



Budget 2018-19

Portfolio Budget Statements 2018-19 Budget Related Paper No. 1.10

Home Affairs Portfolio

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

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THE HON PETER DUTTON MP
MINISTER FOR HOME AFFAIRS
MINISTER FOR IMMIGRATION AND BORDER PROTECTION

President of the Senate
Australian Senate
Parliament House
CANBERRA ACT 2600

Speaker
House of Representatives
Parliament House
CANBERRA ACT 2600

Dear Mr President
Dear Mr Speaker

I hereby submit Portfolio Budget Statements in support of the 2018–19 Budget for the Home Affairs portfolio.

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

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

Yours sincerely

A handwritten signature in blue ink that reads 'Peter Dutton'.

The Hon Peter Dutton MP

Minister for Home Affairs
Minister for Immigration and Border Protection

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nfp	not for publication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 Finance Officer, Department of Home Affairs on (02) 6264 1111.

Links to Portfolio Budget Statements (including Portfolio Additional Estimates Statements (PAES) and Portfolio Supplementary Additional Estimates Statements (PSAES)) 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 *2018–19 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.

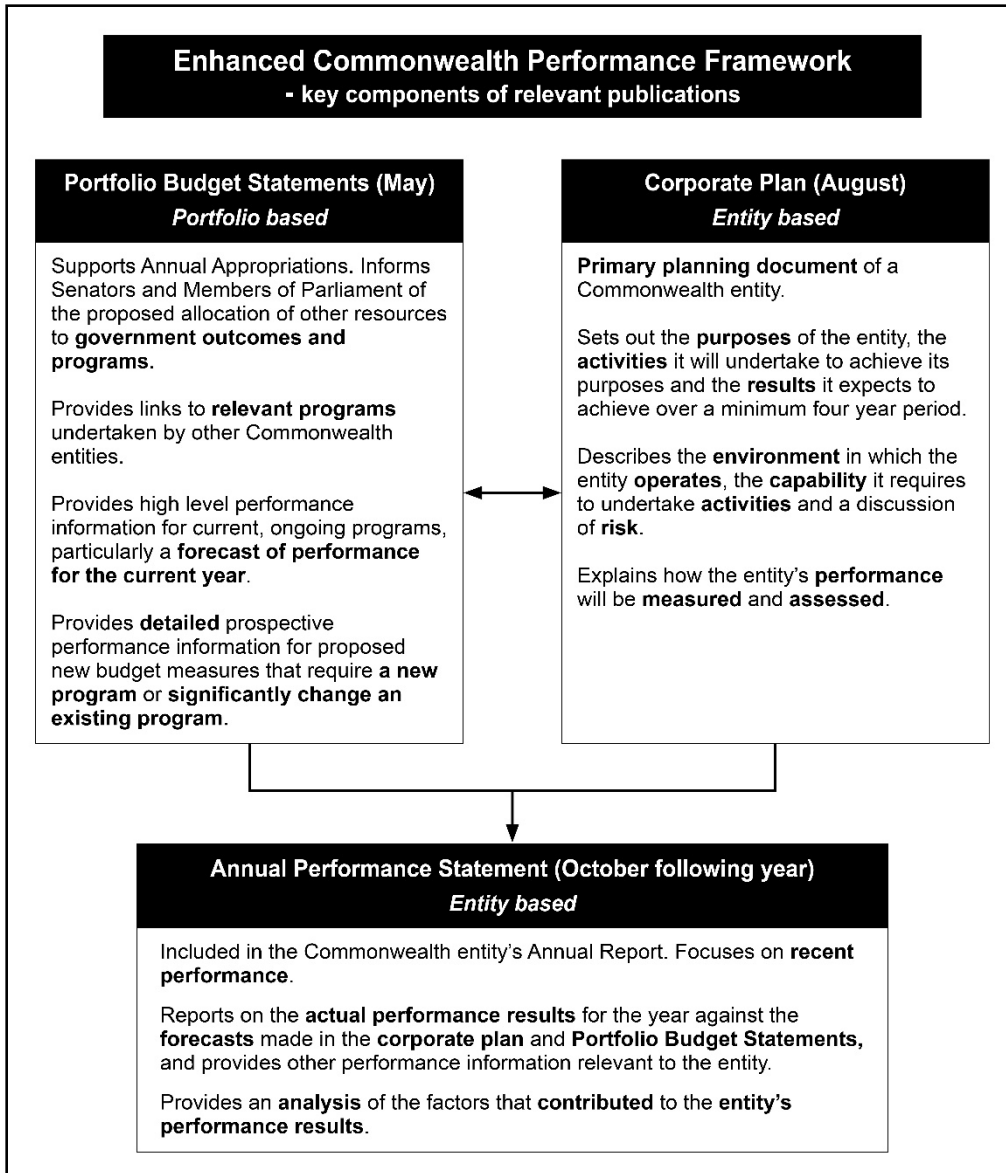
A key role of the PB Statements is to facilitate the understanding of proposed annual appropriations in Appropriation Bills (No. 1 and No. 2) 2018–19 (or Appropriation (Parliamentary Departments) Bill (No. 1) 2018–19 for the parliamentary departments). In this sense, the PB Statements are Budget related 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 Enhanced Commonwealth Performance Framework

The following diagram outlines the key components of the Enhanced 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

HOME AFFAIRS PORTFOLIO OVERVIEW

Minister(s) and portfolio responsibilities

The Home Affairs portfolio has four Ministers:

- the Hon Peter Dutton MP, Minister for Home Affairs and Minister for Immigration and Border Protection;
- the Hon Alan Tudge MP, Minister for Citizenship and Multicultural Affairs;
- the Hon Angus Taylor MP, Minister for Law Enforcement and Cybersecurity; and
- the Hon Alex Hawke MP, Assistant Minister for Home Affairs.

Department of Home Affairs and operational agencies

The newly formed portfolio streamlines a number of Commonwealth law enforcement, intelligence and policy responsibilities, and includes:

- the Department of Home Affairs;
- the Australian Border Force (ABF);
- the Australian Criminal Intelligence Commission (ACIC);
- the Australian Federal Police (AFP);
- the Australian Institute of Criminology (AIC); and
- the Australian Transaction Reports and Analysis Centre (AUSTRAC).

It is intended that the Australian Security Intelligence Organisation (ASIO) will transfer into the portfolio following Parliament's consideration of the required legislation in 2018.

The portfolio aims to keep Australia open to global business and connections; building on our welcoming multicultural, open and cohesive society; and managing our increasingly complex security environment to mitigate the impacts of events that threaten freedom and prosperity. The portfolio achieves these objectives through the strategic alignment of policy and programs for law enforcement, national security, emergency management, multicultural affairs, customs, immigration and border protection responsibilities.

The portfolio has policy and programmatic responsibility for:

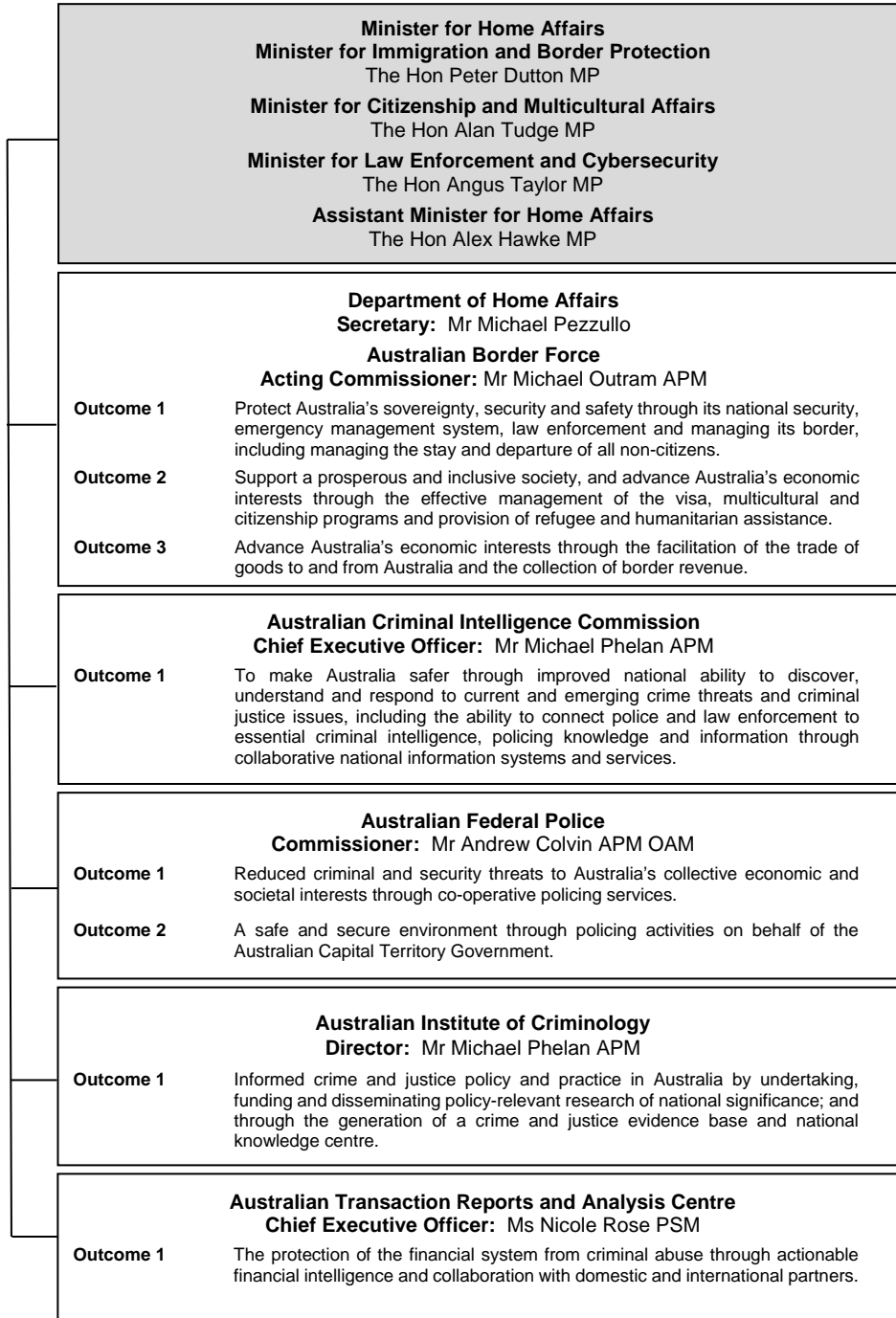
- Commonwealth law enforcement and counter-transnational and serious organised crime;
- counter-terrorism;
- cybersecurity policy and coordination;

Portfolio overview

- counter-foreign interference;
- transport and civil maritime security;
- emergency management and critical infrastructure protection;
- border protection and the facilitation of trade and travel;
- immigration and citizenship; and
- multiculturalism and social cohesion.

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

Figure 1: Home Affairs portfolio structure and outcomes



ENTITY RESOURCES AND PLANNED PERFORMANCE

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DEPARTMENT OF HOME AFFAIRS

ENTITY RESOURCES AND PLANNED PERFORMANCE

DEPARTMENT OF HOME AFFAIRS

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DEPARTMENT OF HOME AFFAIRS

Section 1: Entity overview and resources

1.1 STRATEGIC DIRECTION STATEMENT

The Department of Home Affairs within the Home Affairs portfolio is responsible for keeping Australia open for business, continuing to build on our successful multicultural society and, in equal measure, managing our increasingly complex security environment and mitigating the impact of those seeking to do Australians harm.

The portfolio brings together a range of existing staff, programs and policies that contribute to the security, social and economic wellbeing of Australia. A focus throughout the formation of the new portfolio is to magnify the benefits of existing individual programs and policies—whether by taking a more holistic and impactful approach or through more effective or efficient operations.

The portfolio leverages and magnifies a range of government capabilities across previously disparate law enforcement, criminal justice, emergency management, multicultural affairs and immigration, intelligence and border-related functions. The portfolio has a strategic leadership role for improving trade and travel facilitation; streamlining visa programs; addressing increasingly pervasive criminal threats; promulgating Australian values and social cohesion; improving the security and resilience of critical infrastructure and trade and travel systems; and strengthening our approach to counter-terrorism, cyber security and combatting child exploitation.

Despite Australia's relative success to date in dealing with these issues, we cannot be complacent about our future. The portfolio is looking ahead to anticipate threats, disruptions and opportunities, and protect Australians' safety, way of life and economic prosperity.

