhance the scheme to better support Pacific workers and Australian employers facing workforce shortages. The introduction of the Pacific Engagement Visa will complement the PALM scheme and provide a further pathway for Pacific people to migrate permanently to Australia.

In an uncertain world, the strength and diversity of Australia's partnerships is critical. The development program is fundamental to deepening our partnerships with our Indo-Pacific neighbours. It advances cooperation founded on mutual trust, respect, and shared values of fairness, equality and compassion. It is Australia's tangible contribution to achieving a future that benefits us and our region. We will deliver more than \$1.4 billion in additional Official Development Assistance (ODA) over the forward estimates, including \$900 million increased ODA in the Pacific and \$470 million in Southeast Asia. We are committed to listening to our partners' priorities, and working in true partnership on delivery.

The department has established an Office of Southeast Asia to better coordinate whole-of-government efforts to deepen engagement with the region. We will support the appointment of a Special Envoy to Southeast Asia and develop a Southeast Asia Economic Strategy to shape our economic engagement up to 2040. We will work with Indonesia to deliver a \$200 million climate and infrastructure partnership and with Vietnam to pilot a flexible in-country language studies program, promoting student mobility to Vietnam, and fostering collaboration with Australian universities.

To support Australia's post-pandemic economic recovery, the department will continue to negotiate trade and investment agreements, creating export opportunities and jobs, reducing the cost of doing business overseas and providing Australian consumers with greater choice. Work continues on supporting businesses to reduce supply chain vulnerabilities and diversify trade.

Keeping the global economy open and businesses trading and investing is crucial for Australia's prosperity and resilience. The department will pursue a wide-ranging trade

diversification agenda, including supporting businesses through strengthening vulnerable and critical supply chains, briefing on political and strategic risk and implementing Australia's 16 free trade agreements with 26 economies. The government is committed to establishing a Trade 2040 Taskforce and delivering a trade diversification strategy. The department will continue to work on a trade and investment agenda that creates economic opportunity for the Australian community. We will advance negotiations on Australia's free trade agreements with the European Union and India, as well as implementing the Australia-UK Free Trade Agreement and the Australia-India Economic Cooperation and Trade Agreement (ECTA). We will work with regional partners on a new Indo-Pacific Economic Framework to strengthen cooperation on key and emerging trade and investment issues, adding to existing efforts to promote open markets, economic reform and regulatory cooperation. The department will continue to support the WTO and its framework of rules, to promote and protect the open global trading system.

The department will implement measures to strengthen linkages with India, complementary to ECTA, including a new Centre for Australia India Relations which will increase India literacy among Australian businesses and build on the contributions of Australia's growing Indian-origin community.

The trade and investment agenda will respond to the global commitment to net zero emissions. The department will work to implement the Green Economy Agreement with Singapore; a world-first agreement that combines trade, economic and environmental objectives. The department will showcase Australian renewable energy capabilities on the world stage at Osaka Expo 2025.

The department expects historically high levels of demand for passport services to continue. It has increased staffing levels and invested in new R-Series passport technology to meet the needs of travelling Australians. We will continue to help Australians prepare for overseas travel through a new Smartraveller campaign. And our consular staff will be ready to assist Australians in need overseas.

The department will work to project Australia overseas – in all its dimensions and diversity. Through the establishment of the Office of First Nations Engagement, headed by an Ambassador for First Nations Peoples, the department will embed a First Nations approach to foreign policy. We will work in genuine partnership with First Nations people to bring their voices, perspectives and experiences into our diplomacy, international engagement and development programs.

As Australia's strategic and operating environment becomes more uncertain and challenging, strong international 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 2022–23 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 the October *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: Foreign Affairs and Trade resource statement — Budget estimates for 2022-23 as at October Budget 2022

	2021-22 <i>Estimated actual</i> \$'000	2022-23 Estimate \$'000
Departmental		
Annual appropriations - ordinary annual services (a)		
Prior year appropriations available (b)	208,948	415,724
Departmental appropriation (c)	1,748,057	1,799,169
s74 External Revenue (d)	163,302	171,431
Departmental capital budget (e)	81,892	71,235
Annual appropriations - other services - non-operating (f)		
Prior year appropriations available (b)	-	39,639
Equity injection	126,031	75,796
Total departmental annual appropriations	2,328,230	2,572,994
Special accounts (g)		
Opening balance	416,263	413,898
Appropriation receipts (h)	85,389	85,818
Appropriation receipts from other entities (i)	53,486	29,777
Non-appropriation receipts	24,670	20,540
Total special accounts	579,808	550,033
<i>less departmental appropriations drawn from annual/special appropriations and credited to special accounts</i>	85,389	85,818
Total departmental resourcing	2,822,649	3,037,209
Administered		
Annual appropriations - ordinary annual services (a)		
Outcome 1	4,037,291	4,334,835
Outcome 2	53,750	750
Administered capital budget (j)	528	-
Payments to corporate entities (k)	135,347	136,683
Annual appropriations - other services - non-operating (f)		
Administered assets and liabilities	5,897	7,548

Table continued on the next page.

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

	2021-22 Estimated actual \$'000	2022-23 Estimate \$'000
Total administered annual appropriations	4,232,813	4,479,816
Total administered special appropriations	329,242	343,535
<i>less payments to corporate entities from annual/special appropriations</i>	135,347	136,683
Total administered resourcing	4,426,708	4,686,668
Total resourcing for Department of Foreign Affairs and Trade	7,249,357	7,723,877
Average staffing level (number)	5,985	6,090

Third party payments from and on behalf of other entities

	2021-22 Estimated actual \$'000	2022-23 Estimate \$'000
Receipts received from other entities for the provision of services (disclosed above in s74 External Revenue section above)	163,302	171,431
Payments made to corporate entities within the Portfolio Tourism Australia (annual appropriation)	135,347	136,683

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, Supply Bill (No.3) 2022-23 and Supply Act (No.1) 2022-23.
- (b) Excludes \$238.2m 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, Supply Bill (No.4) 2022-23 and Supply Act (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 the October 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 Foreign Affairs and Trade annual and special 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.
- (k) 'Corporate entities' are corporate Commonwealth entities and Commonwealth companies as defined under the PGPA Act.

1.3 Budget measures

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

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

	Program	2021-22 \$'000	2022-23 \$'000	2023-24 \$'000	2024-25 \$'000	2025-26 \$'000
Payment measures						
Government Spending Audit —						
Foreign Affairs and Trade —						
efficiencies (a)						
Administered payment	1.1	-	(20,963)	(21,318)	(19,026)	(17,643)
Departmental payment	1.1	-	(4,824)	(3,393)	(3,435)	(3,366)
Total		-	(25,787)	(24,711)	(22,461)	(21,009)
Savings from External Labour,						
and Savings from Advertising,						
Travel and Legal Expenses (b)						
Departmental payment	1.1	-	(34,335)	-	-	-
Total		-	(34,335)	-	-	-
An Ambitious and Enduring						
APS Reform Plan (c)						
Departmental payment	1.1	-	(571)	(1,481)	(1,762)	-
Total		-	(571)	(1,481)	(1,762)	-
Additional Official Development						
Assistance (d)						
Administered payment	1.2	-	94,000	419,200	450,000	436,800
Departmental payment	1.2	-	3,559	7,962	7,500	7,542
Total		-	97,559	427,162	457,500	444,342
Australian Infrastructure						
Financing Facility for the						
Pacific — expansion (e)						
Departmental payment	1.1	-	2,351	6,403	7,542	8,705
Total		-	2,351	6,403	7,542	8,705
Supporting Australia's Trade						
and Tourism Sectors (f)						
Administered payment	1.1	-	25,375	26,500	28,125	30,000
Departmental payment	1.1	-	2,434	4,015	1,541	1,549
Total		-	27,809	30,515	29,666	31,549
Enhancing the Pacific Australia						
Labour Mobility Scheme (g)						
Administered payment	1.1, 1.2	-	5,620	4,424	1,081	1,081
Departmental payment	1.1	-	1,640	1,097	373	377
Total		-	7,260	5,521	1,454	1,458
Pacific Engagement Visa (h)						
Departmental payment	1.1	-	1,694	3,214	3,221	3,256
Total		-	1,694	3,214	3,221	3,256

Table continued on the next page.

Measures announced since the 2022-23 March Budget (continued)

	Program	2021-22 \$'000	2022-23 \$'000	2023-24 \$'000	2024-25 \$'000	2025-26 \$'000
Payment measures (cont)						
Pacific Security and Engagement Initiatives (i)						
Departmental payment		nfp	nfp	nfp	nfp	nfp
Total		nfp	nfp	nfp	nfp	nfp
First Nations Foreign Policy (j)						
Departmental payment	1.1	-	1,333	662	-	-
Total		-	1,333	662	-	-
Southeast Asia Engagement Initiatives (k)						
Departmental payment	1.1	-	-	-	-	-
Total		-	-	-	-	-
Memorial Services for Bali Bombings Travel Assistance Payment (l)						
Administered payment	1.1	-	-	-	-	-
Total		-	-	-	-	-
Total payment measures						
Administered		-	104,032	428,806	460,180	450,238
Departmental		-	(26,719)	18,479	14,980	18,063
Total		-	77,313	447,285	475,160	468,301

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 full measure description and package details appear in the October Budget Paper No. 2 under the Foreign Affairs and Trade portfolio.
- (b) The full measure description and package details appear in the October Budget Paper No. 2 under cross portfolio.
- (c) The full measure description and package details appear in the October Budget Paper No 2 under cross portfolio.
- (d) The full measure description and package details appear in the October Budget Paper No. 2 under the Foreign Affairs and Trade portfolio.
- (e) The full measure description and package details appear in the October Budget Paper No. 2 under the Foreign Affairs and Trade portfolio.
- (f) The full measure description and package details appear in the October Budget Paper No. 2 under the Foreign Affairs and Trade portfolio. Administered payments includes up to \$100m over four years currently provisioned for in the Contingency Reserve for Australia's participation in the Osaka World Expo 2025.
- (g) The full measure description and package details appear in the October Budget Paper No. 2 under the Home Affairs portfolio.
- (h) The lead entity for measure titled Pacific Engagement Visa is the Department of Home Affairs. The full measure description and package details appear in the October Budget Paper No. 2 under the Foreign Affairs and Trade portfolio.
- (i) The full measure description and package details appear in the October Budget Paper No. 2 under the Foreign Affairs and Trade portfolio.
- (j) The full measure description and package details appear in the October Budget Paper No. 2 under the Foreign Affairs and Trade portfolio.
- (k) The full measure description and package details appear in the October Budget Paper No. 2 under the Foreign Affairs and Trade portfolio.
- (l) The full measure description and package details appear in the October Budget Paper No. 2 under the Foreign Affairs and Trade 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 the Department of Foreign Affairs and Trade 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.transparency.gov.au/annual-reports/department-foreign-affairs-and-trade/reporting-year/2021-22>.

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
Department of Defence
Programs <ul style="list-style-type: none"> • Program 2.8 – Australian Defence Force Headquarters

Table continued on the next page.

Linked programs (continued)

Department of Education
Programs <ul style="list-style-type: none"> • Program 2.7 – International Education Support
Department of Employment and Workplace Relations
Programs <ul style="list-style-type: none"> • Program 1.1 – Employment Services
Department of Home Affairs
Programs <ul style="list-style-type: none"> • Program 1.2 – National Security and Resilience • 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
<p>Contribution to Outcome 1 made by linked programs</p> <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)	73,109	50,622	47,733	34,253	35,019
Special appropriations PGPA Act 2013 s77	1	100	100	100	100
Expenses not requiring appropriation in the Budget year (a)	21,604	6,900	6,500	6,500	6,500
Administered total	94,714	57,622	54,333	40,853	41,619
Departmental expenses					
Departmental appropriation (b)	828,490	1,003,459	946,968	932,409	984,821
Expenses not requiring appropriation in the Budget year (c)	142,152	147,900	150,976	152,212	153,472
Departmental total	970,642	1,151,359	1,097,944	1,084,621	1,138,293
Total expenses for program 1.1	1,065,356	1,208,981	1,152,277	1,125,474	1,179,912
Program 1.2: Official Development Assistance					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	3,490,946	3,759,500	3,825,615	3,898,702	3,949,028
Expenses not requiring appropriation in the Budget year (c)	2,095	-	-	-	-
Administered total	3,493,041	3,759,500	3,825,615	3,898,702	3,949,028
Departmental expenses					
Departmental appropriation	266,806	274,367	282,832	286,493	290,720
Departmental total	266,806	274,367	282,832	286,493	290,720
Total expenses for program 1.2	3,759,847	4,033,867	4,108,447	4,185,195	4,239,748

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)	32,381	565,377	23,502	997,620	-
Administered total	32,381	565,377	23,502	997,620	-
Total expenses for program 1.3	32,381	565,377	23,502	997,620	-
Program 1.4: Payments to International Organisations					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	331,871	426,339	421,239	416,847	410,017
Administered total	331,871	426,339	421,239	416,847	410,017
Total expenses for program 1.4	331,871	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) (e)	30,148	41,839	48,944	50,933	50,933
Administered total	30,148	41,839	48,944	50,933	50,933
Total expenses for program 1.5	30,148	41,839	48,944	50,933	50,933
Program 1.6: Public Information Services and Public Diplomacy					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	24,482	31,495	33,842	34,433	34,018
Administered total	24,482	31,495	33,842	34,433	34,018
Total expenses for program 1.6	24,482	31,495	33,842	34,433	34,018
Program 1.7: Programs to Promote Australia's International Tourism Interests					
Administered expenses					
Corporate Commonwealth Entity - Tourism Australia	135,347	136,683	146,646	148,787	150,398
Ordinary annual services (Appropriation Bill No. 1)	19,981	25,040	25,100	20,161	20,223
Administered total	155,328	161,723	171,746	168,948	170,621
Total expenses for program 1.7	155,328	161,723	171,746	168,948	170,621

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)	3,970,537	4,334,835	4,402,473	4,455,329	4,499,238
Special appropriations PGPA Act 2013 s77	1	100	100	100	100
Corporate Commonwealth Entity	135,347	136,683	146,646	148,787	150,398
Expenses not requiring appropriation in the Budget year	56,080	572,277	30,002	1,004,120	6,500
Administered total	4,161,965	5,043,895	4,579,221	5,608,336	4,656,236
Departmental expenses					
Departmental appropriation	1,095,296	1,277,826	1,229,800	1,218,902	1,275,541
Expenses not requiring appropriation in the Budget year	142,152	147,900	150,976	152,212	153,472
Departmental total	1,237,448	1,425,726	1,380,776	1,371,114	1,429,013
Total expenses for Outcome 1	5,399,413	6,469,621	5,959,997	6,979,450	6,085,249

	2021-22	2022-23
Average staffing level (number)	3,948	4,053

- (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.
- (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.
- (e) New Colombo Plan (NCP) funding in 2022-23 above excludes a one-off transfer of \$3.2m from NCP's administered allocation to departmental equity to offset the cost of building a new education ICT application, maintaining overall funding on the NCP at \$45.1m.