Secure

The threat environment is varied and constantly evolving. Challenges to the safety and security of Australians include everything from natural hazards and events such as bushfires, flood and storms, to malicious human activities such as sabotage, espionage, crime and terrorism.

The prevalence of serious, organised and sophisticated crime—including terrorism, the sexual exploitation and grooming of children, cybercrime, transnational crime, foreign interference and the trade in illicit goods, are increasingly pervasive and have a significant and lasting impact on Australian businesses, communities and individuals. To mitigate risk within the threat environment, the portfolio is investing in capabilities

that will enhance its ability to identify and address national security threats, including the establishment of the Critical Infrastructure Centre to identify and manage risks to Australia's critical infrastructure, while maintaining our open investment policy.

The portfolio is committed to working with other Commonwealth and State and Territory agencies, and the community, to protect Australians from national security and criminal threats. For example, the portfolio is working to thwart the exploitation of children through enhanced efforts to prevent, detect, disrupt and stop those who seek to harm society's most vulnerable. The Government will establish the *Australian Centre to Counter Child Exploitation* to assist in targeting the online networks that propagate child exploitation and take action against harmful exploitative practices such as forced marriage that can facilitate child sexual abuse. The *Aviation, Air Cargo and International Mail Security Package* measure will respond to a heightened terrorism threat in the aviation sector by upgrading the sophistication and intensity of screening undertaken by both major metropolitan and regional airports, by enhancing the sophistication of screening of incoming cargo and parcels, by upgrading security management of aviation precincts and by developing new capabilities to identify and neutralise emerging threats to aviation.

Natural hazards and weather events are a constant feature of Australia's environment. The portfolio leads strong national policy development and coordination to improve disaster risk management and mitigate the impact of natural disasters on our communities.

The portfolio is also acutely aware of the imperative to not only build resilience to large-scale natural hazards, but also from threats to aviation, maritime and national security. Australia's borders continue to be tested by people smuggling syndicates, so the Government will continue to invest in the *Operation Sovereign Borders* policy and the *Airline Liaison Program* to ensure Australia continues to enjoy a strong and secure border. Protecting Australia's aviation and maritime infrastructure is paramount to remaining globally connected and competitive. The Government will invest in continuing the *Safer Communities Fund* to provide grants that fund crime prevention activities, particularly those linked with racial or religious intolerance. Australia's reputation and track-record as a safe and secure nation with strong, fair and universal rule of law underpins our ability to attract visitors, trade, migrants and investment and creates opportunities and jobs for Australians.

Prosperous

As well as safeguarding and promoting an environment conducive to prosperity and social wellbeing, the portfolio contributes economically by mitigating the costs and societal impacts associated with crime, natural hazards and threats to national security. Beyond this, it also contributes directly through the provision of efficient trade, travel and migration, fostering social cohesion, and supporting well-governed communities.

Australia continues to be a sought after destination for students, travellers and migrants as well as for industries trading internationally. In addition to safety and the rule of law, the appeal of Australia stems from prosperity and opportunity for business and innovation, hospitable and cohesive societal values, vast natural attractions, resources and tourist destinations, and strong services, including education sectors.

The portfolio is responsible for maintaining immigration and border systems that encourage productive trade, travel and migration while protecting national security. The portfolio will continue to innovate at the border to offer trade and travellers a seamless border experience. Strong partnerships with stakeholders, advances in technology and operational agility will ensure the portfolio continues to facilitate and contribute to Australian competitiveness and prosperity.

The portfolio ensures that Australia remains internationally competitive—including being well positioned to exploit global trends and opportunities such as globalisation and digitalisation.

United and Open

Australian values of equality, freedom, respect and democracy are core to our way of life. The portfolio promotes these values through its migration and citizenship processes to provide greater participation and economic benefit for Australia. Multiculturalism, migration and shared values have proven economic value, but also contribute to community harmony and engagement.

Australia is a nation built on migration, whether that be visitors contributing in Australian communities and the economy, people obtaining citizenship and growing our nation, or Australians working, training and upskilling abroad. In its stewardship of the Australian migration program, the portfolio works to ensure all visitors and aspiring citizens demonstrate Australian values, social integration and participation, and continue to make significant economic contributions. The Government will continue to work towards simplifying and streamlining Australia's visa program, and will invest in establishing the *Fostering Integration Grants Scheme* that fosters social integration to assist new migrants to integrate into Australian society. By streamlining migration and strengthening citizenship services, leveraging the Community Liaison Officer Network and developing community partnerships, the portfolio will also play a central role in promoting shared values and enabling social and economic participation and integration.

1.2 ENTITY RESOURCE STATEMENT

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

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

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

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

Table 1.1: Department of Home Affairs resource statement—Budget estimates for 2018–19 as at Budget May 2018

	<i>2017–18 Estimated actual \$'000</i>	2018–19 Estimate \$'000
Departmental		
Annual appropriations—ordinary annual services (a)		
Prior year appropriations available (b)	278,942	170,602
Departmental appropriation (c)	2,537,950	2,429,855
s74 retained revenue receipts (d)	201,647	218,411
Departmental capital budget (e)	127,093	137,575
Annual appropriations—other services—non-operating (f)		
Prior year appropriations available (b)	197,836	199,164
Equity injection	169,587	93,081
Total departmental annual appropriations	3,513,055	3,248,688
Total departmental resourcing	3,513,055	3,248,688

Table 1.1: Department of Home Affairs resource statement—Budget estimates for 2018–19 as at Budget May 2018 (continued)

	2017–18 Estimated actual \$'000	2018–19 Estimate \$'000
Administered		
Annual appropriations—ordinary annual services (a)		
Prior year appropriations available (b)	1,338,053	918,630
Outcome 1	2,021,787	1,584,895
Outcome 2	32,769	48,127
Outcome 3	—	—
Administered capital budget (g)	27,521	20,567
Annual appropriations—other services—non-operating (f)		
Prior year appropriations available (b)	408,665	128,113
Administered assets and liabilities	5,884	206
Annual appropriations—other services—specific payments to states, ACT, NT and local government (h)		
Outcome 1	1,969	—
Total administered annual appropriations	3,836,648	2,700,538
Total administered special appropriations	422,035	422,065
Total administered resourcing	4,258,683	3,122,603
Total resourcing for the Department of Home Affairs	7,771,738	6,371,291
	2017–18	2018–19
Average staffing level (number)	13,950	14,420

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

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

(a) Appropriation Bill (No. 1) 2018–19.

(b) Estimated adjusted balance carried from previous year for annual appropriations.

(c) Excludes departmental capital budget (DCB).

(d) Estimated retained revenue receipts under section 74 of the *Public Governance, Performance and Accountability Act 2013* (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) 2018–19.

(g) Administered capital budgets are not separately identified in Appropriation Bill (No. 1) and form part of ordinary annual services items. Please refer to Table 3.10 for further details. For accounting purposes, this amount is designated as a 'contribution by owner'.

(h) Relates to appropriations for payments to the states transferred from Attorney-General's Department (AGD) through section 75 determination relating to non-government schools under the Schools Security Programme.

1.3 BUDGET MEASURES

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

Table 1.2: Department of Home Affairs 2018–19 Budget measures

Part 1: Measures announced since the 2017–18 Mid-Year Economic and Fiscal Outlook (MYEFO)

	Program	2017–18 \$'000	2018–19 \$'000	2019–20 \$'000	2020–21 \$'000	2021–22 \$'000
Revenue measures						
Aviation, Air Cargo and International Mail Security Package	3.1					
Administered		–	–	39,655	40,502	41,368
Departmental		–	–	–	–	–
Total		–	–	39,655	40,502	41,368
Black Economy Package—combatting illicit tobacco	3.1					
Administered		–	10,000	3,275,000	180,000	230,000
Departmental		–	–	–	–	–
Total		–	10,000	3,275,000	180,000	230,000
Customs Duty—growing international collaboration and investment in Australia's medical research industry	3.1					
Administered		–	..	..	..	..
Departmental		–	–	–	–	–
Total		–	..	..	..	..
New Trans-Pacific Partnership Agreement	3.1					
Administered		–	–	–	–	–
Departmental		–	–	–	–	–
Total		–	–	–	–	–
Pathway to Permanent Residency for Retirement Visa Holders—establishment	2.3,3.1					
Administered		–	4,300	4,300	1,000	300
Departmental		–	–	–	–	–
Total		–	4,300	4,300	1,000	300
Peru-Australia Free Trade Agreement	3.1					
Administered		–	..	..	..	–
Departmental		–	–	–	–	–
Total		–	..	..	..	–

Department of Home Affairs Budget Statements

Part 1: Measures announced since the 2017–18 Mid-Year Economic and Fiscal Outlook (MYEFO) (continued)

	Program	2017–18 \$'000	2018–19 \$'000	2019–20 \$'000	2020–21 \$'000	2021–22 \$'000
Skilling Australians Fund Levy–refund and exemption provisions	2.3					
Administered		–	(16,200)	(21,300)	(31,300)	(36,300)
Departmental		–	–	–	–	–
Total		–	(16,200)	(21,300)	(31,300)	(36,300)
Visas for General Practitioners–targeting areas of doctor shortages	3.1					
Administered		–	..	..	..	..
Departmental		–	–	–	–	–
Total		–	..	..	..	..
Total revenue measures						
Administered		–	(1,900)	3,297,655	190,202	235,368
Departmental		–	–	–	–	–
Total		–	(1,900)	3,297,655	190,202	235,368
Expense measures						
Airline Liaison Program	1.2					
Administered		–	–	–	–	–
Departmental		–	3,441	3,431	–	–
Total		–	3,441	3,431	–	–
Anti-Slavery Unit–establishment	1.7					
Administered		–	–	–	–	–
Departmental		–	204	–	268	–
Total		–	204	–	268	–
Australian Commission for Law Enforcement Integrity Operations Facility–establishment	All					
Administered		–	–	–	–	–
Departmental		–	–	(822)	(829)	(838)
Total		–	–	(822)	(829)	(838)
Aviation, Air Cargo and International Mail Security Package	1.1,1.6					
Administered		–	34,928	15,130	66	–
Departmental		–	5,111	12,302	14,021	13,397
Total		–	40,039	27,432	14,087	13,397
Black Economy Package–combatting illicit tobacco	1.1,1.2					
Administered		–	–	–	–	–
Departmental		–	17,667	21,692	22,032	23,957
Total		–	17,667	21,692	22,032	23,957
Delivering Australia's Digital Future–data sharing and release arrangements	1.1					
Administered		–	–	–	–	–
Departmental		–	(415)	(355)	(342)	(345)
Total		–	(415)	(355)	(342)	(345)

Department of Home Affairs Budget Statements

Part 1: Measures announced since the 2017–18 Mid-Year Economic and Fiscal Outlook (MYEFO) (continued)

	Program	2017–18 \$'000	2018–19 \$'000	2019–20 \$'000	2020–21 \$'000	2021–22 \$'000
Establishment of the Home Affairs Portfolio—efficiencies						
	All					
Administered		(321)	(543)	(480)	(442)	(442)
Departmental		(208)	(28,079)	(52,210)	(76,172)	(97,215)
Total		(529)	(28,622)	(52,690)	(76,614)	(97,657)
Fostering Integration Grants Scheme						
	2.1					
Administered		—	5,000	—	—	—
Departmental		—	—	—	—	—
Total		—	5,000	—	—	—
Implementation of OPCAT						
	1.1					
Administered		—	—	—	—	—
Departmental		—	(164)	(164)	(165)	(166)
Total		—	(164)	(164)	(165)	(166)
National Disaster Recovery Funding Arrangements—reforms						
	1.10					
Administered		—	—	—	—	—
Departmental		—	—	—	—	—
Total		—	—	—	—	—
Operation Sovereign Borders—continuation						
	All					
Administered		—	30,307	—	—	—
Departmental		—	14,704	17,179	—	—
Total		—	45,011	17,179	—	—
Pathway to Permanent Residency for Retirement Visa Holders—establishment						
	2.2					
Administered		—	—	—	—	—
Departmental		—	562	531	133	67
Total		—	562	531	133	67
Safer Communities Fund—extension (a)						
	1.7					
Administered		—	—	—	—	—
Departmental		—	—	—	—	—
Total		—	—	—	—	—
Skilling Australians Fund Levy—refund and exemption provisions						
	2.3					
Administered		—	—	—	—	—
Departmental		—	410	448	452	456
Total		—	410	448	452	456
Strategic Review of the Home Affairs Portfolio						
	All					
Administered		—	—	—	—	—
Departmental		—	7,000	—	—	—
Total		—	7,000	—	—	—

Part 1: Measures announced since the 2017–18 Mid-Year Economic and Fiscal Outlook (MYEFO) (continued)

	Program	2017–18 \$'000	2018–19 \$'000	2019–20 \$'000	2020–21 \$'000	2021–22 \$'000
Trade Modernisation Agenda (b)	3.2					
Administered		–	–	–	–	–
Departmental		–	–	–	–	–
Total		–	–	–	–	–
Visas for General Practitioners—targeting areas of doctor shortages	3.1					
Administered		–	–	–	–	–
Departmental		–	–	–	–	–
Total		–	–	–	–	–
Total expense measures						
Administered		(321)	69,692	14,650	(376)	(442)
Departmental		(208)	20,441	2,032	(40,602)	(60,687)
Total		(529)	90,133	16,682	(40,978)	(61,129)
Capital measures						
Aviation, Air Cargo and International Mail Security Package	1.1					
Administered		–	–	–	–	–
Departmental		–	10,147	38,502	32,258	10,691
Total		–	10,147	38,502	32,258	10,691
Black Economy Package—combatting illicit tobacco	1.1					
Administered		–	–	–	–	–
Departmental		–	5,627	245	146	148
Total		–	5,627	245	146	148
Establishment of the Home Affairs Portfolio—efficiencies	1.7					
Administered		–	–	–	–	–
Departmental		(37)	(27)	(29)	(34)	(34)
Total		(37)	(27)	(29)	(34)	(34)
Pathway to Permanent Residency for Retirement Visa Holders—establishment	2.2					
Administered		–	–	–	–	–
Departmental		–	249	–	–	–
Total		–	249	–	–	–
Total capital measures						
Administered		–	–	–	–	–
Departmental		(37)	15,996	38,718	32,370	10,805
Total		(37)	15,996	38,718	32,370	10,805

Prepared on a Government Finance Statistics (fiscal) basis. Figures displayed as a negative are in brackets and a positive (+) represent an increase in funds.

Note: The full measure description and package details appear in Budget Paper No. 2 under the Home Affairs portfolio. The *Home Affairs ICT Systems—upgrade* measure was published in the 2017–18 PSAE Statements.

- (a) The Government will be providing \$15.0 million per year in 2018–19 and 2019–20 for the *Safer Communities Fund—extension* measure. The funding will be transferred from AGD once the special account has been established in the Department of Home Affairs.
- (b) The cost of this measure (\$10.5 million) in 2018–19 will be met from within the existing resources of the Department of Home Affairs.

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

The most recent corporate plan for the Department of Home Affairs can be found at: <https://www.homeaffairs.gov.au/about/reports-publications/reports/corporate-plans>.

The most recent annual performance statement can be found at: <https://www.homeaffairs.gov.au/about/reports-publications/reports/annual/annual-report-2016-17>.

2.1 BUDGETED EXPENSES AND PERFORMANCE FOR OUTCOME 1

Outcome 1: Protect Australia’s sovereignty, security and safety through its national security, emergency management system, law enforcement, and managing its border, including managing the stay and departure of all non-citizens.

Linked programs

The information provided below shows how Outcome 1 links with programs delivered by other Commonwealth entities to contribute to common government objectives.

Attorney-General’s Department

Program 1.1: Attorney-General’s Department Operating Expenses – Civil Justice and Legal Services

Contribution to Outcome 1 made by linked program

The Attorney-General’s Department contributes to the administration of legislation and policy development and advice on transnational organised crime, including people smuggling and human trafficking, law enforcement matters, provision of information of national security value, firearms, counter-terrorism, prohibited and restricted goods, illegal drug interdiction, money laundering and regional operations and intercountry adoption arrangements.

Australian Criminal Intelligence Commission

Program 1.1: Australian Criminal Intelligence Commission

Contribution to Outcome 1 made by linked program

The Australian Criminal Intelligence Commission collects, correlates and analyses criminal information and intelligence, resulting in the dissemination of intelligence products. These products assist in effectively managing national security risks, including the detection of harmful or illegal goods and supporting counter-terrorism efforts.

Australian Federal Police

Program 1.1: Federal Policing and National Security

Contribution to Outcome 1 made by linked program

The Australian Federal Police support national security and border enforcement activities through the provision of policing capability at major airports and Australia’s external territories (e.g. Christmas Island) as well as the provision of counter-terrorism and cyber security capabilities and protection of critical infrastructure.

Australian Fisheries Management Authority

Program 1.1: Australian Fisheries Management Authority

Contribution to Outcome 1 made by linked program

The Australian Fisheries Management Authority (AFMA) provides the fisheries' focus within the Australian Government Civil Maritime Surveillance and Response Program and is responsible for the administration of legislation with respect to illegal foreign fishers. AFMA aims to deter and prevent illegal foreign fishing by carrying out prosecution of offenders, confiscation of boats, capacity building projects and cooperative enforcement operations.

Australian Maritime Safety Authority

Program 1.1: Seafarer and ship safety, environment protection and search and rescue

Contribution to Outcome 1 made by linked program

The Australian Maritime Safety Authority is responsible for improving the standard of foreign-flagged ships and Australian-flagged ships (regulated under the *Navigation Act 2012*). The implementation and enforcement of improved standards supports the work the Department of Home Affairs undertakes in processing vessels crossing the border.

Australian Security Intelligence Organisation

Program 1.1: Security Intelligence

Contribution to Outcome 1 made by linked program

The Australian Security Intelligence Organisation collects, investigates and assesses intelligence on potential threats to Australia's security and provides advice, reports and services to government agencies to assist them to effectively manage security risks and disrupt activities that threaten Australia's security.

Australian Transaction Reports and Analysis Centre

Program 1.1: AUSTRAC

Contribution to Outcome 1 made by linked program

The Australian Transaction Reports and Analysis Centre works collaboratively with agencies in the law enforcement and national security agencies' sectors to protect the financial system from criminal abuse through actionable financial intelligence.

Civil Aviation Safety Authority

Program 1.1: Maximise aviation safety through a regulatory regime, detailed technical material on safety standards, comprehensive aviation industry oversight, risk analysis, industry consultation, education and training

Contribution to Outcome 1 made by linked program

The Civil Aviation Safety Authority is responsible for overseeing the safety standards of aircraft operating in Australian airspace (regulated under the *Civil Aviation Act 1988* and its regulations). The implementation and enforcement of safety standards supports the work the Department of Home Affairs undertakes in processing aircraft crossing the border, and in its role of fostering aviation security.

Department of Agriculture and Water Resources

Program 2.1: Biosecurity and Export Services

Program 2.2: Plant and Animal Health

Contribution to Outcome 1 made by linked programs

The Department of Agriculture and Water Resources (DAWR) manages biosecurity and imported food risks to ensure the safe movement into and out of Australia of people, animals, plants, food and cargo. DAWR also provides certification of exports to meet importing countries' requirements.

Department of Defence

Program 1.3: Defence Contribution to National Support Tasks in Australia

Program 2.1: Strategic Policy and Intelligence

Contribution to Outcome 1 made by linked program

The Department of Defence (Defence) undertakes tasks that include: planning and conduct of operations to provide security of Australia's maritime borders from unauthorised maritime arrivals, prohibited imports and exports, illegal exploitation of natural resources and other maritime threats to Australian sovereignty, including counter-terrorism responses. Defence contributes to Maritime Border Command tasking through Operation Resolute, providing maritime surveillance and response assets that are tasked routinely in accordance with the Government's priorities. Defence, through the Australian Signals Directorate, also contributes to the formulation and implementation of forward leaning national cyber security policies.

Department of the Environment and Energy

Program 1.4: Conservation of Australia's Heritage and the Environment

Program 1.6: Management of Hazardous Wastes, Substances and Pollutants

Program 2.2: Adapting to Climate Change

Program 4.1: Energy

Contribution to Outcome 1 made by linked programs

The Department of the Environment and Energy (Environment and Energy) and the Department of Home Affairs work together to prevent illegal wildlife trade, control transboundary movements of hazardous wastes and their disposal, and share information on imports of products subject to air quality standards.

Environment and Energy and the Department of Home Affairs also work together to ensure the reliable, sustainable and secure operation of energy markets, through the implementation and enforcement of the Australian Domestic Gas Security Mechanism.

The Department of Home Affairs provides policy advice and support to the Environment and Energy in relation to the Critical Infrastructure Resilience Strategy and its application for critical energy infrastructure assets.

Environment and Energy provides joint secretariat with the Department of Home Affairs for the Australian Government Disaster and Climate Resilience Reference Group. The group is a senior forum to progress policy on disaster and climate resilience.

Department of Foreign Affairs and Trade

Program 1.1: Foreign Affairs and Trade Operations

Program 2.2: Passport Services

Contribution to Outcome 1 made by linked programs

The Department of Foreign Affairs and Trade (DFAT) contributes to whole-of-government efforts bilaterally and regionally to address national security threats, including counter people-smuggling and human trafficking. DFAT also negotiates, finalises and implements Australia's free trade agreement (FTA) agenda and explores opportunities for FTAs with other trading partners. DFAT provides high-quality passport services, which support international traveller facilitation.

Department of Health

Program 5.1: Protect the Health and Safety of the Community through Regulation

Contribution to Outcome 1 made by linked program

The Department of Health works with the Department of Home Affairs to protect the health of the Australian community by managing health risks pre-border, including providing communicable disease advice to the Department of Home Affairs to inform pre-migration screening policies.

<p>Department of Industry, Innovation and Science</p> <p>Program 2: Growing Business Investment and Improving Business Capability</p> <p>Contribution to Outcome 1 made by linked program</p> <p>The Department of Industry, Innovation and Science contributes to policy development and advice on matters relating to intellectual property rights, trademarks, anti-dumping, preferential and non-preferential trade schemes; regulated, prohibited and restricted goods; and industry assistance.</p>
<p>Department of the Prime Minister and Cabinet</p> <p>Program 1.1: Prime Minister and Cabinet</p> <p>Contribution to Outcome 1 made by linked program</p> <p>The Department of the Prime Minister and Cabinet provides policy advice in key areas, including the Government's strategic priorities and major domestic, international and national security matters.</p>
<p>Department of the Treasury</p> <p>Program 1.9: National Partnership Payments to the States</p> <p>Contribution to Outcome 1 made by linked program</p> <p>The Department of the Treasury contributes to Outcome 1 by making payments to the states on behalf of the Department of Home Affairs. The payments relate to natural disasters, security and emergency management.</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

	2017–18 Estimated actual \$'000	2018–19 Budget \$'000	2019–20 Forw ard estimate \$'000	2020–21 Forw ard estimate \$'000	2021–22 Forw ard estimate \$'000
Program 1.1: Border Enforcement					
Departmental expenses					
Departmental appropriation (a)	915,779	916,754	924,977	905,582	891,940
s74 retained revenue receipts (b)	9,589	8,835	8,966	9,103	9,120
Expenses not requiring appropriation in the Budget year (c)	130,562	124,325	115,883	103,203	103,203
Departmental total	1,055,930	1,049,914	1,049,826	1,017,888	1,004,263
Total expenses for Program 1.1	1,055,930	1,049,914	1,049,826	1,017,888	1,004,263
Program 1.2: Border Management					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	8	8	8	8	8
Administered total	8	8	8	8	8
Departmental expenses					
Departmental appropriation (a)	212,048	238,801	242,371	225,218	231,210
s74 retained revenue receipts (b)	4,339	2,791	2,224	2,274	2,281
Expenses not requiring appropriation in the Budget year (c)	25,695	24,338	24,201	23,368	23,368
Departmental total	242,082	265,930	268,796	250,860	256,859
Total expenses for Program 1.2	242,090	265,938	268,804	250,868	256,867
Program 1.3: Onshore Compliance and Detention					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	797,011	712,203	665,325	607,871	601,211
Expenses not requiring appropriation in the Budget year (c)	54,657	50,403	43,004	40,924	40,924
Administered total	851,668	762,606	708,329	648,795	642,135
Departmental expenses					
Departmental appropriation (a)	409,492	363,948	360,293	353,749	350,219
s74 retained revenue receipts (b)	10,704	4,993	5,115	5,241	5,255
Expenses not requiring appropriation in the Budget year (c)	24,375	26,384	23,996	21,681	21,681
Departmental total	444,571	395,325	389,404	380,671	377,155
Total expenses for Program 1.3	1,296,239	1,157,931	1,097,733	1,029,466	1,019,290