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	33,157	-	-	-	-
International Climate Change Engagement	2,928	221	-	-	-
Personal Benefits - Locally Engaged Staff pension schemes	7,358	7,839	8,034	8,235	8,442
Comprehensive Strategic Partnership with India - Centre of Excellence for Critical and Emerging Technology Policy	-	1,985	1,460	1,286	1,300
Comprehensive Strategic Partnership with India - Enhanced Business Engagement	-	200	379	380	390
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	-	250	863	1,176	1,183
Comprehensive Strategic Partnership with India - Matri Cultural Partnerships	-	754	1,515	1,772	2,032
Comprehensive Strategic Partnership with India - Bay of Bengal Maritime Partnership	-	990	2,607	2,620	2,380
Comprehensive Strategic Partnership with India - Bay of Bengal Trade and Energy Partnership	-	1,030	1,597	1,609	1,585
Non-ODA Support for the Cook Islands	1,290	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	-	-	-
Non-ODA Expanding the Pacific Labour Scheme	-	1,017	1,538	1,081	1,081
Memorial Services for Bali Bombings	-	2,200	-	-	-
Travel Assistance Payments	-	2,200	-	-	-
Implementation of Key Singapore Initiatives	-	375	1,500	3,125	5,000
OECD – Sustainable Agriculture Research	998	1,000	1,000	-	-

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:					
COVID-19 Response Package — Australia's Indo-Pacific Engagement — enhanced partnerships in Southeast Asia	15,349	15,297	15,287	-	-
ASEAN-Australia Comprehensive Strategic Partnership	-	1,315	2,298	1,090	-
Pacific Labour Mobility – Machinery of Government from Department of Employment	500	-	-	-	-
Other Administered Items	11,529	3,097	1,424	1,453	1,164
Special appropriations: PGPA Act s77	1	100	100	100	100
Expenses not requiring appropriation in the Budget year					
Administration expenses - Export Finance Australia - National Interest Account	11,528	6,900	6,500	6,500	6,500
Other Administered Items	10,076	-	-	-	-
Departmental expenses					
Departmental appropriation	828,490	1,003,459	946,968	932,409	984,821
Expenses not requiring appropriation in the Budget year	142,152	147,900	150,976	152,212	153,472
Total Component 1.1.1 expenses	1,065,356	1,208,981	1,152,277	1,125,474	1,179,912

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 Forw ard estimate \$'000	2024-25 Forw ard estimate \$'000	2025-26 Forw ard estimate \$'000
1.2.1 - Component 2: Official Development Assistance					
Annual administered expenses:					
Country and regional programs	2,048,080	2,282,208	2,401,335	2,517,684	2,521,642
Humanitarian, emergencies and refugees	488,618	470,400	471,930	471,930	471,930
Cross regional and global programs	954,248	1,006,892	952,350	909,088	955,456
Expenses not requiring appropriation in the Budget year	2,095	-	-	-	-
Departmental expenses					
Departmental appropriation	266,806	274,367	282,832	286,493	290,720
Total Component 1.2.1 expenses	3,759,847	4,033,867	4,108,447	4,185,195	4,239,748

	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
1.6.1 - Component 6: Public Information Services and Public Diplomacy					
Annual administered expenses:					
Non-ODA Pacific Sports Program	10,756	15,600	15,600	15,600	15,600
National Foundation for Australia-China Relations	7,747	7,480	7,480	7,480	7,480
Centre for Australia-India Relations	242	1,074	3,902	4,322	3,907
Public Diplomacy and Other International Grants Programs	5,737	7,341	6,860	7,031	7,031
Total Component 1.6.1 expenses	24,482	31,495	33,842	34,433	34,018

Table continued on the next page.

Table 2.1.2: Program components of Outcome 1 (continued)

	2021-22	2022-23	2023-24	2024-25	2025-26
	Estimated	Budget	Forw ard	Forw ard	Forw ard
	actual		estimate	estimate	estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
1.7.1 - Component 7: Programs to Promote Australia's International Tourism Interests					
Annual administered expenses:					
Corporate Commonw ealth Entity -					
Tourism Australia	135,347	136,683	146,646	148,787	150,398
Asia Marketing Fund	19,981	20,040	20,100	20,161	20,223
Tourim Marketing	-	5,000	5,000	-	-
Total Component 1.7.1 expenses	155,328	161,723	171,746	168,948	170,621

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 the October 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 prosperity with Pacific island countries through economic, security and development engagement.^a • Advocate and negotiate for 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. • Strengthen economic and commercial diplomacy to support Australian businesses and build domestic support for trade and investment. • 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 – 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
Prior 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.	Partially 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.	On track
	Increased market opening and opportunities for Australian businesses.	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 – 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 support a strategic equilibrium and free, open, and resilient Indo-Pacific.	<ul style="list-style-type: none"> Resilience of countries in the Indo-Pacific, as measured by: economic growth/recovery; strength of domestic settings; diversity of trade/supply chain resilience. Strategic equilibrium as assessed to be: avoidance of conflict; support for rules-based international system, including implementation of regional trade agreements that Australia is a party to (AANZFTA, RCEP, CPTPP and PACER Plus); support (public or private) for Australia's and/or allies' initiatives and interests, expressed by regional governments. Perceptions of Australia's strategic weight and value (regional governments, likeminded partners, civil society/community, abroad and domestically).
	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"> Maintain satisfaction levels above 85 per cent.
	Australia's enhanced engagement in the Pacific supports stronger and more resilient economies, development outcomes and regional security. ^b	<ul style="list-style-type: none"> Our strong and close partnerships with Pacific Island countries are maintained and strengthened through our bilateral and regional support for: climate resilience, economic prosperity, shared security and people-to-people connections.^c We respond to the evolving priorities of the Pacific, including support of regional COVID-19 recovery.^c
	Global rules-based trading system reflects Australian interests.	<ul style="list-style-type: none"> Results secured in the WTO, APEC, G20 and OECD that meaningfully contribute toward reducing barriers to trade and other distortions in global markets; strengthening international trade rules and enforcement mechanisms; building the capacity of regional partners to create a more positive environment for trade and investment; and promoting economic reform, integration and recovery through trade and investment.

Table 2.1.3: Performance measure for Outcome 1 (continued)

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.		
Year	Performance measures	Planned Performance Results
Budget Year 2022-23 (continued)	Increased market opening and opportunities for Australian businesses.	<ul style="list-style-type: none"> • Increase compared to previous year of: entry into force and/or implementation of new market access commitments from trade agreements; resolution of non-tariff barriers; implementation of WTO dispute outcomes; and direct facilitation of investment and trade opportunities for Australian business.
	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. • DFAT advice contributes to national policies supporting economic security and supply chain resilience. • DFAT's input shapes economic policy decisions to promote trade and investment interests and to comply with 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"> • Increased public stakeholder understanding of the benefits of trade and investment. • Increased awareness among Australian business of international trade and investment opportunities and challenges. • Increased take up of trade and investment opportunities in Australian FTAs. • Effective support to Australian business in overseas markets.
	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. • Effective implementation of activities delivering on key strategies and divisional priorities including counter disinformation. • Effective promotion of Australia as a security partner, including on building Defence capability, climate related security issues and space.

Table continued on the next page.

Table 2.1.3: Performance measure for Outcome 1 (continued)

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.		
Year	Performance measures	Planned Performance Results
Budget Year 2022-23 (continued)	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 regularly attends ONI-convened mission governance forums at multiple levels to provide intelligence requirements geared to our foreign policy needs. • 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.
Forward Estimates 2023-26	As per 2022-23	As per 2022-23

(a) Key Activity updated from the 2022-23 DFAT Corporate Plan to reflect the current operating context.

(b) Performance measure updated from the 2022-23 DFAT Corporate Plan to reflect current operating context.

(c) Planned Performance Results updated from the 2022-23 DFAT Corporate Plan to reflect current operating context.

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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"> 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, 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
Prior 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"> The development program is responsive to evolving needs and risks in the Indo-Pacific region and Australian Government priorities.
	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. Australian support builds the capacity of Pacific governments and communities to better prepare for, respond to and recover from climate change and disasters. Implementation and establishment of strategic partnership frameworks with humanitarian partners.
	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

Table continued on the next page.

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 1.3 – 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"> Australia’s Official Development Assistance is advanced through the department’s work with multilateral organisations. Their reach, leverage, specialisation and other strengths play a critical role in helping Australia to meet its international development objectives. 	
Year	Performance measures	Expected Performance Results
Prior 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.	Achieved
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"> Outcomes, including statements, of global coalitions, multilateral fora and institutions, align with Australia’s priorities to protect and promote rules, norms and standards.
Forward Estimates 2023-26	As per 2022-23	As per 2022-23

Table continued on the next page.

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 1.4 – 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
Prior 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.	Achieved
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"> Outcomes, including statements, of global coalitions, multilateral fora and institutions, align with Australia’s priorities to protect and promote rules, norms and standards.
Forward Estimates 2023-26	As per 2022-23	As per 2022-23

Table continued on the next page.

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 1.5 – 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.	
Year	Performance measures	Expected Performance Results
Prior year 2021-22	The New Colombo Plan delivers improved people-to-people, institutional and business links.	Partially 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">• Revitalised engagement through the New Colombo Plan, as allowed by COVID-19 restrictions in the Indo-Pacific.
Forward Estimates 2023-26	As per 2022-23	As per 2022-23

Table continued on the next page.

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 1.6 – 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
Prior year 2021-22	Strategic communications and global initiatives reflect Australian interests.	Partially on track
Year	Performance measures	Planned Performance Results
Budget Year 2022-23	Strategic communications and public diplomacy advance Australia’s interests and influence.	<ul style="list-style-type: none"> Maintain an average social media engagement rate of between 1–3% in line with industry standards. Maintain Australian standings in global soft power indexes and global perception and sentiment tracking.
Forward Estimates 2023-26	As per 2022-23	As per 2022-23

Table continued on the next page.

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 1.7 – Programs 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
Prior 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
<p>Contribution to Outcome 2 made by linked programs</p> <p>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.</p>

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)	8,319	200	200	200	200
Special appropriations <i>PGPA Act 2013</i> s77	9	100	100	100	100
Expenses not requiring appropriation in the Budget year (d)	5,527	-	-	-	-
Administered total	13,855	300	300	300	300
Departmental expenses					
Departmental appropriation	139,558	142,306	141,644	143,456	129,089
Departmental total	139,558	142,306	141,644	143,456	129,089
Total expenses for program 2.1	153,413	142,606	141,944	143,756	129,389
Program 2.2: Passport Services					
Administered expenses					
Special appropriations <i>PGPA Act 2013</i> s77	471	2,000	2,000	2,000	2,000
Administered total	471	2,000	2,000	2,000	2,000
Departmental expenses					
Departmental appropriation	270,691	280,441	291,263	294,718	295,969
Departmental total	270,691	280,441	291,263	294,718	295,969
Total expenses for program 2.2	271,162	282,441	293,263	296,718	297,969

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)	8,319	200	200	200	200
Special appropriations <i>PGPA Act 2013</i> s77	480	2,100	2,100	2,100	2,100
Expenses not requiring appropriation in the Budget year (a)	5,527	-	-	-	-
Administered total	14,326	2,300	2,300	2,300	2,300
Departmental expenses					
Departmental appropriation	410,249	422,747	432,907	438,174	425,058
Departmental total	410,249	422,747	432,907	438,174	425,058
Total expenses for Outcome 2	424,575	425,047	435,207	440,474	427,358

	2021-22	2022-23
Average staffing level (number)	1,125	1,125

(a) 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.