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Table 2.1.1: Budgeted expenses for Outcome 1 (continued)

	2017–18 Estimated actual \$'000	2018–19 Budget \$'000	2019–20 Forw ard estimate \$'000	2020–21 Forw ard estimate \$'000	2021–22 Forw ard estimate \$'000
Program 1.4: IMA Offshore Management					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	1,103,783	705,801	327,468	335,594	343,923
Expenses not requiring appropriation in the Budget year (c)	339,384	21,156	19,937	19,831	19,831
Administered total	1,443,167	726,957	347,405	355,425	363,754
Departmental expenses					
Departmental appropriation (a)	33,924	28,988	27,390	27,477	27,718
s74 retained revenue receipts (b)	1,363	830	850	871	873
Expenses not requiring appropriation in the Budget year (c)	3,531	3,078	2,714	2,401	2,401
Departmental total	38,818	32,896	30,954	30,749	30,992
Total expenses for Program 1.4	1,481,985	759,853	378,359	386,174	394,746
Program 1.5: Regional Cooperation					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	79,710	70,401	28,547	29,261	29,993
Expenses not requiring appropriation in the Budget year (c)	–	–	–	–	–
Administered total	79,710	70,401	28,547	29,261	29,993
Departmental expenses					
Departmental appropriation (a)	15,992	14,655	14,404	10,726	10,608
s74 retained revenue receipts (b)	4,461	5,437	3,952	3,957	3,957
Expenses not requiring appropriation in the Budget year (c)	746	565	429	326	326
Departmental total	21,199	20,657	18,785	15,009	14,891
Total expenses for Program 1.5	100,909	91,058	47,332	44,270	44,884
Program 1.6: Transport Security					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	991	35,925	16,143	1,097	1,049
Expenses not requiring appropriation in the Budget year (c)	–	–	–	–	–
Administered total	991	35,925	16,143	1,097	1,049
Departmental expenses					
Departmental appropriation (a)	20,730	48,647	48,393	48,381	48,368
s74 retained revenue receipts (b)	–	–	–	–	–
Expenses not requiring appropriation in the Budget year (c)	–	–	–	–	–
Departmental total	20,730	48,647	48,393	48,381	48,368
Total expenses for Program 1.6	21,721	84,572	64,536	49,478	49,417

Table 2.1.1: Budgeted expenses for Outcome 1 (continued)

	2017–18 Estimated actual \$'000	2018–19 Budget \$'000	2019–20 Forw ard estimate \$'000	2020–21 Forw ard estimate \$'000	2021–22 Forw ard estimate \$'000
Program 1.7: National Security and Criminal Justice					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	39,574	60,325	48,303	43,305	43,849
Other services—specific purpose payments (Appropriation Bill No. 2)	1,769	—	—	—	—
Special appropriations					
Special Appropriation—Australian Victim of Terrorism Overseas Payment	2,035	1,825	1,020	—	—
Expenses not requiring appropriation in the Budget year (c)	—	1,103	963	939	998
Administered total	43,378	63,253	50,286	44,244	44,847
Departmental expenses (d)					
Departmental appropriation (a)	23,459	61,626	59,385	59,481	59,995
s74 retained revenue receipts (b)	14,556	33,211	34,275	34,191	34,191
Expenses not requiring appropriation in the Budget year (c)	—	—	—	—	—
Departmental total	38,015	94,837	93,660	93,672	94,186
Total expenses for Program 1.7	81,393	158,090	143,946	137,916	139,033
Program 1.8: Cyber Security					
Departmental expenses					
Departmental appropriation (a)	720	1,620	1,616	1,620	1,621
s74 retained revenue receipts (b)	—	—	—	—	—
Expenses not requiring appropriation in the Budget year (c)	—	—	—	—	—
Departmental total	720	1,620	1,616	1,620	1,621
Total expenses for Program 1.8	720	1,620	1,616	1,620	1,621
Program 1.9: Counter Terrorism					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	83	112	114	116	117
Expenses not requiring appropriation in the Budget year (c)	—	—	—	—	—
Administered total	83	112	114	116	117
Departmental expenses					
Departmental appropriation (a)	1,338	3,011	3,001	3,008	3,008
s74 retained revenue receipts (b)	—	—	—	—	—
Expenses not requiring appropriation in the Budget year (c)	—	—	—	—	—
Departmental total	1,338	3,011	3,001	3,008	3,008
Total expenses for Program 1.9	1,421	3,123	3,115	3,124	3,125

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Table 2.1.1: Budgeted expenses for Outcome 1 (continued)

	2017–18 Estimated actual \$'000	2018–19 Budget \$'000	2019–20 Forw ard estimate \$'000	2020–21 Forw ard estimate \$'000	2021–22 Forw ard estimate \$'000
Program 1.10: Australian Government Disaster Financial Support Payments					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	305	120	–	–	–
Special appropriations					
Special Appropriation–Disaster Recovery Allow ance	–	120	–	–	–
Special Appropriation–Disaster Recovery Payment	–	120	–	–	–
Expenses not requiring appropriation in the Budget year (c)	38	15	–	–	–
Administered total	343	375	–	–	–
Total expenses for Program 1.10	343	375	–	–	–
Outcome 1 Totals by appropriation type					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	2,021,465	1,584,895	1,085,908	1,017,252	1,020,150
Other services-specific purpose payments (Appropriation Bill No. 2)	1,769	–	–	–	–
Special appropriations					
Special Appropriation–Australian Victim of Terrorism Overseas Payment	2,035	1,825	1,020	–	–
Special Appropriation–Disaster Recovery Allow ance	–	120	–	–	–
Special Appropriation–Disaster Recovery Payment	–	120	–	–	–
Expenses not requiring appropriation in the Budget year (c)	394,079	72,677	63,904	61,694	61,753
Administered total	2,419,348	1,659,637	1,150,832	1,078,946	1,081,903
Departmental expenses					
Departmental appropriation (a)	1,633,482	1,678,050	1,681,830	1,635,242	1,624,687
s74 retained revenue receipts (a)	45,012	56,097	55,382	55,637	55,677
Expenses not requiring appropriation in the Budget year (c)	184,909	178,690	167,223	150,979	150,979
Departmental total	1,863,403	1,912,837	1,904,435	1,841,858	1,831,343
Total expenses for Outcome 1	4,282,751	3,572,474	3,055,267	2,920,804	2,913,246
Average staffing level (number)					
	8,754	9,047			

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

- (a) Departmental appropriation combines ordinary annual services Appropriation Act (No. 1) and Bill (No. 3).
- (b) Estimated expenses incurred in relation to receipts retained under section 74 of the PGPA Act.
- (c) Expenses not requiring appropriation in the Budget year are made up of depreciation, amortisation, write-down, impairment of assets and non-cash capital grant (2017–18).
- (d) Includes an interim section 75 appropriation transfer to the Department, including forward estimates, with the final transfer to be reflected in the 2018–19 Portfolio Additional Estimates Statements.

Table 2.1.2: Performance criteria for Outcome 1

Table 2.1.2 below details the performance criteria for each program associated with Outcome 1. It also summarises how each program is delivered and where 2018-19 Budget measures have created new programs or materially changed existing programs.

<p>Outcome 1: Protect Australia’s sovereignty, security and safety through its national security, emergency management system, law enforcement, and managing its border, including managing the stay and departure of all non-citizens.</p>	
<p>Program 1.1 Border Enforcement To protect Australia’s sovereignty, security and safety through the streamlining of legitimate trade and travel, prevention of illegal movement of people and goods, and coordination of whole-of-government efforts to detect and deter illegal activity in the maritime domain.</p>	
<p>Delivery</p>	<p>Mechanisms through which program 1.1 will be delivered include:</p> <ul style="list-style-type: none"> • processing international air and sea passengers and crew; • providing eligible travellers with the option for self-processing and clearance through automated border control at a range of Australian international airports and seaports; • undertaking inspection and examination activity in the international mail, air cargo and sea cargo environments, to detect and prevent the import or export of prohibited items and control the movement of restricted items; • processing vessels crossing the border; • conducting land-based patrol and surveillance of the waterfront, remote areas and regional ports, including through the deployment of mobile teams; • investigating and potentially prosecuting breaches of Australian border laws; and • coordinating whole-of-government efforts to mitigate, or eliminate, the risks posed by civil maritime security threats by detecting, reporting and responding to potential or actual non-compliance with relevant laws in the Australian maritime jurisdiction.

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Performance information		
Year	Performance criteria (a)	Targets
2017–18	<i>Effective surveillance and response contributes to achieving an increase in compliance in the Australian Maritime Domain.</i>	<i>Identify non-compliant vessels, where law enforcement responses were required, through surveillance and intelligence.</i>
2018–19 (b)	<i>As per 2017–18</i>	<i>As per 2017–18</i>
2019–20 and beyond	<i>As per 2018–19</i>	<i>As per 2018–19</i>
Purposes (b)	Protect Australia's sovereignty, security and safety through its national security, emergency management system, law enforcement, and managing its border, including managing the stay and departure of all non-citizens.	
Material changes to Program 1.1 resulting from the following measures: <ul style="list-style-type: none"> <i>Aviation, Air Cargo and International Mail Security Package</i> <i>Black Economy Package—combatting illicit tobacco</i> 		

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

(b) The performance criteria, targets and purposes will be refined and published in the 2018–19 Corporate Plan.

Program 1.2 Border Management	
To protect Australia's sovereignty, security and safety by developing strategy, legislation and policy that supports legitimate border movements, ensures compliance with border controls, strengthens visa and citizenship system integrity, and protects the Australian community from health risks.	
Delivery	Program 1.2 will be delivered by regulating and facilitating legitimate trade, migration and travel by: <ul style="list-style-type: none"> development and delivery of portfolio strategy, legislation and policy, issuing broker, depot and warehouse licenses; working with partner agencies to influence and develop policy and regulatory models in relation to community protection and consumer safety; effective management of migration, traveller and cargo processes and information systems; provision of migration, travel and import and export data and statistics; and undertaking effective risk-based compliance activities to promote observance of Australian border laws as they relate to the movement of people and goods.

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Performance information		
Year	Performance criteria (a)	Targets
2017–18	<i>People and goods that pose a risk to the Australian community are detected and appropriately managed ahead of, at and after the border.</i>	<i>Regular engagement with partner agencies and international liaison networks enhances national security.</i>
2018–19 (b)	<i>As per 2017–18</i>	<i>As per 2017–18</i>
2019–20 and beyond	<i>As per 2018–19</i>	<i>As per 2018–19</i>
Purposes (b)	Protect Australia’s sovereignty, security and safety through its national security, emergency management system, law enforcement, and managing its border, including managing the stay and departure of all non-citizens.	
Material changes to Program 1.2 resulting from the following measures:		
<ul style="list-style-type: none"> • <i>Black Economy Package—combatting illicit tobacco</i> 		

- (a) New or modified performance criteria that reflect new or materially changed programs are shown in *italics*.
(b) The performance criteria, targets and purposes will be refined and published in the 2018–19 Corporate Plan.

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Program 1.3 Onshore Compliance and Detention		
To protect Australia's sovereignty, security and safety by maximising adherence to the entry and stay requirements through an effective and appropriate program of prevention, deterrence and enforcement, and resolving the immigration status of the legacy cohort of IMAs.		
Delivery	<p>Program 1.3 will be delivered by regulating and facilitating legitimate trade, migration and travel by:</p> <ul style="list-style-type: none"> • promoting voluntary compliance by Australian employers with employer sanctions legislation through the provision of targeted education and engagement activities; • providing services that facilitate status resolution, including voluntary return to the person's country of origin and, where appropriate, reintegration assistance packages; • providing health and other support services for non-citizens awaiting status resolution; and • managing detention centres for the purposes of accommodating individuals that pose a risk to the community, while their status is being resolved. 	
Performance information		
Year	Performance criteria (a)	Targets
2017–18	<i>Effective regulatory, enforcement, detention and status resolution activities promote compliance and promotes timely status resolution at the lowest economic impact to government.</i>	<p><i>More than 99% of temporary entrants remain lawful while in Australia.</i></p> <p><i>More than 75% of unlawful non-citizens engage voluntarily with the Department to resolve their visa status.</i></p> <p><i>The number of people and organisations conducting VEVO checks, and the number accessing status resolution information, increases when compared with the previous year.</i></p>
2018–19 (b)	<i>Effective regulatory, status resolution, enforcement and detention activities promote program integrity, compliance and timely status outcomes at the lowest cost to government.</i>	<p><i>Less than 10% of people engaged with the Status Resolution Program are managed in immigration detention.</i></p> <p><i>More than 85% of people detained under s189 have their status resolved, or are placed in the community, within 90 days of being detained.</i></p> <p><i>100% of decisions to detain are reviewed within 48 hours.</i></p>
2019–20 and beyond	<i>As per 2018–19</i>	<i>As per 2018–19</i>

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Performance information (continued)	
Purposes (b)	Protect Australia's sovereignty, security and safety through its national security, emergency management system, law enforcement, and managing its border, including managing the stay and departure of all non-citizens.
Material changes to Program 1.3 resulting from the following measures: Nil	

- (a) New or modified performance criteria that reflect new or materially changed programs are shown in *italics*.
 (b) The performance criteria, targets and purposes will be refined and published in the 2018–19 Corporate Plan.