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 the October 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. 	
Year	Performance measures	Expected Performance Results
Prior 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.	Achieved
	Australians have information to prepare for safe travel overseas.	Achieved
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.
	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.
	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

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
Prior year 2021-22	The department maintains a high standard in processing passport applications, investigating and prosecuting fraud.	Partially on track (July to March) Not on track (April to June)
	Clients are satisfied with passport services, including online services.	Partially on track (July to March) Not on track (April to June)
Year	Performance measures	Planned Performance Results
Budget Year 2022-23	The department maintains a high standard in processing passports.	<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.
	Clients are satisfied with passport services.	<ul style="list-style-type: none"> 85 per cent satisfaction rate of overall passport service from client survey.
Forward Estimates 2023-26	As per 2022-23	As per 2022-23

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	231,108	163,135	164,732	165,021
Departmental total	208,892	231,108	163,135	164,732	165,021
Total expenses for program 3.1	208,892	231,108	163,135	164,732	165,021
Program 3.2: Overseas Property					
Expenses not requiring appropriation in the Budget year (a)	105,491	38,919	39,309	39,698	40,098
Departmental total	105,491	38,919	39,309	39,698	40,098
Total expenses for program 3.2	105,491	38,919	39,309	39,698	40,098
Outcome 3 Totals by appropriation type					
Departmental expenses					
Departmental appropriation	208,892	231,108	163,135	164,732	165,021
Expenses not requiring appropriation in the Budget year (a)	105,491	38,919	39,309	39,698	40,098
Departmental total	314,383	270,027	202,444	204,430	205,119
Total expenses for Outcome 3	314,383	270,027	202,444	204,430	205,119
Average staffing level (number)					
	2021-22 912	2022-23 912			

(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 the October 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
Prior 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.	Achieved

Table continued on the next page.

Table 2.3.3: Performance measures 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"> Improvement in the department's protective security maturity rating 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"> Completion of a biennial Security Culture Survey. Progress against the Security Culture Implementation Plan.
	Fit-for-purpose and secure ICT systems.	<ul style="list-style-type: none"> ICT Security Logging - Number of unique cases generated, and complex use cases analysed, will increase by 15 per cent. Average System Uptime of DFAT critical systems maintained at 99 per cent. Collaboration tool adoption increased by 15 per cent.
Forward Estimates 2023-26	As per 2022-23	As per 2022-23

Table continued on the next page.

Table 2.3.3: Performance measures 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
Prior 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.	Achieved
	Satisfaction ratings with the performance of the service provider and the Overseas Property Office.	Achieved
	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 measures 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 are updated annually 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 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

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 \$1,799.2 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 \$147.3 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 \$75.8 million in 2022–23 for the purchase or construction of new assets. The department will also receive \$71.2 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 \$5,256.4 million at year-end. The major asset component is \$4,684.1 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 \$565.4 million, an increase of \$533.0 million from the 2021–22 estimated actual due to several new multilateral replenishments 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 \$3,045.7 million and \$2,102.9 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 \$814.2 million, an increase of \$72.4 million.

Administered cash used in 2022–23 is estimated to increase by \$461.0 million compared to 2021–22. This is due primarily to the profile of the COVID-19 Response Packages and new measures 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 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
EXPENSES					
Employee benefits	913,524	1,055,541	1,047,270	1,038,406	1,028,935
Suppliers	636,697	710,582	610,772	611,837	661,283
Grants and Contributions	18,800	-	-	-	-
Depreciation and amortisation (a)	344,130	336,191	343,024	348,113	353,303
Impairment loss on financial instruments	4	-	-	-	-
Interest on Right of Use (ROU)	14,295	14,765	15,061	15,362	15,669
Losses from asset sales	-	1,421	-	-	-
Write-down and impairment of assets	12,640	-	-	-	-
Foreign exchange losses	21,990	-	-	-	-
Total expenses	1,962,080	2,118,500	2,016,127	2,013,718	2,059,190
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Revenue from contracts with customers	136,203	121,254	121,254	121,254	121,254
Other revenue	5,798	50,177	50,567	50,956	51,356
Total own-source revenue	142,001	171,431	171,821	172,210	172,610
Gains					
Gains from sale of assets	2,700	-	-	-	-
Other	27,513	630	630	630	630
Total gains	30,213	630	630	630	630
Total own-source income	172,214	172,061	172,451	172,840	173,240
Net (cost of)/contribution by services	(1,789,866)	(1,946,439)	(1,843,676)	(1,840,878)	(1,885,950)
Revenue from Government	1,642,259	1,799,169	1,693,330	1,689,296	1,733,108
Surplus/(deficit) attributable to the Australian Government	(147,607)	(147,270)	(150,346)	(151,582)	(152,842)
OTHER COMPREHENSIVE INCOME					
Changes in asset revaluation surplus	119,123	-	-	-	-
Total other comprehensive income	119,123	-	-	-	-
Total comprehensive income/(loss)	(28,484)	(147,270)	(150,346)	(151,582)	(152,842)
Total comprehensive income/(loss) attributable to the Australian Government	(28,484)	(147,270)	(150,346)	(151,582)	(152,842)

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	(147,607)	(147,270)	(150,346)	(151,582)	(152,842)
plus: depreciation/amortisation of assets funded through appropriations (departmental capital budget funding and/or equity injections) (a)	137,520	139,860	141,976	141,976	141,976
plus: depreciation/amortisation expenses for ROU assets (b)	166,242	147,565	151,307	155,402	159,578
less: lease principal repayments (b)	140,755	140,155	142,937	145,796	148,712
plus: unrealised foreign exchange gains/losses from implementing AASB16 leases (b)	24,102	-	-	-	-
Net Cash Operating Surplus / (Deficit) (c)	39,502	-	-	-	-

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) Leases under AASB 16 Leases.

(c) Excluding depreciation and other non-cash adjustments relating to the adoption of AASB16 Leases the consolidated net cash position includes an operating surplus by DFAT of \$19.6 million and the Overseas Property Special Account of \$19.9 million.

Table 3.2: Budgeted departmental balance sheet (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	566,512	421,669	370,002	278,618	226,319
Trade and other receivables	675,915	641,385	646,496	646,496	646,496
Total financial assets	1,242,427	1,063,054	1,016,498	925,114	872,815
Non-financial assets					
Land and buildings	4,604,230	4,684,082	4,682,503	4,719,576	4,716,484
Property, plant and equipment	266,145	373,329	448,739	522,373	565,062
Intangibles	148,481	141,297	126,664	111,995	84,719
Inventories	23,746	23,746	23,746	23,746	23,746
Other non-financial assets	33,974	33,976	33,976	33,976	33,976
Total non-financial assets	5,076,576	5,256,430	5,315,628	5,411,666	5,423,987
Total assets	6,319,003	6,319,484	6,332,126	6,336,780	6,296,802
LIABILITIES					
Payables					
Suppliers	144,661	146,007	147,354	147,354	147,354
Other payables	94,799	115,762	115,950	115,950	115,950
Total payables	239,460	261,769	263,304	263,304	263,304
Interest bearing liabilities					
Leases	1,094,632	1,103,026	1,111,610	1,120,365	1,129,301
Total interest bearing liabilities	1,094,632	1,103,026	1,111,610	1,120,365	1,129,301
Provisions					
Employee provisions	304,722	287,525	291,101	291,101	291,101
Other provisions	42,724	42,724	42,724	42,724	42,724
Total provisions	347,446	330,249	333,825	333,825	333,825
Total liabilities	1,681,538	1,695,044	1,708,739	1,717,494	1,726,430
Net assets	4,637,465	4,624,440	4,623,387	4,619,286	4,570,372
EQUITY*					
Parent entity interest					
Contributed equity	3,170,359	3,317,390	3,466,683	3,614,164	3,718,092
Reserves	2,017,012	2,017,012	2,017,012	2,017,012	2,017,012
Retained surplus (accumulated deficit)	(549,906)	(709,962)	(860,308)	(1,011,890)	(1,164,732)
Total parent entity interest	4,637,465	4,624,440	4,623,387	4,619,286	4,570,372
Total equity	4,637,465	4,624,440	4,623,387	4,619,286	4,570,372

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	(549,906)	2,017,012	-	3,170,359	4,637,465
Adjusted opening balance	(549,906)	2,017,012	-	3,170,359	4,637,465
Comprehensive income					
Surplus/(deficit) for the period	(147,270)	-	-	-	(147,270)
Total comprehensive income	(147,270)	-	-	-	(147,270)
of which:					
Attributable to the Australian Government	-	-	-	-	-
Transactions with owners					
Distributions to owners					
Other	(12,786)	-	-	-	(12,786)
Contributions by owners					
Equity injection - Appropriation	-	-	-	75,796	75,796
Departmental Capital Budget (DCB)	-	-	-	71,235	71,235
Sub-total transactions with owners	(12,786)	-	-	147,031	134,245
Estimated closing balance as at 30 June 2023	(12,786)	-	-	3,317,390	3,304,604
Closing balance attributable to the Australian Government	(709,962)	2,017,012	-	3,317,390	4,624,440

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	1,770,556	1,829,978	1,688,219	1,689,296	1,733,108
Sale of goods and rendering of services	167,686	160,361	160,751	160,952	161,352
Net GST received	41,364	41,324	41,324	41,324	41,324
Other	4,931	11,258	11,258	11,258	11,258
Total cash received	1,984,537	2,042,921	1,901,552	1,902,830	1,947,042
Cash used					
Employees	877,157	1,051,965	1,043,694	1,038,406	1,028,935
Suppliers	584,321	710,026	608,795	611,207	660,653
Net GST paid	42,096	41,324	41,324	41,324	41,324
Interest payments on lease liability	14,003	14,765	15,061	15,362	15,669
Transfer to the OPA	159,396	12,786	-	-	-
Other	18,800	-	-	-	-
Total cash used	1,695,773	1,830,866	1,708,874	1,706,299	1,746,581
Net cash from/(used by) operating activities	288,764	212,055	192,678	196,531	200,461
INVESTING ACTIVITIES					
Cash received					
Proceeds from sales of property, plant and equipment	25,605	14,207	-	-	-
Total cash received	25,605	14,207	-	-	-
Cash used					
Purchase of property, plant and equipment and intangibles	235,805	381,700	250,701	289,600	207,976
Total cash used	235,805	381,700	250,701	289,600	207,976
Net cash from/(used by) investing activities	(210,200)	(367,493)	(250,701)	(289,600)	(207,976)

Table continued on the next page.

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

	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
FINANCING ACTIVITIES					
Cash received					
Contributed equity	140,058	150,750	149,293	147,481	103,928
Total cash received	140,058	150,750	149,293	147,481	103,928
Cash used					
Returns of contributed equity	21,310	-	-	-	-
Principal payments on lease liability	140,755	140,155	142,937	145,796	148,712
Total cash used	162,065	140,155	142,937	145,796	148,712
Net cash from/(used by) financing activities	(22,007)	10,595	6,356	1,685	(44,784)
Net increase/(decrease) in cash held	56,555	(144,843)	(51,667)	(91,384)	(52,299)
Cash and cash equivalents at the beginning of the reporting period	503,640	566,512	421,669	370,002	278,618
Effect of exchange rate movements on cash and cash equivalents at the beginning of reporting period	6,317	-	-	-	-
Cash and cash equivalents at the end of the reporting period	566,512	421,669	370,002	278,618	226,319

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)	81,892	71,235	79,315	90,684	92,649
Equity injections - Bill 2	58,166	75,796	69,978	56,797	11,279
Total new capital appropriations	140,058	147,031	149,293	147,481	103,928
Provided for:					
Purchase of non-financial assets	140,058	147,031	149,293	147,481	103,928
Total items	140,058	147,031	149,293	147,481	103,928
PURCHASE OF NON-FINANCIAL ASSETS					
ASSETS					
Funded by capital appropriations (a)	58,166	115,435	69,978	56,797	11,279
Funded by capital appropriation - DCB (b)	81,892	71,235	79,315	90,684	92,649
Funded internally from departmental resources (c)	95,747	195,030	101,408	142,119	104,048
TOTAL	235,805	381,700	250,701	289,600	207,976
Total cash used to acquire assets	235,805	381,700	250,701	289,600	207,976

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	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
As at 1 July 2022					
Gross book value	1,922,385	1,708,866	287,180	333,920	4,252,351
Gross book value - ROU assets	1,169	1,438,797	10,155	-	1,450,121
Accumulated depreciation/ amortisation and impairment	-	(100,107)	(29,076)	(185,439)	(314,622)
Accumulated depreciation/amortisation and impairment - ROU assets	(203)	(366,677)	(2,114)	-	(368,994)
Opening net book balance	1,923,351	2,680,879	266,145	148,481	5,018,856
Capital asset additions					
Estimated expenditure on new or replacement assets					
By purchase - appropriation equity (a)	-	-	115,435	-	115,435
By purchase - appropriation ordinary annual services (b)	-	-	50,576	20,659	71,235
By purchase - other (c)	-	194,902	128	-	195,030
By purchase - appropriation ordinary annual services - ROU assets	-	148,550	-	-	148,550
Other movements					
Depreciation/amortisation expense	-	(101,828)	(58,955)	(27,843)	(188,626)
Depreciation/amortisation on ROU assets	-	(147,565)	-	-	(147,565)
Disposals (d)	(13,693)	(514)	-	-	(14,207)
Total other movements	(13,693)	(249,907)	(58,955)	(27,843)	(350,398)
As at 30 June 2023					
Gross book value	1,908,692	1,903,254	453,319	354,579	4,619,844
Gross book value - ROU assets	1,169	1,587,347	10,155	-	1,598,671
Accumulated depreciation/ amortisation and impairment	-	(201,935)	(88,031)	(213,282)	(503,248)
Accumulated depreciation/amortisation and impairment - ROU assets	(203)	(514,242)	(2,114)	-	(516,559)
Closing net book balance	1,909,658	2,774,424	373,329	141,297	5,198,708

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) 'Other' refers to internally developed assets.
- (d) Net proceeds may be returned to the OPA.

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	3,490,946	3,759,500	3,825,615	3,898,702	3,949,028
Multilateral replenishments and other loans	32,381	565,377	23,502	997,620	-
Other grants and contributions	437,541	567,697	569,024	548,592	541,968
Administration expenses - Export Finance Australia (EFA)	11,528	6,900	6,500	6,500	6,500
Payments to corporate Commonwealth entities - Tourism Australia	135,347	136,683	146,646	148,787	150,398
Impairment loss on financial instruments	7,383	-	-	-	-
Other expenses	60,926	10,038	10,234	10,435	10,642
Depreciation and amortisation	239	-	-	-	-
Total expenses administered on behalf of Government	4,176,291	5,046,195	4,581,521	5,610,636	4,658,536
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Non-taxation revenue					
Fees and charges	540,877	568,122	552,714	578,436	568,437
AIPRD loan interest	13,562	13,921	14,344	14,727	15,189
EFA National Interest Account (NIA)	33,169	36,859	45,270	43,003	47,196
EFA dividend	5,671	6,376	5,406	6,650	7,350
EFA competitive neutrality	7,879	6,296	9,000	9,850	10,700
Return of prior year administered expenses	59,941	55,610	31,768	31,927	32,086
Other revenue and gains	54,985	255	255	255	255
Total non-taxation revenue	716,084	687,439	658,757	684,848	681,213
Total own-sourced income administered on behalf of Government	716,084	687,439	658,757	684,848	681,213
Net (cost of)/contribution by services	(3,460,207)	(4,358,756)	(3,922,764)	(4,925,788)	(3,977,323)

Table continued on the next page.

Table 3.7: Schedule of budgeted income and expenses administered on behalf of Government (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
OTHER COMPREHENSIVE INCOME					
Items not subject of subsequent reclassification to net cost of services					
Remeasurement of defined benefit plans	16,512	-	-	-	-
Items subject of subsequent reclassification to net cost of services					
Movement in the carrying amount of investments	(408,648)	-	-	-	-
Total other comprehensive income	(3,852,343)	(4,358,756)	(3,922,764)	(4,925,788)	(3,977,323)
Total comprehensive income/(loss)	(3,852,343)	(4,358,756)	(3,922,764)	(4,925,788)	(3,977,323)

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	8,796	8,796	8,796	8,796	8,796
AIPRD loans	169,662	173,832	178,425	183,401	188,839
Multilateral investments	2,133,725	2,173,725	2,173,725	2,213,725	2,213,725
Investments in portfolio entities	628,355	628,355	628,355	628,355	628,355
Investments in external entities	2,050	9,598	13,449	13,449	13,449
Trade and other receivables	50,336	50,886	51,436	51,986	52,536
Total financial assets	2,992,924	3,045,192	3,054,186	3,099,712	3,105,700
Non-financial assets					
Computer softw are internally developed	478	478	478	478	478
Total non-financial assets	478	478	478	478	478
Total assets administered on behalf of Government	2,993,402	3,045,670	3,054,664	3,100,190	3,106,178
LIABILITIES					
Payables					
Multilateral replenishments	1,496,224	1,760,266	1,416,009	2,081,896	1,671,804
Other payables	258,430	258,430	258,430	258,430	258,430
Total payables	1,754,654	2,018,696	1,674,439	2,340,326	1,930,234
Provisions					
Employee provisions	54,843	54,843	54,843	54,843	54,843
NIA financial guarantee	29,355	29,355	29,355	29,355	29,355
Total provisions	84,198	84,198	84,198	84,198	84,198
Total liabilities administered on behalf of Government	1,838,852	2,102,894	1,758,637	2,424,524	2,014,432
Net assets/(liabilities)	1,154,550	942,776	1,296,027	675,666	1,091,746

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	501,342	568,122	552,714	578,436	568,437
Net GST received	127,315	140,694	141,398	142,812	144,240
Return of prior year administered expenses	59,941	55,610	31,768	31,927	32,086
EFA - NIA	32,096	36,859	45,270	43,003	47,196
EFA dividend	5,671	6,376	5,406	6,650	7,350
EFA competitive neutrality	7,879	6,296	9,000	9,850	10,700
Other	7,560	255	255	255	255
Total cash received	741,804	814,212	785,811	812,933	810,264
Cash used					
International Development assistance	3,783,586	4,113,562	4,202,310	4,274,669	4,310,130
Other contributions	446,798	567,697	569,024	548,592	541,968
Payments to corporate Commonwealth entities - Tourism Australia	135,347	136,683	146,646	148,787	150,398
Other	8,100	16,938	16,734	16,935	17,142
Total cash used	4,373,831	4,834,880	4,934,714	4,988,983	5,019,638
Net cash from/(used by) operating activities	(3,632,027)	(4,020,668)	(4,148,903)	(4,176,050)	(4,209,374)
INVESTING ACTIVITIES					
Cash received					
Repayments of AIPRD loans	9,751	9,751	9,751	9,751	9,751
Total cash received	9,751	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 Forw ard estimate \$'000	2024-25 Forw ard estimate \$'000	2025-26 Forw ard estimate \$'000
Cash used					
Other investing payments for policy purposes	127,048	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	-	550	550	550	550
Total cash used	132,945	136,065	136,863	139,128	193,780
Net cash from/(used by) investing activities	(123,194)	(126,314)	(127,112)	(129,377)	(184,029)
Net increase/(decrease) in cash held	(3,755,221)	(4,146,982)	(4,276,015)	(4,305,427)	(4,393,403)
FINANCING ACTIVITIES					
Cash received					
Contributed equity	-	7,548	3,851	-	-
Total cash received	-	7,548	3,851	-	-
Net cash from/(used by) financing activities	-	7,548	3,851	-	-
Net increase/(decrease) in cash held	(3,755,221)	(4,139,434)	(4,272,164)	(4,305,427)	(4,393,403)
Cash and cash equivalents at beginning of reporting period	25,615	8,796	8,796	8,796	8,796
Cash from Official Public Account for:					
- Appropriations and Special Accounts	4,233,940	4,479,168	4,556,368	4,611,366	4,656,886
- Special appropriations	329,225	343,535	369,960	373,933	412,292
Total cash from Official Public Account	4,563,165	4,822,703	4,926,328	4,985,299	5,069,178
Cash to Official Public Account for:					
- Appropriations	(824,763)	(683,269)	(654,164)	(679,872)	(675,775)
Total cash to Official Public Account	(824,763)	(683,269)	(654,164)	(679,872)	(675,775)
Cash and cash equivalents at end of reporting period	8,796	8,796	8,796	8,796	8,796

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					
Administered Assets and Liabilities					
- Bill 2	5,897	7,548	3,851	-	-
Total new capital appropriations	5,897	7,548	3,851	-	-
Provided for:					
Other Items	5,897	7,548	3,851	-	-
Total items	5,897	7,548	3,851		

Prepared on Australian Accounting Standards basis.

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	13,144	13,144
Accumulated depreciation/amortisation and impairment	(12,666)	(12,666)
Opening net book balance	478	478
CAPITAL ASSET ADDITIONS		
Estimated expenditure on new or replacement assets		
By purchase - appropriation ordinary annual services	-	-
Total additions	-	-
Other movements		
Depreciation/amortisation expense	-	-
Total other movements	-	-
As at 30 June 2023		
Gross book value	13,144	13,144
Accumulated depreciation/ amortisation and impairment	(12,666)	(12,666)
Closing net book balance	478	478

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

**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 and investment promotion agency. We also have responsibility for 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 to businesses, and delivering against government policy priorities. 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 advancing Australia's economic prosperity and security 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, international investors and businesses in the visitor economy.

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 our clients. We will also use our global and commercial perspectives to contribute to policy advice to government.

Austrade will continue to assist Australian businesses to expand internationally and diversify through trade facilitation, program support and the promotion of Australian capabilities. Now that international borders have reopened, Austrade's strategy is to increase activities in markets where we can have the biggest impact for Australian businesses and meet the Australian Government's objectives. A high priority will be placed

on activities that deepen economic engagement with key partners in the Indo-Pacific and unlock new commercial opportunities linked to the green economy.

The Simplified Trade System Implementation Taskforce (Taskforce) leads the Government's efforts to simplify cross-border trade to improve the experience for Australian business, while strengthening border and biosecurity protections. The Taskforce will continue working across government and engaging closely with business to co-design regulatory, process and digital reforms. This work is helping to simplify Australia's cross-border trade environment and directly supports the Government's broader trade diversification and digital agendas.

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 develop and facilitate investment opportunities in collaboration with state and territory partners and other government agencies. We will focus on capital investment, employment creation and the introduction of new technologies and capabilities, particularly where this supports Australia's climate change ambitions and the green transition. Austrade is also focused on building investor relationships and encouraging reinvestment.

Our investment promotion and attraction activities will continue to be concentrated in North America, Western Europe, and North East Asia. Austrade will seek to diversify investment opportunities by attracting and facilitating investment from high-growth economies within the Indo-Pacific, particularly India and in the Association of Southeast Asian Nations (ASEAN) region.

Austrade's leadership of tourism policy and the visitor economy remains a priority. In response to the COVID-19 pandemic, Austrade delivers a range of grant programs to assist tourism regions and businesses. We are responsible for the *THRIVE 2030 (The Re-Imagined Visitor Economy)* strategy which 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 and improving collaboration across industry and government.

Austrade will continue to administer the Export Market Development Grants (EMDG) Scheme, which helps Australian small and medium enterprises to undertake export promotional activity and diversify their markets. The simplified EMDG Scheme provides upfront funding certainty for exporters through multi-year agreements.

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 31 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 2022–23 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 the Austrade’s operations) classification.

For more detailed information on special accounts and special appropriations, please refer to the October *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 October Budget 2022

	2021-22 Estimated actual \$'000	2022-23 Estimate \$'000
Departmental		
Annual appropriations - ordinary annual services (a)		
Prior year appropriations available	63,036	58,197
Departmental appropriation (b)	264,909	267,520
s74 External Revenue (c)	21,381	22,500
Departmental capital budget (d)	13,957	6,888
Annual appropriations - other services - non-operating (e)		
Prior year appropriations available	5,251	1,542
Equity injection	4,620	4,554
Total departmental annual appropriations	373,154	361,201
Total departmental resourcing	373,154	361,201
Administered		
Annual appropriations - ordinary annual services (a)		
Prior year appropriations available	239,421	197,714
Outcome 1	736,455	183,166
Total administered annual appropriations	975,876	380,880
Total administered resourcing	975,876	380,880
Total resourcing for Austrade	1,349,030	742,081
Average staffing level (number)	1,208	1,155

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, Supply Bill (No.3) 2022-23 and Supply Act (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, Supply Bill (No.4) 2022-23 and Supply Act (No.2) 2022-23.

1.3 Budget measures

Budget measures in Part 1 relating to Australian Trade and Investment Commission are detailed in the October Budget Paper No. 2 and are summarised below.

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

	Program	2021-22 \$'000	2022-23 \$'000	2023-24 \$'000	2024-25 \$'000	2025-26 \$'000
Payment measures						
Government Spending Audit —						
Foreign Affairs and Trade —						
efficiencies (a)						
Administered payment	1.2	-	(35,000)	-	-	-
Total		-	(35,000)	-	-	-
Savings from External Labour, and						
Savings from Advertising, Travel						
and Legal Expenses (b)						
Departmental payment	1.1	-	(3,989)	-	-	-
Total		-	(3,989)	-	-	-
An Ambitious and Enduring APS						
Reform Plan (c)						
Departmental payment	1.1	-	(92)	(226)	(255)	-
Total		-	(92)	(226)	(255)	-
Supporting Australia's Trade and						
Tourism Sectors (d)						
Administered payment	1.2	-	15,900	21,600	5,400	3,100
Departmental payment	1.1	-	1,026	710	132	118
Total		-	16,926	22,310	5,532	3,218
Total payment measures						
Administered		-	(19,100)	21,600	5,400	3,100
Departmental		-	(3,055)	484	(123)	118
Total		-	(22,155)	22,084	5,277	3,218

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

- (a) The lead entity for measure titled Government Spending Audit – Foreign Affairs and Trade – efficiencies is the Department of Foreign Affairs and Trade. The full measure description and package details appear in the October Budget Paper No. 2 under the Foreign Affairs and Trade portfolio.
- (b) The full measure description and package details appear in the October Budget Paper No. 2 under cross portfolio.
- (c) The full measure description and package details appear in the October Budget Paper No. 2 under cross portfolio.
- (d) The full measure description and package details appear in the October Budget Paper No. 2.