Program 1.4 IMA Offshore Management		
To protect Australia's sovereignty, security and safety by supporting regional processing and settlement countries (partner countries) to implement the memoranda of understanding agreed with Australia, including building regional processing country capability to manage regional processing and settlement arrangements.		
Delivery	Mechanisms through which program 1.4 will be delivered include: <ul style="list-style-type: none"> • capability development for partner countries through training and mentoring; • construction and maintenance of facilities that support partner countries to manage and accommodate transferees and refugees, and deliver services to these cohorts; • supporting the management of transferees and refugees residing in partner countries, including health, welfare and settlement services (as required); • supporting partner countries to determine the refugee status of transferees; and • supporting partner countries to voluntarily return persons or remove those found not to be refugees. 	
Performance information		
Year	Performance criteria (a)	Targets
2017–18	Engage with partner states to support and strengthen practical cooperation on refugee protection and international migration.	<i>Qualitative assessment demonstrates positive impact of engagement on international cooperation on refugee protection and international migration matters.</i>
2018–19 (b)	Engage with international stakeholders to support and strengthen practical cooperation on refugee protection and international migration.	<i>Qualitative assessment demonstrates positive impact of engagement on international cooperation on refugee protection and international migration matters.</i>
2019–20 and beyond	As per 2018–19	As per 2018–19

Performance information (continued)	
Purposes (b)	<p>Protect Australia's sovereignty, security and safety through its national security, emergency management system, law enforcement, and managing its border, including managing the stay and departure of all non-citizens.</p> <p>Support a prosperous and inclusive society, and advance Australia's economic interests through the effective management of the visa, multicultural and citizenship programs and provision of refugee and humanitarian assistance.</p>
Material changes to Program 1.4 resulting from the following measures: Nil	

- (a) New or modified performance criteria that reflect new or materially changed programs are shown in *italics*.
 (b) The performance criteria, targets and purposes will be refined and published in the 2018–19 Corporate Plan.

Program 1.5 Regional Cooperation		
<p>Protect Australia's sovereignty, security and safety by strengthening relationships with partner governments to improve migration and border management capabilities and by working collaboratively with international organisations providing services for irregular migrants.</p>		
Delivery	<p>Mechanisms through which program 1.5 will be delivered include:</p> <ul style="list-style-type: none"> • supporting the Bali Process by co-managing and contributing to the Regional Support Office, which implements a range of practical initiatives to combat people smuggling, human trafficking and transnational crime; • supporting, through the International Organisation for Migration (IOM), the management of potential illegal immigrations in Indonesia under the Regional Cooperation Arrangement (RCA) program; • working collaboratively with the international community to enhance the migration, identity, immigration intelligence and border management capabilities of partner governments; • facilitating international exchanges on approaches to trade and revenue techniques and best practice; and • enhancing international systems, information sharing and analytical capabilities to support better threat and risk assessments in the flow of people and goods. 	
Performance information		
Year	Performance criteria (a)	Targets
2017–18	<i>Collaboration with the international community enhances our capacity to detect and respond to potential threats to Australia and its partners.</i>	<i>Qualitative assessment of a sample of activities, demonstrating impact(s) of information-sharing activities on Australian border security.</i>
2018–19 (b)	<i>Collaboration with the international community enhances our capacity to detect and respond to potential threats to Australia and its partners, including terrorism, transnational crime, maritime security and cyber threats.</i>	<i>Qualitative assessment of a sample of activities, demonstrating impact(s) of cooperation and information-sharing activities on Australian border security.</i>
2019–20 and beyond	<i>As per 2018–19</i>	<i>As per 2018–19</i>

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Performance information (continued)	
Purposes (b)	Protect Australia's sovereignty, security and safety through its national security, emergency management system, law enforcement, and managing its border, including managing the stay and departure of all non-citizens.
Material changes to Program 1.5 resulting from the following measures: Nil	

- (a) New or modified performance criteria that reflect new or materially changed programs are shown in *italics*.
- (b) The performance criteria, targets and purposes will be refined and published in the 2018–19 Corporate Plan.

Program 1.6 Transport Security		
The program ensures a viable and sustainable transport security system in Australia through regulation designed collaboratively with industry and government entities.		
Delivery	During 2017–18 and the forward years, program 1.6 will: <ul style="list-style-type: none"> • deliver 100 per cent of compliance activities within the National Compliance Plan (NCP) to ensure regulated industry participants comply with their obligations; • deliver identity security reforms to strengthen key regulatory settings; • improve transport security legislation to ensure it is proportionate to the risks being regulated; • review regulatory settings to ensure that they effectively counter contemporary security risks; and • work with international partners to influence global standards and improve the transport security capability of our regional partners. 	
Performance information		
Year	Performance criteria (a)	Targets
2017–18	Secured transport in the aviation, maritime, and offshore oil and gas sectors yields a safe and efficient trade and travel environment.	Degree to which transport security regulations meet international standards for the secure movement of people and freight: 95% or more International Civil Aviation Organisation (ICAO) audit result.
2018–19 (b)	<i>Prevention of transport security incidents in aviation, maritime and offshore oil and gas sectors supports Australia's economic and social prosperity.</i>	<i>Regulatory amendments reflect changes in the risk environment.</i>
2019–20 and beyond	<i>As per 2018–19</i>	<i>As per 2018–19</i>
Purposes (b)	Protect Australia's sovereignty, security and safety through its national security, emergency management system, law enforcement, and managing its border, including managing the stay and departure of all non-citizens.	
Material changes to Program 1.6 resulting from the following measures:		
<ul style="list-style-type: none"> • <i>Aviation, Air Cargo and International Mail Security Package</i> 		

- (a) New or modified performance criteria that reflect new or materially changed programs are shown in *italics*.
- (b) The performance criteria, targets and purposes will be refined and published in the 2018–19 Corporate Plan.

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Program 1.7 National Security and Criminal Justice		
This program contributes to building a safe and secure Australia by providing comprehensive policy and planning development, at strategic and operational levels, on national security, elements of criminal justice and law enforcement related functions.		
Delivery	Providing services to support an inclusive, safe and secure Australia.	
Performance information		
Year	Performance criteria (a)	Targets
2017–18	Delivery of national security policies, legislation and programs enhances our capacity to detect and responds to potential threats to Australia and its partners.	Stakeholder and client satisfaction with the effectiveness of the Department's contribution to national security is greater than 80%.
	Responses to serious and organised crime improve community safety.	Australia's regional and global position on criminal justice (Factor 8) in the World Justice Project's Rule of Law Index—measuring how the rule of law is experienced by the public of countries around the world—is at position 10 or above.
2018–19 (b)	<i>Delivery of national security and serious and organised crime policies, legislation and programs which enhances our capacity to detect and respond to potential threats to Australia and its partners.</i>	<i>Policy and legislation outcomes, as well as international capability, enhance regional security capability and strengthens criminal laws.</i>
2019–20 and beyond	<i>As per 2018–19</i>	<i>As per 2018–19</i>
Purposes (b)	Protect Australia's sovereignty, security and safety through its national security, emergency management system, law enforcement, and managing its border, including managing the stay and departure of all non-citizens.	
Material changes to Program 1.7 resulting from the following measures: Nil		

- (a) New or modified performance criteria that reflect new or materially changed programs are shown in *italics*.
- (b) The performance criteria, targets and purposes will be refined and published in the 2018–19 Corporate Plan.

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Program 1.8 Cyber Security		
This program contributes to building a safe and secure Australia by developing and managing cyber security strategy, policy and coordination to make Australia a cyber-resilient nation.		
Delivery	Providing services to continually transform Australia's cyber security landscape.	
Performance information		
Year	Performance criteria (a)	Targets
2017–18	Delivery of national security policies, legislation and programs enhance our capacity to detect and respond to potential threats to Australia and its partners.	Stakeholder and client satisfaction with the effectiveness of the Department's contribution to national security is greater than 80%.
2018–19 (b)	<i>Timely, relevant and forward leaning cyber security policy advice, to protect and advance Australia's interests online.</i>	<i>Active mitigation of risk by identifying and delivering policy initiatives and incident management procedures.</i>
2019–20 and beyond	<i>As per 2018–19</i>	<i>As per 2018–19</i>
Purposes (b)	Protect Australia's sovereignty, security and safety through its national security, emergency management system, law enforcement, and managing its border, including managing the stay and departure of all non-citizens.	
Material changes to Program 1.8 resulting from the following measures: Nil		

- (a) New or modified performance criteria that reflect new or materially changed programs are shown in *italics*.
- (b) The performance criteria, targets and purposes will be refined and published in the 2018–19 Corporate Plan.

Program 1.9 Counter Terrorism		
This program contributes to building a safe and secure Australia by developing and coordinating counter-terrorism policy across the Australian Government, in consultation with state and territory government agencies and international partners.		
Delivery	Supporting counter-terrorism through the facilitative coordination of Commonwealth entities to deliver effective counter-terrorism outcomes, including supporting key national and international counter-terrorism forums.	
Performance information		
Year	Performance criteria (a)	Targets
2017–18	Delivery of national counter-terrorism policies, legislation and programs enhances our capacity to detect and respond to potential threats to Australia and its partners.	Reach of countering violent extremist awareness and training products: 70% of training participants find it useful.
2018–19 (b)	As per 2017–18	<i>Evaluate and lead implementation of Australia's Counter-Terrorism Strategy.</i>
2019–20 and beyond	As per 2018–19	<i>As per 2018–19</i>
Purposes (b)	Protect Australia's sovereignty, security and safety through its national security, emergency management system, law enforcement, and managing its border, including managing the stay and departure of all non-citizens.	
Material changes to Program 1.9 resulting from the following measures: Nil		

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

(b) The performance criteria, targets and purposes will be refined and published in the 2018–19 Corporate Plan.

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Program 1.10 Australian Government Disaster Financial Support Payments		
This program contributes to building a safe and secure Australia by coordinating the national response to disasters and improving disaster risk management and mitigation to reduce the impact of natural disasters on our communities.		
Delivery	<p>The program will provide:</p> <ul style="list-style-type: none"> timely and targeted payments and support to individuals and families affected by major disasters throughout Australia; ex gratia assistance to eligible New Zealand 'non-protected' Special Category Visa (subclass 444) holders who have also been adversely affected by the disasters; and loans to states and territories at a concessional interest rate to support disaster recovery assistance to small businesses, primary producers, non-profit organisations and needy individuals. 	
Performance information		
Year	Performance criteria (a)	Targets
2017–18	Provision of national leadership in emergency management reduces the impact of disasters on Australian communities.	Stakeholder and client satisfaction with the Department's effectiveness in providing national leadership in emergency management is greater than 80%.
2018–19 (b)	As per 2017–18	<i>Disaster assistance requested of Emergency Management Australia is approved effectively and efficiently.</i>
2019–20 and beyond	As per 2018–19	<i>As per 2018–19</i>
Purposes (b)	Protect Australia's sovereignty, security and safety through its national security, emergency management system, law enforcement, and managing its border, including managing the stay and departure of all non-citizens.	
Material changes to Program 1.10 resulting from the following measures: Nil		

- (a) New or modified performance criteria that reflect new or materially changed programs are shown in *italics*.
 (b) The performance criteria, targets and purposes will be refined and published in the 2018–19 Corporate Plan.