Section 2: Outcomes and planned performance

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

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

Note:

Performance reporting requirements in the Portfolio Budget Statements are part of the 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 and Annual Performance Statement for Australian Trade and Investment Commission can be found at:
<https://www.austrade.gov.au/about/corporate-information>.

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
<p>Contribution to Outcome 1 made by linked programs</p> <p>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. DFAT and Austrade work closely on trade diversification and to strengthen economic bilateral relationships. 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.</p>
Department of Industry, Science and Resources
Programs <ul style="list-style-type: none"> • Program 1.1 – Investing in science, technology and commercialisation • Program 1.2 – Growing innovative and competitive businesses, industries and regions
<p>Contribution to Outcome 1 made by linked programs</p> <p>The Department of Industry, Science and Resources (DISR) cooperates with Austrade to build global networks, develop resilient supply chains, and identify and capitalise on opportunities in priority areas such as critical technologies and manufacturing. DISR and Austrade also cooperate, through the Australian Space Agency, to grow the Australian space industry through the Advancing Space: Australian Civil Space Strategy 2019–2028. DISR's Critical Minerals Office and Austrade work together to provide trade facilitation services and maximise commercial opportunities in key markets for Australian critical minerals projects.</p>

Table continued on the next page

Linked programs (continued)

Department of Education
Programs <ul style="list-style-type: none"> • Program 2.7 – International Education Support
<p>Contribution to Outcome 1 made by linked programs</p> <p>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 Department of Education and Austrade collaborate to strengthen the fundamentals of the international education sector, complementing Austrade’s focus on enabling the sector’s ongoing international growth.</p>
Department of Agriculture, Fisheries and Forestry
Programs <ul style="list-style-type: none"> • Program 1.13 – International Market Access • Program 2.01 – Biosecurity and Export Services
<p>Contribution to Outcome 1 made by linked programs</p> <p>The Department of Agriculture, Fisheries and Forestry 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.</p>
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
<p>Contribution to Outcome 1 made by linked programs</p> <p>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.</p>

Table continued on the next page

Linked programs (continued)

Department of Defence
Programs <ul style="list-style-type: none">• Program 2.1 – Strategy, Policy and Industry
Contribution to Outcome 1 made by linked programs 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, Communications and the Arts
Programs <ul style="list-style-type: none">• Program 3.1 – Regional Development
Contribution to Outcome 1 made by linked programs The Department of Infrastructure, Transport, Regional Development, Communications and the Arts supports tourism demand-driving infrastructure in Australia’s regions through regional grants programs.

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 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
Program 1.1: Promotion of Australia's export and other international economic interests					
Departmental expenses					
Departmental appropriations	273,002	250,420	224,413	209,137	200,977
74 External Revenue (a)	22,948	21,500	22,500	24,500	24,500
Expenses not requiring appropriation in the Budget year (b)	39,450	14,000	13,000	12,000	13,000
Departmental total	335,400	285,920	259,913	245,637	238,477
Total expenses for program 1.1	335,400	285,920	259,913	245,637	238,477
Program 1.2: Programs to promote Australia's exports and other international economic interests					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	852,363	214,422	187,000	163,300	161,000
Administered total	852,363	214,422	187,000	163,300	161,000
Total expenses for program 1.2	852,363	214,422	187,000	163,300	161,000

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)	852,363	214,422	187,000	163,300	161,000
Administered total	852,363	214,422	187,000	163,300	161,000
Departmental expenses					
Departmental appropriations	273,002	250,420	224,413	209,137	200,977
Section 74 External Revenue (a)	22,948	21,500	22,500	24,500	24,500
Expenses not requiring appropriation in the Budget year (b)	39,450	14,000	13,000	12,000	13,000
Departmental total	335,400	285,920	259,913	245,637	238,477
Total expenses for Outcome 1	1,187,763	500,342	446,913	408,937	399,477
Movement of administered funds between years (c)					
Outcome 1:					
Export Market Development Grants	(11,780)	11,780	-	-	-
National Tourism Icons Program	(4,226)	4,226	-	-	-
Recovery for Regional Tourism	(11,250)	11,250	-	-	-
Total movement of administered funds	(27,256)	27,256	-	-	-
Average staffing level (number)					
	2021-22 1,157	2022-23 1,119			

(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.

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

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

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 program					
Annual administered expenses:					
Ordinary annual services (Appropriation Bill No. 1)	144,682	169,680	157,900	157,900	157,900
Total component 1 expenses	144,682	169,680	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)	6,763	8,226	-	-	-
Total component 2 expenses	6,763	8,226	-	-	-
1.2.3 - Component 3: International Freight Assistance Mechanism					
Annual administered expenses:					
Ordinary annual services (Appropriation Bill No. 1)	474,891	1,866	-	-	-
Total component 3 expenses	474,891	1,866	-	-	-
1.2.4 - Component 4: Supporting Australia's Exhibiting Zoos and Aquariums					
Annual administered expenses:					
Ordinary annual services (Appropriation Bill No. 1)	61,066	-	-	-	-
Total component 4 expenses	61,066	-	-	-	-
1.2.5 - Component 5: Business Events Grants					
Annual administered expenses:					
Ordinary annual services (Appropriation Bill No. 1)	24,089	-	-	-	-
Total component 5 expenses	24,089	-	-	-	-
1.2.6 - Component 6: Recovery for Regional Tourism					
Annual administered expenses:					
Ordinary annual services (Appropriation Bill No. 1)	18,749	11,250	-	-	-
Total component 6 expenses	18,749	11,250	-	-	-
1.2.7 - Component 7: COVID-19 Consumer Travel Support Program					
Annual administered expenses:					
Ordinary annual services (Appropriation Bill No. 1)	122,123	-	-	-	-
Total component 7 expenses	122,123	-	-	-	-

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
1.2.8 - 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	-	-
1.2.9 - Component 9: Supporting Australian Tourism and Travel					
Annual administered expenses:					
Ordinary annual services (Appropriation Bill No. 1)	-	15,900	21,600	5,400	3,100
Total component 9 expenses	-	15,900	21,600	5,400	3,100
Total program expenses	852,363	214,422	187,000	163,300	161,000

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 the October 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
Prior Year 2021-22	High level of satisfaction for Austrade’s clients with Austrade’s services.	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 measure for Outcome 1 (continued)

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 1.2 – 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
Prior Year 2021-22	EMDG recipients report that the receipt of a grant encouraged them to increase their export promotion activities.	Austrade expects at least 70 per cent of EMDG recipients to 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
<p>Contribution to Outcome 2 made by linked programs</p> <p>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.</p>

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 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
Program 2.1: Consular Services					
Departmental expenses					
Departmental appropriation	14,040	10,444	10,815	10,964	11,124
s74 External Revenue (a)	877	1,000	1,000	1,000	1,000
Departmental total	14,917	11,444	11,815	11,964	12,124
Total expenses for program 2.1	14,917	11,444	11,815	11,964	12,124
Outcome 2 Totals by appropriation type					
Departmental expenses					
Departmental appropriation	14,040	10,444	10,815	10,964	11,124
s74 External Revenue (a)	877	1,000	1,000	1,000	1,000
Departmental total	14,917	11,444	11,815	11,964	12,124
Total expenses for Outcome 2	14,917	11,444	11,815	11,964	12,124
Average staffing level (number)					
	51	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 the October 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
Prior Year 2021-22	Effective delivery of consular and passport services to Australians overseas.	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

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 \$283.3 million including \$1.0 million new funding and \$4.1 million whole of Government savings for the new measures outlined in Table 1.2: Australian Trade and Investment Commission October 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 \$25.5 million, a decrease of \$2.6 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 \$214.4 million for 2022-23 relate to the International Freight Assistance Mechanism (IFAM) (\$1.9 million), Export Market Development Grants (EMDG) program (\$169.7 million), National Tourism Icons Program (\$8.2 million), Recovery for Regional Tourism (\$11.3 million), Tourism Tropical North Queensland (\$7.5 million) and the Government's election commitment for Supporting Australian Tourism and Travel (\$15.9 million). The EMDG program is comprised of \$161.8 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 \$0.5 million and \$33.6 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	184,742	172,708	156,664	150,701	147,676
Suppliers	97,358	92,246	83,430	75,945	70,747
Depreciation and amortisation	58,930	31,909	31,190	30,519	31,843
Finance costs	617	501	444	436	335
Write-down and impairment of assets	6,999	-	-	-	-
Other expenses	1,671	-	-	-	-
Total expenses	350,317	297,364	271,728	257,601	250,601
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	19,001	21,000	22,000	24,000	24,000
Rental income	667	500	500	500	500
Other	4,157	1,000	1,000	1,000	1,000
Total own-source revenue	23,825	22,500	23,500	25,500	25,500
Total own-source income	23,825	22,500	23,500	25,500	25,500
Net (cost of)/contribution by services	(326,492)	(274,864)	(248,228)	(232,101)	(225,101)
Revenue from Government	268,102	260,847	234,707	219,697	211,984
Surplus/(deficit) attributable to the Australian Government	(58,390)	(14,017)	(13,521)	(12,404)	(13,117)
OTHER COMPREHENSIVE INCOME					
Changes in asset revaluation surplus	(1,052)	-	-	-	-
Total other comprehensive income	(1,052)	-	-	-	-
Total comprehensive income/(loss)	(59,442)	(14,017)	(13,521)	(12,404)	(13,117)
Total comprehensive income/(loss) attributable to the Australian Government	(59,442)	(14,017)	(13,521)	(12,404)	(13,117)

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	(59,442)	(14,017)	(13,521)	(12,404)	(13,117)
plus: depreciation/amortisation of assets funded through appropriations (departmental capital budget funding and/or equity injections) (a)	39,290	14,000	13,000	12,000	13,000
plus: depreciation/amortisation expenses for ROU assets (b)	19,640	17,909	18,190	18,519	18,843
less: principal repayments on leased assets (b)	16,417	17,892	17,669	18,115	18,726
Net Cash Operating Surplus/ (Deficit)	(16,929)	-	-	-	-

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 Forw ard estimate \$'000	2024-25 Forw ard estimate \$'000	2025-26 Forw ard estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	10,881	15,402	15,402	15,402	15,402
Trade and other receivables	58,068	49,231	49,231	49,231	49,231
Total financial assets	68,949	64,633	64,633	64,633	64,633
Non-financial assets					
Land and buildings	76,871	72,128	75,805	62,937	62,037
Property, plant and equipment	8,620	7,098	5,826	4,804	3,932
Intangibles	17,213	17,656	16,899	17,719	21,388
Other non-financial assets	3,644	3,644	3,644	3,644	3,644
Total non-financial assets	106,348	100,526	102,174	89,104	91,001
Total assets	175,297	165,159	166,807	153,737	155,634
LIABILITIES					
Payables					
Suppliers	16,758	16,757	16,757	16,757	16,757
Other payables	10,763	10,763	10,763	10,763	10,763
Total payables	27,521	27,520	27,520	27,520	27,520
Interest bearing liabilities					
Leases	65,347	57,785	61,562	50,447	50,846
Total interest bearing liabilities	65,347	57,785	61,562	50,447	50,846
Provisions					
Employee provisions	50,284	50,284	50,284	50,284	50,284
Other provisions	4,057	4,057	4,057	4,057	4,057
Total provisions	54,341	54,341	54,341	54,341	54,341
Total liabilities	147,209	139,646	143,423	132,308	132,707
Net assets	28,088	25,513	23,384	21,429	22,927
EQUITY*					
Parent entity interest					
Contributed equity	187,512	198,954	210,346	220,795	235,410
Reserves	39,241	39,241	39,241	39,241	39,241
Retained surplus (accumulated deficit)	(198,665)	(212,682)	(226,203)	(238,607)	(251,724)
Total parent entity interest	28,088	25,513	23,384	21,429	22,927
Total equity	28,088	25,513	23,384	21,429	22,927

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 \$'000	Asset revaluation reserve \$'000	Contributed equity/ capital \$'000	Total equity \$'000
Opening balance as at 1 July 2022				
Balance carried forward from previous period	(198,665)	39,241	187,512	28,088
Adjusted opening balance	(198,665)	39,241	187,512	28,088
Comprehensive income				
Surplus/(deficit) for the period	(14,017)	-	-	(14,017)
Total comprehensive income	(14,017)	-	-	(14,017)
of which:				
Attributable to the Australian Government	(14,017)	-	-	(14,017)
Contributions by owners				
Equity injection - Appropriation	-	-	4,554	4,554
Departmental Capital Budget (DCB)	-	-	6,888	6,888
Sub-total transactions with owners	-	-	11,442	11,442
Estimated closing balance as at 30 June 2023	(212,682)	39,241	198,954	25,513
Closing balance attributable to the Australian Government	(212,682)	39,241	198,954	25,513

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	294,555	269,684	234,707	219,697	211,984
Sale of goods and rendering of services	18,779	21,500	22,500	24,500	24,500
Net GST received	6,319	-	-	-	-
Other	2,949	1,000	1,000	1,000	1,000
Total cash received	322,602	292,184	258,207	245,197	237,484
Cash used					
Employees	176,505	172,708	156,664	150,701	147,676
Suppliers	103,582	92,246	83,430	75,945	70,747
s74 External Revenue transferred to the OPA	20,498	-	-	-	-
Interest payments on lease liability	617	501	444	436	335
Total cash used	301,202	265,455	240,538	227,082	218,758
Net cash from/(used by) operating activities	21,400	26,729	17,669	18,115	18,726
INVESTING ACTIVITIES					
Cash received					
Proceeds from sales of property, plant and equipment	976	-	-	-	-
Total cash received	976	-	-	-	-
Cash used					
Purchase of property, plant and equipment and intangibles	20,644	15,758	11,392	10,449	14,615
Total cash used	20,644	15,758	11,392	10,449	14,615
Net cash from/(used by) investing activities	(19,668)	(15,758)	(11,392)	(10,449)	(14,615)
FINANCING ACTIVITIES					
Cash received					
Contributed equity	17,016	11,442	11,392	10,449	14,615
Total cash received	17,016	11,442	11,392	10,449	14,615
Cash used					
Principal payments on lease liability	16,417	17,892	17,669	18,115	18,726
Total cash used	16,417	17,892	17,669	18,115	18,726
Net cash from/(used by) financing activities	599	(6,450)	(6,277)	(7,666)	(4,111)
Net increase/(decrease) in cash held	2,331	4,521	-	-	-
Cash and cash equivalents at the beginning of the reporting period	8,550	10,881	15,402	15,402	15,402
Cash and cash equivalents at the end of the reporting period	10,881	15,402	15,402	15,402	15,402

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)	13,957	6,888	10,958	10,298	14,597
Equity injections - Bill 2	4,620	4,554	434	151	18
Total new capital appropriations	18,577	11,442	11,392	10,449	14,615
Provided for:					
Purchase of non-financial assets	18,577	11,442	11,392	10,449	14,615
Total items	18,577	11,442	11,392	10,449	14,615
PURCHASE OF NON-FINANCIAL ASSETS					
ASSETS					
Funded by capital appropriations (a)	5,444	6,095	434	151	18
Funded by capital appropriation - DCB (b)	11,182	9,663	10,958	10,298	14,597
TOTAL	16,626	15,758	11,392	10,449	14,615
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	17,016	15,758	11,392	10,449	14,615
Total cash used to acquire assets	17,016	15,758	11,392	10,449	14,615

Prepared on Australian Accounting Standards basis.

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

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

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

	Buildings	Other property, plant and equipment	Computer software and intangibles	Total
	\$'000	\$'000	\$'000	\$'000
As at 1 July 2022				
Gross book value	23,338	9,886	42,412	75,636
Gross book value - ROU assets	115,129	-	-	115,129
Accumulated depreciation/ amortisation and impairment	(4,278)	(1,266)	(25,199)	(30,743)
Accumulated depreciation/amortisation and impairment - ROU assets	(57,318)	-	-	(57,318)
Opening net book balance	76,871	8,620	17,213	102,704
Capital asset additions				
Estimated expenditure on new or replacement assets				
By purchase - appropriation equity (a)	62	-	6,033	6,095
By purchase - appropriation ordinary annual services (b)	7,275	278	2,110	9,663
By purchase - other - ROU assets	10,330	-	-	10,330
Total additions	17,667	278	8,143	26,088
Other movements				
Depreciation/amortisation expense	(4,500)	(1,800)	(7,700)	(14,000)
Depreciation/amortisation on ROU assets	(17,909)	-	-	(17,909)
Total Other movements	(22,409)	(1,800)	(7,700)	(31,909)
As at 30 June 2023				
Gross book value	30,674	10,164	50,555	91,393
Gross book value - ROU assets	125,459	-	-	125,459
Accumulated depreciation/ amortisation and impairment	(8,778)	(3,066)	(32,899)	(44,743)
Accumulated depreciation/amortisation and impairment - ROU assets	(75,227)	-	-	(75,227)
Closing net book balance	72,128	7,098	17,656	96,882

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	7,820	5,043	5,043	5,043	5,043
Suppliers	410,750	2,852	2,852	2,852	2,852
Grants	433,793	206,527	179,105	155,405	153,105
Total expenses administered on behalf of Government	852,363	214,422	187,000	163,300	161,000
OWN-SOURCE INCOME					
Own-source revenue					
Non-taxation revenue					
Other revenue	31	-	-	-	-
Total non-taxation revenue	31	-	-	-	-
Total own-source revenue administered on behalf of Government	31	-	-	-	-
Net (cost of)/contribution by services	852,332	214,422	187,000	163,300	161,000
Total comprehensive income/(loss)	(852,332)	(214,422)	(187,000)	(163,300)	(161,000)

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	121	-	-	-	-
Trade and other receivables	476	476	476	476	476
Total financial assets	597	476	476	476	476
Total assets administered on behalf of Government	597	476	476	476	476
LIABILITIES					
Payables					
Grants	12,114	12,114	12,114	12,114	12,114
Total payables	12,114	12,114	12,114	12,114	12,114
Provisions					
Other provisions	21,482	21,482	21,482	21,482	21,482
Total provisions	21,482	21,482	21,482	21,482	21,482
Total liabilities administered on behalf of Government	33,596	33,596	33,596	33,596	33,596
Net assets/(liabilities)	(32,999)	(33,120)	(33,120)	(33,120)	(33,120)

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	4,527	-	-	-	-
Other	31	-	-	-	-
Total cash received	4,558	-	-	-	-
Cash used					
Grant	417,064	206,527	179,105	155,405	153,105
Suppliers	262,024	2,852	2,852	2,852	2,852
Employees	13,475	5,043	5,043	5,043	5,043
Total cash used	692,563	214,422	187,000	163,300	161,000
Net cash from/(used by) operating activities	(688,005)	(214,422)	(187,000)	(163,300)	(161,000)
Net increase/(decrease) in cash held	(688,005)	(214,422)	(187,000)	(163,300)	(161,000)
Cash and cash equivalents at beginning of reporting period	80	121	-	-	-
Cash from Official Public Account for:					
- Appropriations	692,578	214,422	187,000	163,300	161,000
Total cash from Official Public Account	692,578	214,422	187,000	163,300	161,000
Cash to Official Public Account for:					
- Appropriations	(4,532)	(121)	-	-	-
Total cash to Official Public Account	(4,532)	(121)	-	-	-
Cash and cash equivalents at end of reporting period	121	-	-	-	-

Prepared on Australian Accounting Standards basis.

Australian Centre for International Agricultural Research

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. Our ACIAR 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 systems, 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 development policy.

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 11 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 impacts of the COVID-19 pandemic are 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 the ACIAR's operations) classification.

For more detailed information on special accounts and special appropriations, please refer to the October *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 October Budget 2022

	2021-22 Estimated actual \$'000	2022-23 Estimate \$'000
Departmental		
Annual appropriations - ordinary annual services (a)		
Prior year appropriations available	5,012	3,000
Departmental appropriation (b)	9,362	9,182
s74 External Revenue (c)	1,856	91
Departmental capital budget (d)	246	248
Total departmental resourcing	16,476	12,521
Administered		
Annual appropriations - ordinary annual services (a)		
Prior year appropriations available (b)	6,008	2,000
Outcome 1	91,191	92,920
Total administered annual appropriations	97,199	94,920
Special accounts (d)		
Opening balance	9,240	7,508
Appropriation receipts	14,501	8,348
Total special account receipts	23,741	15,856
Total administered resourcing	120,940	110,776
Total resourcing for ACIAR	137,416	123,297
	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, Supply Bill (No.3) 2022-23 and Supply Act (No.1) 2022-23.

(b) Excludes departmental capital budget (DCB).

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

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

1.3 Budget measures

Budget measures in Part 1 relating to Australian Centre for International Agricultural Research are detailed in the October Budget Paper No. 2 and are summarised below.

Table 1.2: Australian Centre for International Agricultural Research October 2022-23 Budget measures

	Program	2021-22 \$'000	2022-23 \$'000	2023-24 \$'000	2024-25 \$'000	2025-26 \$'000
Payment measures (if applicable)						
Savings from External Labour, and Savings from Advertising, Travel and Legal Expenses (a)						
Departmental expenses	1.1	-	(259)	-	-	-
Total		-	(259)	-	-	-
An Ambitious and Enduring APS Reform Plan (b)						
Departmental expenses	1.1	-	(3)	(10)	(12)	-
Total		-	(3)	(10)	(12)	-
Total payment measures						
Departmental		-	(262)	(10)	(12)	-
Total		-	(262)	(10)	(12)	-

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 full measure description and package details appear in the October Budget Paper No. 2 under cross portfolio.

(b) The full measure description and package details appear in the October Budget Paper No. 2 under cross 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 Australian Centre for International Agricultural Research can be found at:

<https://aci-ar.gov.au/publication/corporate-publications/corporate-plan-2022-23>.

The most recent Annual Performance Statement can be found at:

<https://aci-ar.gov.au/publication/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
<p>Contribution to Outcome 1 made by linked programs</p> <p>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.</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

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)	92,231	92,920	97,232	99,565	102,253
Special accounts	13,804	3,138	527	200	200
Administered total	106,035	96,058	97,759	99,765	102,453
Departmental expenses					
Departmental appropriation	9,362	9,182	9,723	9,825	9,925
s74 External Revenue (a)	1,856	91	44	44	44
Expenses not requiring appropriation in the Budget year (b)	1,521	1,272	1,244	1,217	1,177
Departmental total	12,739	10,545	11,011	11,086	11,146
Total expenses for program 1.1	118,774	106,603	108,770	110,851	113,599
Outcome 1 Totals by appropriation type					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	92,231	92,920	97,232	99,565	102,253
Special accounts	13,804	3,138	527	200	200
Administered total	106,035	96,058	97,759	99,765	102,453

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
Departmental expenses					
Departmental appropriations	9,362	9,182	9,723	9,825	9,925
Section 74 External Revenue (a)	1,856	91	44	44	44
Expenses not requiring appropriation in the Budget year (b)	1,521	1,272	1,244	1,217	1,177
Departmental total	12,739	10,545	11,011	11,086	11,146
Total expenses for Outcome 1	118,774	106,603	108,770	110,851	113,599

	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 the October 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 3 key activities:</p> <ol style="list-style-type: none"> 1. Global research collaborations 2. Bilateral and regional research projects 3. Scientific and policy capacity-building activities. 	
Year	Performance measures	Expected Performance Results
Prior year 2021-22	Through annual project progress reports, mid- and end-project reviews, long-term outcome and impact evaluation, 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.
Year	Performance measures	Planned Performance Results
Budget Year 2022-23	As per 2021-22	All three key activities meeting or exceeding expectations.
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 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 \$9.2 million, which represents a decrease of \$0.2 million in appropriations from 2021–22 as shown in Table 3.1. The decrease is primarily attributable to parameter adjustments for overseas and domestic inflation.