2.2 BUDGETED EXPENSES AND PERFORMANCE FOR OUTCOME 2

Outcome 2: Support a prosperous and inclusive society, and advance Australia's economic interests through the effective management of the visa, multicultural and citizenship programs and provision of refugee and humanitarian assistance.

Linked programs

The information provided below shows how Outcome 2 links with programs delivered by other Commonwealth entities to contribute to common government objectives.

<p>Attorney-General's Department</p> <p>Program 1.1: Attorney-General's Department Operating Expenses – Civil Justice and Legal Services</p> <p>Program 1.2: Attorney-General's Department Operating Expenses – National Security and Criminal Justice</p> <p>Contribution to Outcome 2 made by linked programs</p> <p>The Attorney-General's Department contributes to policy development and advice on transnational organised crime, including people smuggling and human trafficking, law enforcement matters, provision of information of national security value, firearms, counter-terrorism, prohibited and restricted goods, illegal drug interdiction, money laundering and regional operations and intercountry adoption arrangements.</p>
<p>Department of Education and Training</p> <p>Program 2.8: Building Skills and Capability</p> <p>Contribution to Outcome 2 made by linked program</p> <p>The Department of Education and Training works with the Department of Home Affairs to provide clearer pathways and improved access to training for eligible migrants and humanitarian entrants.</p>
<p>Department of Foreign Affairs and Trade</p> <p>Program 1.1: Foreign Affairs and Trade Operations</p> <p>Program 2.2: Passport Services</p> <p>Contribution to Outcome 2 made by linked programs</p> <p>The Department of Foreign Affairs and Trade (DFAT) contributes to whole-of-government efforts bilaterally and regionally to counter people-smuggling and human trafficking. DFAT provide high-quality passport services, which support international traveller facilitation.</p>

<p>Department of Health Program 2.1: Mental Health</p> <p>Contribution to Outcome 2 made by linked program The Department of Health contributes to supporting permanently-resettled humanitarian entrants and those on certain visa products living in the Australian community through the provision of the Program of Assistance for Survivors of Torture and Trauma.</p>
<p>Department of Human Services Program 1.1: Services to the Community – Social Security and Welfare</p> <p>Contribution to Outcome 2 made by linked program The Department of Human Services supports individuals, families and communities to achieve greater self-sufficiency by providing access to payments and services on behalf of government. This includes providing assistance to people living in the community while their immigration status is resolved.</p>
<p>Department of Jobs and Small Business Program 1.1: Employment Services</p> <p>Contribution to Outcome 2 made by linked program The Department of Jobs and Small Business fosters a productive and competitive labour market through employment policies and programs that assist job seekers, including eligible migrants and humanitarian entrants, into work to meet employer needs and increase Australia’s workforce participation.</p>
<p>Department of Social Services Program 2.1: Families and Communities</p> <p>Contribution to Outcome 2 made by linked program The Department of Social Services delivers settlement support for humanitarian entrants and other eligible migrants in their first five years of life in Australia. Services promote economic and social well-being of clients by supporting them to become fully-functioning and self-reliant members of society as soon as possible after arrival in Australia.</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

	2017–18 Estimated actual \$'000	2018–19 Budget \$'000	2019–20 Forw ard estimate \$'000	2020–21 Forw ard estimate \$'000	2021–22 Forw ard estimate \$'000
Program 2.1: Multicultural Affairs and Citizenship					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	–	5,416	422	425	428
Expenses not requiring appropriation in the Budget year (a)	–	–	–	–	–
Administered total	–	5,416	422	425	428
Departmental expenses					
Departmental appropriation (b)	50,428	48,723	46,014	45,157	42,198
s74 retained revenue receipts (c)	1,955	1,966	2,016	2,061	2,064
Expenses not requiring appropriation in the Budget year (a)	7,806	7,906	8,105	9,566	9,566
Departmental total	60,189	58,595	56,135	56,784	53,828
Total expenses for Program 2.1	60,189	64,011	56,557	57,209	54,256
Program 2.2: Migration					
Departmental expenses					
Departmental appropriation (b)	242,145	207,589	181,263	160,901	150,114
s74 retained revenue receipts (c)	60,096	61,199	62,566	63,851	64,855
Expenses not requiring appropriation in the Budget year (a)	21,601	21,545	21,449	21,765	21,765
Departmental total	323,842	290,333	265,278	246,517	236,734
Total expenses for Program 2.2	323,842	290,333	265,278	246,517	236,734
Program 2.3: Visas					
Departmental expenses					
Departmental appropriation (b)	383,071	338,644	324,705	299,023	293,154
s74 retained revenue receipts (c)	30,588	29,873	30,574	31,202	31,216
Expenses not requiring appropriation in the Budget year (a)	43,069	40,866	38,462	35,863	35,863
Departmental total	456,728	409,383	393,741	366,088	360,233
Total expenses for Program 2.3	456,728	409,383	393,741	366,088	360,233

Table 2.2.1: Budgeted expenses for Outcome 2 (continued)

	2017–18 Estimated actual \$'000	2018–19 Budget \$'000	2019–20 Forw ard estimate \$'000	2020–21 Forw ard estimate \$'000	2021–22 Forw ard estimate \$'000
Program 2.4: Refugee and Humanitarian Assistance					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	32,769	42,711	33,508	34,145	34,718
Expenses not requiring appropriation in the Budget year (a)	–	–	–	–	–
Administered total	32,769	42,711	33,508	34,145	34,718
Departmental expenses					
Departmental appropriation (b)	113,673	88,752	85,090	84,581	83,878
s74 retained revenue receipts (c)	10,231	9,664	9,877	10,096	10,101
Expenses not requiring appropriation in the Budget year (a)	4,043	3,852	3,722	3,839	3,839
Departmental total	127,947	102,268	98,689	98,516	97,818
Total expenses for Program 2.4	160,716	144,979	132,197	132,661	132,536
Outcome 2 Totals by appropriation type					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	32,769	48,127	33,930	34,570	35,146
Expenses not requiring appropriation in the Budget year (a)	–	–	–	–	–
Administered total	32,769	48,127	33,930	34,570	35,146
Departmental expenses					
Departmental appropriation (b)	789,317	683,708	637,072	589,662	569,344
s74 retained revenue receipts (c)	102,870	102,702	105,033	107,210	108,236
Expenses not requiring appropriation in the Budget year (a)	76,519	74,169	71,738	71,033	71,033
Departmental total	968,706	860,579	813,843	767,905	748,613
Total expenses for Outcome 2	1,001,475	908,706	847,773	802,475	783,759
	2017–18	2018–19			
Average staffing level (number)	4,612	4,769			

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

- (a) Expenses not requiring appropriation in the Budget year are made up of depreciation, amortisation, write-down and impairment of assets.
- (b) Departmental appropriation combines ordinary annual services Appropriation Act (No. 1) and Bill (No. 3).
- (c) Estimated expenses incurred in relation to receipts retained under section 74 of the PGPA Act.

Table 2.2.2: Performance criteria for Outcome 2

Table 2.2.2 below details the performance criteria for each program associated with Outcome 2. It also summarises how each program is delivered and where 2018–19 Budget measures have created new programs or materially changed existing programs.

Outcome 2: Support a prosperous and inclusive society, and advance Australia’s economic interests through the effective management of the visa, multicultural and citizenship programs and provision of refugee and humanitarian assistance.		
Program 2.1 Multicultural Affairs and Citizenship To support a prosperous and inclusive society through the promotion, delivery and effective management of the Australian multicultural and citizenship programs.		
Delivery	Mechanisms through which program 2.1 will be delivered include: <ul style="list-style-type: none"> • delivery of the multicultural and citizenship programs within the parameters set by the Government; • supporting a strong and cohesive Australian society through the promotion of a unifying citizenship; • strengthening the integrity and efficiency of citizenship systems to attract quality applicants and meet the needs of the Australian community and economy; and • promoting the value of multiculturalism and Australian citizenship. 	
Performance information		
Year	Performance criteria (a)	Targets
2017–18	<i>Immigration and citizenship programs support the Australian economy and strengthen social cohesion.</i>	<i>High social cohesion is reported from the results of national surveys by the Scanlon Foundation ‘Mapping Social Cohesion’ and the annual Lowy Institute Poll.</i>
2018–19 (b)	<i>As per 2017–18</i>	<i>As per 2017–18</i>
2019–20 and beyond	<i>As per 2018–19</i>	<i>As per 2018–19</i>
Purposes (b)	Support a prosperous and inclusive society, and advance Australia’s economic interests through the effective management of the visa, multicultural and citizenship programs and provision of refugee and humanitarian assistance.	
Material changes to Program 2.1 resulting from the following measures: Nil		

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

(b) The performance criteria, targets and purposes will be refined and published in the 2018–19 Corporate Plan.

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Program 2.2 Migration		
To support a prosperous and inclusive society and advance Australia's economic interests through the effective management and delivery of the Skilled and Family Migration Programs.		
Delivery	Mechanisms through which program 2.2 will be delivered include: <ul style="list-style-type: none"> • delivering the migration program within planning levels set by the Government, and maintain program integrity and intention; and • finalising visa applications within applicable standards and according to priority processing directions. 	
Performance information		
Year	Performance criteria (a)	Targets
2017–18	<i>Immigration and citizenship programs support the Australian economy and strengthen social cohesion.</i>	<i>Visa program reduces identified skill shortages compared with the previous year.</i> <i>Labour market outcomes of surveyed migrants 18 months after arrival/visa grant as reported in the Continuous Survey of Australian Migrants:</i> – employed >70% – unemployed <10% – not in the labour force <20%.
2018–19 (b)	<i>As per 2017–18</i>	<i>As per 2017–18</i>
2019–20 and beyond	<i>As per 2018–19</i>	<i>As per 2018–19</i>
Purposes (b)	Support a prosperous and inclusive society, and advance Australia's economic interests through the effective management of the visa, multicultural and citizenship programs and provision of refugee and humanitarian assistance.	
Material changes to Program 2.2 resulting from the following measures: Nil		

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

(b) The performance criteria, targets and purposes will be refined and published in the 2018–19 Corporate Plan.

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Program 2.3 Visas		
To advance Australia's economic interests and respond to Australia's changing security, economic, cultural and social needs through the effective management and delivery of temporary entry programs.		
Delivery	Mechanisms through which program 2.3 will be delivered include: <ul style="list-style-type: none"> • supporting Australia's economic development and needs through sustainable growth in temporary visa programs; • ensuring temporary entry does not increase health risks or costs to the Australian community; • ensuring permanent and temporary entry does not increase risks to the security and good order of Australia or undermine the integrity of visa programs, through the administration of the character provisions and cancellation powers; • increasing the use of biometrics and identity management services to facilitate the movement of legitimate travellers, and detect and deter those who pose a risk to the Australian community and national interest; • promoting a high level of confidence in the accurate identification of people entering and departing Australia and those likely to threaten the national interest; • pursuing system and capability improvements in order to effectively manage the growth in temporary entry caseloads; and • finalising visa applications within applicable standards and according to priority processing directions. 	
Performance information		
Year	Performance criteria (a)	Targets
2017–18	<i>Facilitation of legitimate travel, streamlined visa and citizenship processing and the provision of advice promotes seamless client access.</i>	<i>Analysis of website usage and client feedback demonstrates the user experience is improving. Increase in the number (in proportion to the volume) of travellers who are eligible to use Smart Gates at Australian airports.</i>

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Year	Performance criteria (a)	Targets
2018–19 (b)	<i>As per 2017–18</i> <i>Effective regulatory, status resolution, enforcement and detention activities promote program integrity, compliance and timely status outcomes at the lowest cost to government.</i>	<i>As per 2017–18</i> <i>Less than 10% of people engaged with the Status Resolution Program are managed in immigration detention.</i> <i>More than 85% of people detained under s189 have their status resolved, or are placed in the community, within 90 days of being detained.</i> <i>100% of decisions to detain are reviewed within 48 hours.</i>
2019–20 and beyond	<i>As per 2018–19</i>	<i>As per 2018–19</i>
Purposes (b)	Support a prosperous and inclusive society, and advance Australia's economic interests through the effective management of the visa, multicultural and citizenship programs and provision of refugee and humanitarian assistance.	
Material changes to Program 2.3 resulting from the following measures: Nil		

- (a) New or modified performance criteria that reflect new or materially changed programs are shown in *italics*.
- (b) The performance criteria, targets and purposes will be refined and published in the 2018–19 Corporate Plan.