The Income Statement shows a budgeted deficit in 2022–23 of \$0.6 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 \$4.5 million at the end of 2022–23 represents a decrease of \$0.4 million from the 2021–22 estimate actual in Table 3.2. This is mainly due to the variation between capital program funding (\$0.3 million) and estimated depreciation expense (\$0.5 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 \$4.5 million, a decrease of \$0.4 million mainly due to the variation between capital program funding (\$0.3 million) and estimated depreciation expense (\$0.5 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 \$92.9 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 \$10.6 million and \$19.6 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	6,720	7,088	7,230	7,550	7,560
Suppliers	3,683	3,411	3,420	2,201	2,279
Grants					
Depreciation and amortisation (a)	1,489	1,240	1,212	1,185	1,145
Finance costs	69	65	58	44	36
Other expenses	-	1	1	1	-
Total expenses	11,961	11,805	11,921	10,981	11,020
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	341	91	44	44	44
Other	1,553	1,897	1,534	534	534
Total own-source revenue	1,894	1,988	1,578	578	578
Total own-source income	1,894	1,988	1,578	578	578
Net (cost of)/contribution by services	(10,067)	(9,817)	(10,343)	(10,403)	(10,442)
Revenue from Government	9,362	9,182	9,723	9,825	9,925
Surplus/(deficit) attributable to the Australian Government	(705)	(635)	(620)	(578)	(517)
Total comprehensive income/(loss)	(705)	(635)	(620)	(578)	(517)
Total comprehensive income/(loss) attributable to the Australian Government	(705)	(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 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	(705)	(635)	(620)	(578)	(517)
plus: depreciation/amortisation of assets funded through appropriations (departmental capital budget funding and/or equity injections) (a)	692	509	580	572	537
plus: depreciation/amortisation expenses for ROU assets (b)	797	731	632	613	608
less: lease principal repayments (b)	709	605	592	607	628
Net Cash Operating Surplus/ (Deficit)	75	-	-	-	-

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	11	11	11	11	11
Trade and other receivables	5,649	5,649	5,649	5,649	5,649
Total financial assets	5,660	5,660	5,660	5,660	5,660
Non-financial assets					
Land and buildings	5,945	5,084	4,338	3,614	2,891
Property, plant and equipment	679	604	474	380	359
Intangibles	1,110	1,054	974	866	726
Other non-financial assets	149	149	149	149	149
Total non-financial assets	7,883	6,891	5,935	5,009	4,125
Assets held for sale					
Total assets	13,543	12,551	11,595	10,669	9,785
LIABILITIES					
Payables					
Suppliers	239	239	239	239	239
Other payables	503	503	503	503	503
Total payables	742	742	742	742	742
Interest bearing liabilities					
Leases	5,487	4,882	4,290	3,683	3,055
Total interest bearing liabilities	5,487	4,882	4,290	3,683	3,055
Provisions					
Employee provisions	1,903	1,903	1,903	1,903	1,903
Other provisions	519	519	519	519	519
Total provisions	2,422	2,422	2,422	2,422	2,422
Total liabilities	8,651	8,046	7,454	6,847	6,219
Net assets	4,892	4,505	4,141	3,822	3,566
EQUITY*					
Parent entity interest					
Contributed equity	3,327	3,575	3,831	4,090	4,351
Reserves	488	488	488	488	488
Retained surplus (accumulated deficit)	1,077	442	(178)	(756)	(1,273)
Total parent entity interest	4,892	4,505	4,141	3,822	3,566
Total equity	4,892	4,505	4,141	3,822	3,566

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	1,077	488	3,327	4,892
Adjusted opening balance	1,077	488	3,327	4,892
Comprehensive income				
Surplus/(deficit) for the period	(635)	-	-	(635)
Total comprehensive income	(635)	-	-	(635)
of which:				
Attributable to the Australian Government	(635)	-	-	(635)
Contributions by owners				
Departmental Capital Budget (DCB)	-	-	248	248
Sub-total transactions with owners	-	-	248	248
Estimated closing balance as at 30 June 2023	442	488	3,575	4,505
Closing balance attributable to the Australian Government	442	488	3,575	4,505

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	8,888	9,182	9,723	9,825	9,925
Sale of goods and rendering of services	1,856	91	44	44	44
Other	377	2,113	1,750	750	750
Total cash received	11,121	11,386	11,517	10,619	10,719
Cash used					
Employees	6,630	7,088	7,230	7,550	7,560
Suppliers	3,335	3,378	3,387	2,168	2,245
Interest payments on lease liability	70	65	58	44	36
Other	378	250	250	250	250
Total cash used	10,413	10,781	10,925	10,012	10,091
Net cash from/(used by) operating activities	708	605	592	607	628
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant and equipment and intangibles	161	248	256	259	261
Total cash used	161	248	256	259	261
Net cash from/(used by) investing activities	(161)	(248)	(256)	(259)	(261)
FINANCING ACTIVITIES					
Cash received					
Contributed equity	161	248	256	259	261
Total cash received	161	248	256	259	261
Cash used					
Repayments of borrowings					
Principal payments on lease liability	709	605	592	607	628
Total cash used	709	605	592	607	628
Net cash from/(used by) financing activities	(548)	(357)	(336)	(348)	(367)
Net increase/(decrease) in cash held	(1)	-	-	-	-
Cash and cash equivalents at the beginning of the reporting period	12	11	11	11	11
Cash and cash equivalents at the end of the reporting period	11	11	11	11	11

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	256	259	261
Total new capital appropriations	246	248	256	259	261
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriations (a)	246	248	256	259	261
TOTAL	246	248	256	259	261
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	246	248	256	259	261
Total cash used to acquire assets	246	248	256	259	261

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	Other property, plant and equipment	Computer software and intangibles	Total
	\$'000	\$'000	\$'000	\$'000
As at 1 July 2022				
Gross book value	575	678	2,082	3,335
Gross book value - ROU assets	7,764	-	-	
Accumulated depreciation/ amortisation and impairment	-	-	(971)	(971)
Accumulated depreciation/amortisation and impairment - ROU assets	(2,394)	-	-	(2,394)
Opening net book balance	5,945	678	1,111	(30)
Capital asset additions				
Estimated expenditure on new or replacement assets				
By purchase - appropriation equity (a)	20	77	151	248
Total additions	20	77	151	248
Other movements				
Depreciation/amortisation expense	(150)	(151)	(208)	(509)
Depreciation/amortisation on ROU assets	(731)	-	-	(731)
Total other movements	(881)	(151)	(208)	(1,240)
As at 30 June 2023				
Gross book value	595	755	2,233	3,583
Gross book value - ROU assets	7,764	-	-	7,764
Accumulated depreciation/ amortisation and impairment	(150)	(151)	(1,179)	(1,480)
Accumulated depreciation/amortisation and impairment - ROU assets	(3,125)	-	-	(3,125)
Closing net book balance	5,084	604	1,054	6,742

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 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
EXPENSES					
Employee benefits	4,430	4,674	4,804	4,963	5,119
Suppliers	94,992	103,326	100,430	100,102	102,634
Total expenses administered on behalf of Government	99,422	108,000	105,234	105,065	107,753
LESS:					
Non-taxation revenue					
Sale of goods and rendering of services	10,080	14,154	8,002	5,500	5,500
Total non-taxation revenue	10,080	14,154	8,002	5,500	5,500
Total own-source revenue administered on behalf of Government	10,080	14,154	8,002	5,500	5,500
Net (cost of)/contribution by services	89,342	93,846	97,232	99,565	102,253
Total comprehensive income/(loss)	89,342	93,846	97,232	99,565	102,253

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	15,182	9,498	7,873	4,566	186
Taxation receivables	727	727	727	727	727
Trade and other receivables	317	317	317	317	317
Total financial assets	16,226	10,542	8,917	5,610	1,230
Non-financial assets					
Other non-financial assets	98	98	98	98	98
Total non-financial assets	98	98	98	98	98
Assets held for sale					
Total assets administered on behalf of Government	16,324	10,640	9,015	5,708	1,328
LIABILITIES					
Payables					
Suppliers	8,922	8,922	8,922	8,922	8,922
Other payables	14,974	10,216	8,591	5,284	904
Total payables	23,896	19,138	17,513	14,206	9,826
Provisions					
Employee provisions	467	467	467	467	467
Total provisions	467	467	467	467	467
Total liabilities administered on behalf of Government	24,363	19,605	17,980	14,673	10,293
Net assets/(liabilities)	(8,039)	(8,965)	(8,965)	(8,965)	(8,965)

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					
Net GST received	4,856	5,000	5,000	5,000	5,000
Other	15,079	9,396	6,377	2,193	1,120
Total cash received	19,935	14,396	11,377	7,193	6,120
Cash used					
Suppliers	90,598	103,326	100,430	100,102	102,634
Net GST paid	4,856	5,000	5,000	5,000	5,000
Borrowing costs	4,155	4,674	4,804	4,963	5,119
Total cash used	99,609	113,000	110,234	110,065	112,753
Net cash from/(used by) operating activities	(79,674)	(98,604)	(98,857)	(102,872)	(106,633)
Net increase/(decrease) in cash held	(79,674)	(98,604)	(98,857)	(102,872)	(106,633)
Cash and cash equivalents at beginning of reporting period	9,250	15,182	9,498	7,873	4,566
Cash from Official Public Account for:					
- Appropriations	92,231	92,920	97,232	99,565	102,253
Total cash from Official Public Account	92,231	92,920	97,232	99,565	102,253
Cash to Official Public Account for:					
- Appropriations	(6,625)	-	-	-	-
Total cash to Official Public Account	(6,625)	-	-	-	-
Cash and cash equivalents at end of reporting period	15,182	9,498	7,873	4,566	186

Prepared on Australian Accounting Standards basis.

Australian Secret Intelligence Service

**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 the October *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 October Budget 2022

	2021-22 <i>Estimated actual</i> \$'000	2022-23 Estimate \$'000
Departmental		
Annual appropriations - ordinary annual services (a)		
Prior year appropriations available (b)	197,654	184,921
Departmental appropriation (c)	329,039	340,965
s74 External Revenue (d)	58,932	36,884
Departmental capital budget (e)	39,440	48,235
Annual appropriations - other services - non-operating (f)		
Equity injection	2,446	4,793
Total departmental annual appropriations	627,511	615,798
Total departmental resourcing	627,511	615,798
Total resourcing for ASIS	627,511	615,798

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, Supply Bill (No.3) 2022-23 and Supply Act (No.1) 2022-23.

(b) Excludes \$18.890m 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. For accounting purposes, this amount has been designated as a 'contribution by owner'.

(f) Appropriation Bill (No. 2) 2022-23, Supply Bill (No.4) 2022-23 and Supply Act (No.2) 2022-23.

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 External Revenue (a))	284,409	283,387	287,480	288,238	270,391
Expenses not requiring appropriation in the Budget year (b)	38,064	42,454	41,433	41,125	40,999
Departmental total	322,473	325,841	328,913	329,363	311,390
Total expenses for program 1.1	322,473	325,841	328,913	329,363	311,390
Program 1.2: Other Services					
Departmental expenses					
Departmental appropriation (including s74 External Revenue (a))	94,803	94,462	95,826	96,080	90,130
Expenses not requiring appropriation in the Budget year (b)	12,688	14,151	13,811	13,708	13,666
Departmental total	107,491	108,613	109,637	109,788	103,796
Total expenses for program 1.2	107,491	108,613	109,637	109,788	103,796

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 External Revenue (a))	379,212	377,849	383,306	384,318	360,521
Expenses not requiring appropriation in the Budget year (b)	50,752	56,605	55,244	54,833	54,665
Departmental total	429,964	434,454	438,550	439,151	415,186
Total expenses for Outcome 1	429,964	434,454	438,550	439,151	415,186

(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 Forw ard estimate \$'000	2024-25 Forw ard estimate \$'000	2025-26 Forw ard estimate \$'000
EXPENSES					
Total expenses (a)	429,964	434,454	438,550	439,151	415,186
LESS:					
OWN-SOURCE INCOME					
Own n-source revenue	56,860	36,884	32,237	30,702	30,566
Gains	2,072	-	-	-	-
Total own-source income	58,932	36,884	32,237	30,702	30,566
Net (cost of)/contribution by services	(371,032)	(397,570)	(406,313)	(408,449)	(384,620)
Revenue from Government	329,039	340,965	351,069	353,616	329,955
Surplus/(deficit) attributable to the Australian Government	(41,993)	(56,605)	(55,244)	(54,833)	(54,665)
Total comprehensive income/(loss) attributable to the Australian Government	(41,993)	(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 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	(41,993)	(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)	50,752	56,605	55,244	54,833	54,665
Net Cash Operating Surplus/ (Deficit)	8,759	-	-	-	-

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	210,946	177,520	181,272	185,952	193,674
Non-financial assets	311,648	312,112	310,189	312,187	316,424
Total assets	522,594	489,632	491,461	498,139	510,098
LIABILITIES					
Payables	93,908	83,181	80,513	77,845	75,178
Provisions	54,704	54,936	58,688	63,368	71,090
Total liabilities	148,612	138,117	139,201	141,213	146,268
Net assets	373,982	351,515	352,260	356,926	363,830
EQUITY*					
Parent entity interest					
Contributed equity	542,781	576,919	632,908	692,407	753,976
Reserves	81,033	81,033	81,033	81,033	81,033
Retained surplus (accumulated deficit)	(249,832)	(306,437)	(361,681)	(416,514)	(471,179)
Total parent entity interest	373,982	351,515	352,260	356,926	363,830
Total equity	373,982	351,515	352,260	356,926	363,830

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 \$'000	Asset revaluation reserve \$'000	Other reserves \$'000	Contributed equity/ capital \$'000	Total equity \$'000
Opening balance as at 1 July 2022					
Balance carried forward from previous period	(249,832)	81,033	-	542,781	373,982
Adjusted opening balance	(249,832)	81,033	-	542,781	373,982
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	-	-	-	4,793	4,793
Departmental Capital Budget (DCB)	-	-	-	48,235	48,235
Other (a)	-	-	-	(18,890)	(18,890)
Sub-total transactions with owners	-	-	-	34,138	34,138
Estimated closing balance as at 30 June 2023	(306,437)	81,033	-	576,919	351,515
Closing balance attributable to the Australian Government	(306,437)	81,033	-	576,919	351,515

Prepared on Australian Accounting Standards basis

(a) \$18.890m subject to administrative quarantine by Finance or withheld under section 51 of the Public Governance, Performance and Accountability Act 2013 (PGPA Act).

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	397,741	385,677	379,554	379,638	352,799
Cash used	395,374	385,677	379,554	379,638	352,799
Net cash from/(used by) operating activities	2,367	-	-	-	-
INVESTING ACTIVITIES					
Cash received	552	-	-	-	-
Cash used	27,151	59,736	55,989	59,499	61,569
Net cash from/(used by) investing activities	(26,599)	(59,736)	(55,989)	(59,499)	(61,569)
FINANCING ACTIVITIES					
Cash received	34,156	59,736	55,989	59,499	61,569
Cash used	10,195	-	-	-	-
Net cash from/(used by) financing activities	23,961	59,736	55,989	59,499	61,569
Net increase/(decrease) in cash held	(271)	-	-	-	-
Cash and cash equivalents at the beginning of the reporting period	72,281	72,913	72,913	72,913	72,913
Effect of exchange rate movements on cash and cash equivalents at the beginning of reporting period	903	-	-	-	-
Cash and cash equivalents at the end of the reporting period	72,913	72,913	72,913	72,913	72,913

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 2019 expenditure levels by 2024–25. TA will continue to work with Austrade and industry on the implementation of THRIVE 2030 Strategy.

Operating environment and industry outlook

TA will continue to monitor the economic environment and its impact on consumer confidence to inform its marketing activities and initiatives to support the recovery of Australia's tourism industry. TA will concentrate effort in 15 international markets, adjusting approaches to ensure the best use of resources.

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). However, international aviation capacity is predicted to take until 2023–24 for Australian airports and airlines to recover to pre-COVID passenger levels.

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 TA's campaigns through bought media and TA's 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.

TA will continue to use consumer insights to inform its marketing channel selection, recognising the highly competitive tourism marketing environment and changing media consumption habits resulting from COVID-19 restrictions. TA 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 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, while remaining flexible to take advantage of new opportunities as they emerge. TA will work across the following 15 markets: United Kingdom, United States, Germany, Singapore, Japan, Malaysia, Canada, India, Republic of Korea, China, Hong Kong, New Zealand, Indonesia, France and Italy.

Strategic priorities and enabling factors

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

- **Reinvigorate Australia's brand to recapture market share:** Produce effective marketing campaigns and activities 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.
- **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 the delivery of TA's 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 TA's Corporate Plan 2022–23 to 2025–26, with outcomes presented in TA's 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 the TA's operations) classification.

For more detailed information on special accounts and special appropriations, please refer to the October *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 October Budget 2022

	2021-22 Estimated actual \$'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	136,683
Total annual appropriations	135,347	136,683
Amounts received from related entities		
Amounts from portfolio department (b)	19,981	25,040
Total amounts received from related entities	19,981	25,040
Total funds from Government	155,328	161,723
Funds from industry sources		
Rendering services	11,883	18,000
Total funds from industry sources	11,883	18,000
Funds from other sources		
Interest	131	100
Total funds from other sources	131	100
Total net resourcing for Tourism Australia	167,342	179,823
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, Supply Bill (No.3) 2022-23 and Supply Act (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 the October Budget Paper No. 2 and are summarised below.

Table 1.2: Tourism Australia October 2022-23 Budget measures

	Program	2021-22 \$'000	2022-23 \$'000	2023-24 \$'000	2024-25 \$'000	2025-26 \$'000
Payment measures (if applicable)						
Government Spending Audit — Foreign Affairs and Trade — efficiencies (a)						
Departmental expenses	1.1	-	(22,000)	(13,000)	-	-
Total		-	(22,000)	(13,000)	-	-
Savings from External Labour, and Savings from Advertising, Travel and Legal Expenses (b)						
Departmental expenses	1.1	-	(5,100)	-	-	-
Total		-	(5,100)	-	-	-
Total payment measures						
Departmental		-	(27,100)	(13,000)	-	-
Total		-	(27,100)	(13,000)	-	-

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) The lead entity for measure titled Government Spending Audit – Foreign Affairs and Trade – efficiencies is the Department of Foreign Affairs and Trade. The full measure description and package details appear in the October Budget Paper No. 2 under the Foreign Affairs and Trade portfolio.
- (b) The full measure description and package details appear in the October Budget Paper No. 2 under cross 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 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
<p>Contribution to Outcome 1 made by linked programs</p> <p>The program provides funding to Tourism Australia to deliver Outcome 1.</p>
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
<p>Contribution to Outcome 1 made by linked programs</p> <p>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.</p>
Department of Home Affairs
Programs <ul style="list-style-type: none"> Program 3.1 – Trade facilitation and industry engagement
<p>Contribution to Outcome 1 made by linked programs</p> <p>Tourism Australia works with the Department of Home Affairs by providing advice on visa and traveller facilitation policy relevant to the Australian tourism industry.</p>

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 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.
Programs <ul style="list-style-type: none">• Program 3.1 – Regional development
Contribution to Outcome 1 made by linked programs 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.

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)	137,487	136,683	146,646	148,787	150,398
Payment from portfolio department (a)	19,981	25,040	25,100	20,161	20,223
Expenses not requiring appropriation in the budget year (b)	12,737	20,000	-	-	-
Revenues from Own sources	12,014	18,100	7,900	7,900	8,900
Total expenses for Program 1.1	182,219	199,823	179,646	176,848	179,521
Outcome 1 totals by resource type					
Revenue from Government					
Ordinary annual services (Appropriation Bill No. 1)	137,487	136,683	146,646	148,787	150,398
Payment from portfolio department (a)	19,981	25,040	25,100	20,161	20,223
Expenses not requiring appropriation in the budget year (b)	12,737	20,000	-	-	-
Revenues from Own sources	12,014	18,100	7,900	7,900	8,900
Total expenses for Outcome 1	182,219	199,823	179,646	176,848	179,521
Average staffing level (number) (c)					
	2021-22 207	2022-23 207			

(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 Forw ard estimate \$'000	2024-25 Forw ard estimate \$'000	2025-26 Forw ard estimate \$'000
1.1.1 - Component 1: Grow Demand					
Annual departmental expenses:					
Programme Support	136,664	169,850	152,699	150,321	152,593
Total component 1 expenses	136,664	169,850	152,699	150,321	152,593
1.1.2 - Component 2: Industry Development					
Annual departmental expenses:					
Programme Support	45,555	29,973	26,947	26,527	26,928
Total component 2 expenses	45,555	29,973	26,947	26,527	26,928
Program support					
Total program expenses	182,219	199,823	179,646	176,848	179,521

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 the October 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> <p>Key activities:</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>Target audiences: Business Events decision-makers in key international markets.</p> <p>Key activities:</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
Prior Year 2022-23	<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>	<u>Performance</u> \$78.8b – Achieved target \$9.7b – Achieved target \$6.0b – Achieved target \$0.7b – Achieved target 36 per cent – Target not achieved 30 per cent – Target not 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> \$91.9b
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 1.1.1: 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
Prior year 2021-22	<u>Key metric</u> Industry stakeholder net promoter score (NPS) Event satisfaction of participants BE Bid Fund Program, total ROI	<u>Performance</u> 36 – Target not achieved 98 per cent – Target achieved 22:1 – Target achieved
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> 38
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> 38

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 \$179.8 million and is made up of the Government funding of \$161.7 million, and revenue from other sources of \$18.1 million. The Government funding includes (1) appropriations of \$136.7 million, (2) \$20.0 million for the Asian Marketing Fund, (3) \$5.0 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 \$5.0 million and FY2023-24 \$5.0 million).

Corresponding total expenses are estimated to be \$199.8 million.

Budgeted departmental balance sheet

Tourism Australia is budgeting a net asset position of \$21.5 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 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
EXPENSES					
Employee benefits	35,714	38,100	38,719	39,246	39,874
Suppliers	137,485	150,104	129,146	125,761	127,806
Depreciation and amortisation	8,967	11,460	11,620	11,678	11,678
Finance costs	53	159	161	163	163
Total expenses	182,219	199,823	179,646	176,848	179,521
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Rendering services	10,539	16,900	6,500	6,000	7,000
Interest	131	100	100	100	100
Rental income	1,344	1,100	1,300	1,800	1,800
Total own-source revenue	12,014	18,100	7,900	7,900	8,900
Total own-source income	12,014	18,100	7,900	7,900	8,900
Net (cost of)/contribution by services	(170,205)	(181,723)	(171,746)	(168,948)	(170,621)
Revenue from Government (a)	157,468	161,723	171,746	168,948	170,621
Surplus/(deficit) attributable to the Australian Government	(12,737)	(20,000)	-	-	-
OTHER COMPREHENSIVE INCOME					
Changes in asset revaluation surplus	1,216	-	-	-	-
Total comprehensive income/(loss)	(11,521)	(20,000)	-	-	-
Total comprehensive income/(loss) attributable to the Australian Government	(11,521)	(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 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
Total comprehensive income/(loss)					
- as per statement of					
Comprehensive Income	(11,521)	(20,000)	-	-	-
plus: depreciation/amortisation					
expenses for ROU assets (a)					
less: lease principal repayments (b)					
Net Cash Operating Surplus/ (Deficit)	(11,521)	(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	44,827	25,723	25,883	25,883	25,883
Trade and other receivables	5,659	3,519	3,519	3,519	3,519
Total financial assets	50,486	29,242	29,402	29,402	29,402
Non-financial assets					
Land and buildings	8,539	20,099	12,979	5,801	6,996
Property, plant and equipment	487	487	487	487	487
Intangibles	10,178	7,278	7,278	7,278	7,278
Other non-financial assets	4,072	4,072	4,072	4,072	4,072
Total non-financial assets	23,276	31,936	24,816	17,638	18,833
Assets held for sale					
Total assets	73,762	61,178	54,218	47,040	48,235
LIABILITIES					
Payables					
Suppliers	14,359	14,359	14,359	14,359	14,359
Other payables	3,363	3,363	3,363	3,363	3,363
Total payables	17,722	17,722	17,722	17,722	17,722
Interest bearing liabilities					
Lease Liability					
Lease liabilities - Adjustments	1,799	14,220	-	-	8,373
Lease liabilities - Opening Balance	12,287	7,640	15,056	8,096	918
Lease liabilities - Principal payments	(6,446)	(6,804)	(6,960)	(7,178)	(7,178)
Total interest bearing liabilities	7,640	15,056	8,096	918	2,113
Provisions					
Employee provisions	5,313	5,313	5,313	5,313	5,313
Other provisions	1,606	1,606	1,606	1,606	1,606
Total provisions	6,919	6,919	6,919	6,919	6,919
Total liabilities	32,281	39,697	32,737	25,559	26,754
Net assets	41,481	21,481	21,481	21,481	21,481
EQUITY*					
Parent entity interest					
Contributed equity	1,543	1,543	1,543	1,543	1,543
Reserves	4,848	4,848	4,848	4,848	4,848
Retained surplus (accumulated deficit)	35,090	15,090	15,090	15,090	15,090
Total parent entity interest	41,481	21,481	21,481	21,481	21,481
Total equity	41,481	21,481	21,481	21,481	21,481

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	35,090	4,848	-	1,543	41,481
Adjusted opening balance	35,090	4,848	-	1,543	41,481
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	15,090	4,848	-	1,543	21,481
Closing balance attributable to the Australian Government	15,090	4,848	-	1,543	21,481

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	153,848	163,863	171,746	168,948	170,621
Sale of goods and rendering of services	10,907	18,000	7,800	7,800	8,800
Interest	131	100	100	100	100
Total cash received	164,886	181,963	179,646	176,848	179,521
Cash used					
Employees	34,948	38,100	38,719	39,246	39,874
Suppliers	131,212	150,104	129,146	125,761	127,806
Interest payments on lease liability	53	159	161	163	163
Total cash used	166,213	188,363	168,026	165,170	167,843
Net cash from/(used by) operating activities	(1,327)	(6,400)	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	9,379	5,900	4,500	4,500	4,500
Total cash used	9,379	5,900	4,500	4,500	4,500
Net cash from/(used by) investing activities	(9,379)	(5,900)	(4,500)	(4,500)	(4,500)
FINANCING ACTIVITIES					
Cash received					
Contributed equity	-	-	-	-	-
Total cash received	-	-	-	-	-
Cash used					
Principal payments on lease liability	6,446	6,804	6,960	7,178	7,178
Total cash used	6,446	6,804	6,960	7,178	7,178
Net cash from/(used by) financing activities	(6,446)	(6,804)	(6,960)	(7,178)	(7,178)
Net increase/(decrease) in cash held	(17,152)	(19,104)	160	-	-
Cash and cash equivalents at the beginning of the reporting period	61,979	44,827	25,723	25,883	25,883
Cash and cash equivalents at the end of the reporting period	44,827	25,723	25,883	25,883	25,883

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	10,909	1,222	45,537	-	57,668
Gross book value - ROU assets	26,024	-	-	-	26,024
Accumulated depreciation/ amortisation and impairment	(9,571)	(735)	(35,359)	-	(45,665)
Accumulated depreciation/amortisation and impairment - ROU assets	(18,823)	-	-	-	(18,823)
Opening net book balance	8,539	487	10,178	-	19,204
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)	(3,700)	(2,300)	(4,500)
Depreciation/amortisation on ROU assets	(6,960)	-	-	-	(6,960)
Other - ROU assets	-	-	-	-	-
Total other movements	(7,660)	(100)	(3,700)	(2,300)	(11,460)
As at 30 June 2023					
Gross book value	15,909	1,322	46,337	-	63,568
Gross book value - ROU assets	40,244	-	-	-	40,244
Accumulated depreciation/ amortisation and impairment	(10,271)	(835)	(39,059)	-	(50,165)
Accumulated depreciation/amortisation and impairment - ROU assets	(25,783)	-	-	-	(25,783)
Closing net book balance	20,099	487	7,278	-	27,864

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 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, 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.