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Program 2.4 Refugee and Humanitarian Assistance		
The effective management and delivery of Australia's Humanitarian Program reflects government priorities and Australia's international protection obligations.		
Delivery	Mechanisms through which program 2.4 will be delivered include: <ul style="list-style-type: none"> • contributing to the resettlement of refugees and those in humanitarian need through the delivery of the Humanitarian Program; • resettling humanitarian entrants living in protracted or refugee like situations who are in need of protection; • providing visa pathways to those needing Australia's protection, including through the use of temporary visas for those who sought protection in Australia after arriving in an illegal manner; and • continuing to develop policy, program design and procedures to improve the efficiency, effectiveness, accountability and integrity of the Humanitarian Programme. 	
Performance information		
Year	Performance criteria (a)	Targets
2017–18	<i>Provision of orderly and planned humanitarian pathways contributes to the global management of refugees and displaced persons.</i>	<i>The Humanitarian Program is delivered within the planning ceiling set by the Government for each category.</i>
2018–19 (b)	<i>As per 2017–18</i>	<i>The Humanitarian Program is delivered in accordance with priorities and informed by program parameters set by the Government.</i>
2019–20 and beyond	<i>As per 2018–19</i>	<i>As per 2018–19</i>
Purposes (b)	Support a prosperous and inclusive society, and advance Australia's economic interests through the effective management of the visa, multicultural and citizenship programs and provision of refugee and humanitarian assistance.	
Material changes to Program 2.4 resulting from the following measures: Nil		

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

(b) The performance criteria, targets and purposes will be refined and published in the 2018–19 Corporate Plan.

2.3 BUDGETED EXPENSES AND PERFORMANCE FOR OUTCOME 3

Outcome 3: Advance Australia's economic interests through the facilitation of the trade of goods to and from Australia and the collection of border revenue.

Linked programs

The information provided below shows how Outcome 3 links with programs delivered by other Commonwealth entities to contribute to common government objectives.

Austrade

Program 1.1: Promotion of Australia's export and other international economic interests

Contribution to Outcome 3 made by linked program

Austrade cooperates with the Department of Home Affairs by providing advice on visa policy where this affects trade, tourism, international education and investment. Austrade is also the sole nominating entity for the Premium Investment Visa program and is a nominating entity for the Significant Investor Visa program, which are managed by the Department of Home Affairs.

Australian Taxation Office

Various Programs

Contribution to Outcome 3 made by linked programs

The Department of Home Affairs collects or administers on behalf of the Australian Taxation Office relevant taxes including Goods and Services Tax, Wine Equalisation Tax, Tourist Refund Scheme and Luxury Car Tax.

Department of Foreign Affairs and Trade

Program 1.1: Foreign Affairs and Trade Operations

Program 2.2: Passport Services

Contribution to Outcome 3 made by linked programs

The Department of Foreign Affairs and Trade (DFAT) contributes to whole-of-government efforts bilaterally and regionally to counter people-smuggling and human trafficking. DFAT also negotiates, finalises and implements Australia's free trade agreement (FTA) agenda and explores opportunities for FTAs with other trading partners. DFAT provides high-quality passport services that support international traveller facilitation.

Department of Industry, Innovation and Science

Program 2: Growing Business Investment and Improving Business Capability

Contribution to Outcome 3 made by linked program

The Department of Industry, Innovation and Science contributes to policy development and advice on matters relating to intellectual property rights, trademarks, anti-dumping, preferential and non-preferential trade schemes, regulated, prohibited and restricted goods and industry assistance.

Department of the Treasury

Various programs

Contribution to Outcome 3 made by linked programs

The Department of the Treasury provides policy advice in key areas on the design of taxation laws, including customs duty, Visa Application Charges (VAC), Passenger Movement Charge (PMC), Import Processing Charge (IPC) and duty refunds.

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

	2017–18 Estimated actual \$'000	2018–19 Budget \$'000	2019–20 Forw ard estimate \$'000	2020–21 Forw ard estimate \$'000	2021–22 Forw ard estimate \$'000
Program 3.1 Border—Revenue Collection					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	–	–	–	–	–
Expenses not requiring appropriation in the Budget year (a)	13,500	13,500	13,500	13,500	13,500
Administered total	13,500	13,500	13,500	13,500	13,500
Departmental expenses					
Departmental appropriation (b)	11,314	12,387	7,398	6,995	6,515
s74 retained revenue receipts (c)	53,275	52,583	52,689	53,099	53,400
Expenses not requiring appropriation in the Budget year (a)	4,179	3,830	3,294	2,684	2,684
Departmental total	68,768	68,800	63,381	62,778	62,599
Total expenses for Program 3.1	82,268	82,300	76,881	76,278	76,099
Program 3.2 Trade Facilitation and Industry Engagement					
Departmental expenses					
Departmental appropriation (b)	56,917	55,710	52,958	49,723	49,263
s74 retained revenue receipts (c)	280	302	311	319	320
Expenses not requiring appropriation in the Budget year (a)	2,523	2,559	2,254	1,876	1,876
Departmental total	59,720	58,571	55,523	51,918	51,459
Total expenses for Program 3.2	59,720	58,571	55,523	51,918	51,459

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Table 2.3.1: Budgeted expenses for Outcome 3 (continued)

	2017–18 Estimated actual \$'000	2018–19 Budget \$'000	2019–20 Forw ard estimate \$'000	2020–21 Forw ard estimate \$'000	2021–22 Forw ard estimate \$'000
Outcome 3 Totals by appropriation type					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	–	–	–	–	–
Expenses not requiring appropriation in the Budget year (a)	13,500	13,500	13,500	13,500	13,500
Administered total	13,500	13,500	13,500	13,500	13,500
Departmental expenses					
Departmental appropriation (b)	68,231	68,097	60,356	56,718	55,778
s74 retained revenue receipts (c)	53,555	52,885	53,000	53,418	53,720
Expenses not requiring appropriation in the Budget year (a)	6,702	6,389	5,548	4,560	4,560
Departmental total	128,488	127,371	118,904	114,696	114,058
Total expenses for Outcome 3	141,988	140,871	132,404	128,196	127,558
	2017–18	2018–19			
Average staffing level (number)	584	604			

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

- (a) Expenses not requiring appropriation in the Budget year are made up of depreciation, amortisation, write-down and impairment of assets.
- (b) Departmental appropriation combines ordinary annual services Appropriation Act (No. 1) and Bill (No. 3).
- (c) Estimated expenses incurred in relation to receipts retained under section 74 of the PGPA Act.

Table 2.3.2: Performance criteria for Outcome 3

Table 2.3.2 below details the performance criteria for each program associated with Outcome 3. It also summarises how each program is delivered and where 2018–19 Budget measures have created new programs or materially changed existing programs.

Outcome 3: Advance Australia’s economic interests through the facilitation of the trade of goods to and from Australia and the collection of border revenue.		
Program 3.1 Border—Revenue Collection		
To advance Australia’s economic interests through the effective collection and administration of customs duty and border charges.		
Delivery	Mechanisms through which program 3.1 will be delivered include: <ul style="list-style-type: none"> • providing assurance that border revenue administered by the Department of Home Affairs and revenue collected on behalf of other agencies is correctly assessed, reported and paid; • providing assurance that revenue is protected by ensuring the correct application of refunds, concession and exemptions; • undertaking effective risk-based investigations and compliance activities, to promote observance of Australian border laws as they relate to revenue reporting and payment obligations; • collecting and administering the Passenger Movement Charge; and • administering the Tourist Refund Scheme. 	
Performance information		
Year	Performance criteria (a)	Targets
2017–18	<i>Effective collection of revenue, detection of revenue evasion and compliance with border revenue laws and processes advances Australia’s economic interest.</i>	<i>Total amount of revenue collected from the Visa Application Charge, Customs Duty, Import Processing Charge and Passenger Movement Charge in accordance with government settings.</i>
2018–19 (b)	As per 2017–18	As per 2017–18
2019–20 and beyond	As per 2018–19	As per 2018–19
Purposes (b)	Advance Australia’s economic interests through the facilitation of the trade of goods to and from Australia and the collection of border revenue.	
Material changes to Program 3.1 resulting from the following measures:		
<ul style="list-style-type: none"> • <i>Aviation, Air Cargo and International Mail Security Package</i> • <i>Black Economy Package—combatting illicit tobacco</i> 		

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

(b) The performance criteria, targets and purposes will be refined and published in the 2018–19 Corporate Plan.

Program 3.2 Trade Facilitation and Industry Engagement		
To advance Australia's economic interests by co-designing services and policies that reduce the impact on legitimate movement of goods, and supports the Government's trade agenda.		
Delivery	Mechanisms through which program 3.2 will be delivered include: <ul style="list-style-type: none"> • development and delivery of portfolio strategy, legislation and policy, to support the facilitation of legitimate movement; • provision of tariff classification, valuation and rules of origin advice services to importers and exporters; • delivering the Australian Trusted Trader Programme; and • provision of expert advice, support and guidance material for industry to support import and export of legitimate goods. 	
Performance information		
Year	Performance criteria (a)	Targets
2017–18	<i>Facilitation of legitimate trade and movement of goods, provision of advice and engagement with industry supports seamless trade.</i>	<i>Increased level of compliant Import and Export Declarations (pre-clearance) compared with the previous year.</i>
2018–19 (b)	As per 2017–18	As per 2017–18
2019–20 and beyond	As per 2018–19	As per 2018–19
Purposes (b)	Advance Australia's economic interests through the facilitation of the trade of goods to and from Australia and the collection of border revenue.	
Material changes to Program 3.2 resulting from the following measures: Nil		

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements, which provide a comprehensive snapshot of entity finances for the 2018–19 budget year, including the impact of budget measures and resourcing on financial statements.

3.1 BUDGETED FINANCIAL STATEMENTS

3.1.1 Analysis of budgeted financial statements

An analysis of the primary source of movements influencing the financial statements published in the 2018–19 PB Statements is provided below.

Departmental

Budgeted departmental comprehensive income statement

This statement presents the expected financial result for the Department of Home Affairs and identifies expenses and revenues on a full accrual basis.

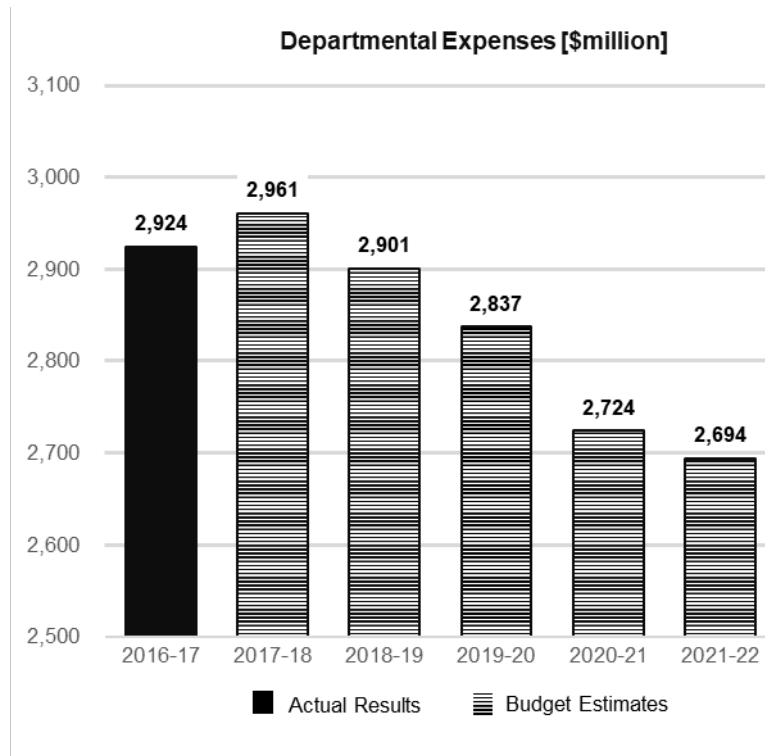
The Department of Home Affairs is budgeting for a surplus of \$6.7 million in 2018–19, adjusted for depreciation and amortisation expense, to fund the establishment of international border clearance capabilities for emerging international airports.

Expenses

In 2018–19, total departmental expenses are expected to decrease from \$2,960.6 million in 2017–18 to \$2,900.8 million, a decrease of \$59.8 million. This movement reflects a net increase of \$20.4 million in 2018–19 due to the impact of new budget measures, including \$14.7 million for the *Operation Sovereign Borders–continuation* measure, being offset by a decrease in expenses of \$80.2 million from other variations and decisions from previous budgets.

Further details of the additional funding for 2018–19 for new measures are provided in the tables in Section 1 of this document.

Figure 2: Total departmental expenses as at 2018–19 Budget



Income

The total departmental revenue is expected to decrease from \$2,699.7 million in 2017–18 to \$2,648.3 million in 2018–19. The decrease of \$51.4 million is due to a decrease in Revenue from Government (appropriation revenue) of \$68.2 million, slightly offset by an increase in the Department of Home Affairs’ own source income of \$16.8 million.

Budgeted departmental balance sheet

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

In 2018–19, total departmental assets are expected to increase from \$1,999.5 million to \$2,006.3 million. The movement of \$6.8 million is due to an increase in non-financial assets of \$12.7 million, offset by a decrease in financial assets of \$5.9 million.

Equity is also expected to increase from \$1,298.5 million to \$1,305.3 million in 2018–19. The increase of \$6.8 million in departmental equity mainly reflects the increase in contributed equity of \$260.4 million, being offset by a decrease in retained surplus (accumulated deficit) of \$253.6 million.

Budgeted departmental statement of cash flows

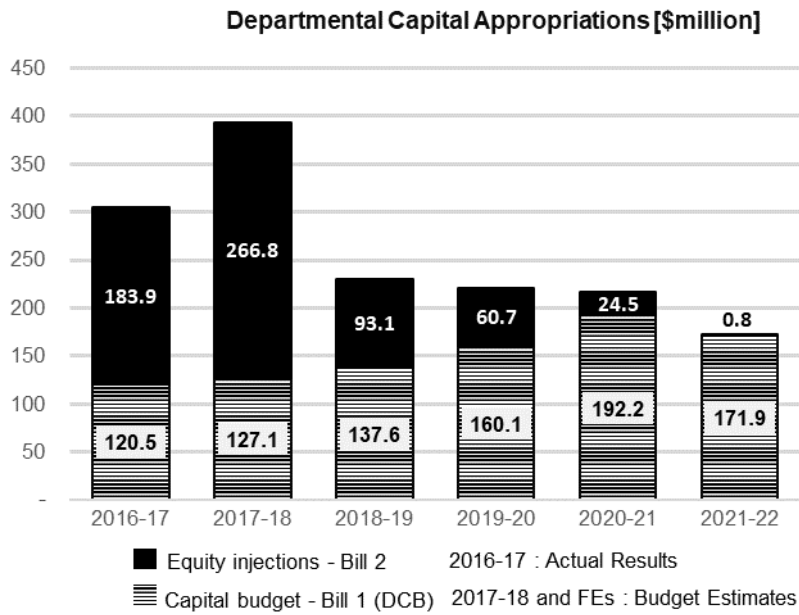
The cash flow statement reports the extent and nature of cash flows, grouped according to operating, investing and financing activities.

The budgeted cash flow reflects the impact of new measures, changes to own-source revenue and changes in expenses and capital investment, as reported in the income statement and balance sheet at Tables 3.1 and 3.2.

Capital budget statement – departmental

Total capital appropriations have reduced in 2018–19 by \$163.1 million as a result of an increase in capital measures of \$16.0 million in 2018–19, being offset by a decrease of \$179.1 million from other variations and decisions from previous budgets. A movement of funds of \$30.1 million has been agreed from 2017–18 to 2018–19 (\$12.1 million) and 2019–20 (\$18.0 million). This is reflected in Table 3.5.

Figure 3: Total departmental capital appropriations as at 2018–19 Budget.



Statement of asset movements

This statement reports the budgeted movements by asset class of the Department of Home Affairs' non-financial assets during the current financial year.

The increase of \$12.7 million in the estimated net book balance from 1 July 2018 to 30 June 2019 is due to the net impact of an increase in asset acquisition of \$271.9 million being offset by depreciation and amortisation expenses of \$259.2 million.

Administered

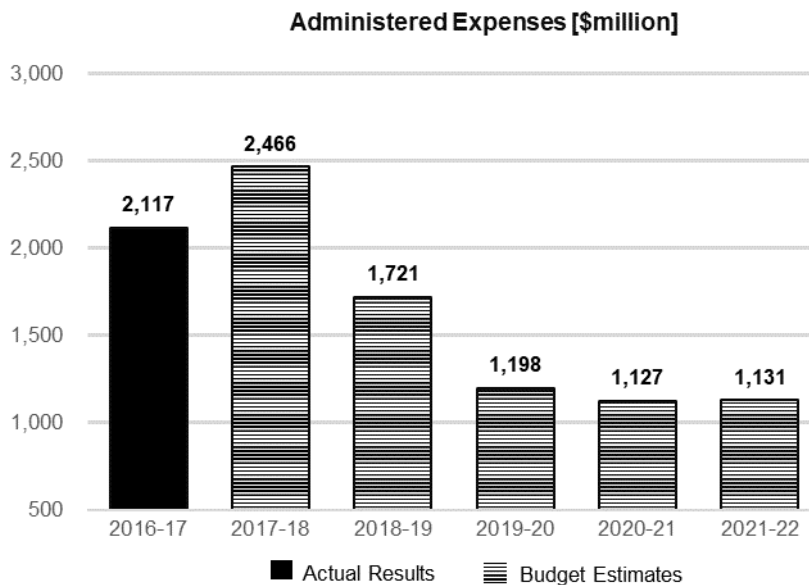
Schedule of budgeted income and expenses administered on behalf of government

This schedule identifies the main revenue and expense items administered by the Department of Home Affairs on behalf of the Government.

Expenses

In 2018-19, administered expenses are expected to decrease from \$2,465.6 million in 2017-18 to \$1,721.3 million, a decrease of \$744.3 million. The decrease in administered expenses is due to one-off non-cash capital grant in 2017-18 and the ongoing reduction in the number of non-citizens being managed by the Department of Home Affairs, including the efficient and effective use of detention facilities.

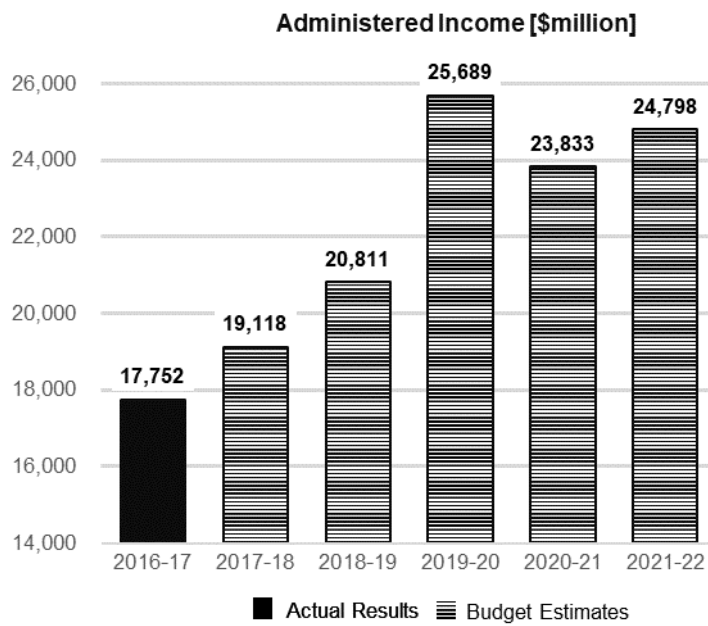
Figure 4: Administered expenses as at 2018-19 Budget.



Income

In 2018–19, the Department of Home Affairs will administer the collection of revenue on behalf of the Government of an estimated \$20,810.6 million, which is an increase of \$1,692.1 million compared to the 2017–18 estimates of \$19,118.5 million.

Figure 5: Administered income as at 2018–19 Budget.



The major drivers that have contributed to the increase in the estimates between 2017–18 and 2018–19 are outlined below.

Customs Duty

In 2018–19, the Department of Home Affairs estimates that it will collect \$16,499.5 million in customs duty, an increase of \$1,170.2 million over the 2017–18 estimates. This increase is predominately due to the previous *Tax Reform Package – Tobacco excise – measures to improve health outcomes and combat illicit tobacco* measure, which was agreed as part of the 2016–17 Budget process. General Duty is also proposed to increase due to realignment of the budget, as the effect of the China Free Trade Agreement has now been realised.

In 2019–20, the Department of Home Affairs estimates that it will collect \$21,129.5 million in customs duty. The increase from 2018-19 is largely due to the *Black Economy Package – combatting illicit tobacco* measure.

Other Taxes

The Other Taxes estimate has increased from \$3,703.4 million in 2017–18 to \$4,217.2 million in 2018–19.

Revenue from Visa Application Charges (VAC) is expected to increase to \$2,541.7 million in 2018–19, an increase of \$394.4 million over the 2017–18 estimates. The increase is primarily due to previous Budget measures, which impacted visa applications and pricing and, to a lesser extent, new measures.

A further increase of \$119.5 million is due to increases in the revenue estimates for both the Passenger Movement Charge (PMC) and Import Processing Charge (IPC). The expected increase in collections of the PMC generally aligns with the expected growth in international passenger movements. The estimated increase in IPC is primarily due to the expected growth in imports, which have the IPC applied. The projected revenue from IPC, as part of the *Aviation, Air Cargo and International Mail Security Package* measure, will be used to offset the costs associated with this measure.

Non-Taxation Revenue

Non-taxation Revenue is comprised of Sale of goods and services; Fees and Fines and Other revenue. The estimate for 2018–19 is \$85.3 million and remains relatively constant over the forward years.

Schedule of budgeted assets and liabilities administered on behalf of government

This schedule reports assets and liabilities administered by the Department of Home Affairs on behalf of the Government.

In 2018–19, total administered assets are expected to increase by \$108.6 million from \$1,740.7 million to \$1,849.3 million. The movement is due to the increase in taxation receivables, offset partially by a decrease in non-financial assets, being mainly immigration detention facilities.

Schedule of budgeted administered cash flows

This schedule shows the cash flow administered on behalf of the Government. The cash flows largely reflect the transactions of the schedule of income and expenses.

The budgeted cash flows reflect the impact of the expected increase in tax income collected being offset by an increase in cash to the Official Public Account to be used for appropriations.

Schedule for administered capital budget statement

This statement reports the forward plan for capital expenditure.

Total capital appropriations have reduced in 2018–19 as a result of no additional capital measures and a decrease to the Administered Capital Budget.

Statement of administered asset movements

This statement reports the budgeted movements by asset class of administered non-financial assets during the 2018–19 financial year.

The decrease of \$60.0 million in the estimated net book balance from 1 July 2018 to 30 June 2019 is due to the net impact in expected net acquisition of \$6.1 million being offset by depreciation and amortisation expense of \$66.1 million.

3.2 BUDGETED FINANCIAL STATEMENTS TABLES

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

	2017–18 Estimated actual \$'000	2018–19 Budget \$'000	2019–20 Forw ard estimate \$'000	2020–21 Forw ard estimate \$'000	2021–22 Forw ard estimate \$'000
EXPENSES					
Employee benefits	1,420,199	1,465,457	1,460,162	1,453,802	1,435,447
Suppliers	1,272,268	1,176,082	1,132,511	1,044,085	1,031,995
Depreciation and amortisation	268,130	259,248	244,509	226,572	226,572
Total expenses	2,960,597	2,900,787	2,837,182	2,724,459	2,694,014
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	133,025	143,008	143,655	144,974	146,269
Recovery of costs	40,356	38,200	39,127	39,860	39,860
Fees and fines	12,788	12,980	13,175	13,372	13,372
Rental income	2,047	2,145	2,213	2,284	2,357
Royalties	3,085	3,095	3,095	3,095	3,095
Other revenue	10,346	18,983	12,150	12,680	12,680
Total own-source revenue	201,647	218,411	213,415	216,265	217,633
Gains					
Sale of assets	–	–	–	–	–
Foreign exchange gains	38	–	–	–	–
Total gains	38	–	–	–	–
Total own-source income	201,685	218,411	213,415	216,265	217,633
Net cost of/(contribution by) services	2,758,912	2,682,376	2,623,767	2,508,194	2,476,381
Revenue from government	2,498,058	2,429,855	2,379,258	2,281,622	2,249,809
Surplus/(deficit) attributable to the Australian Government	(260,854)	(252,521)	(244,509)	(226,572)	(226,572)
Total comprehensive income/(loss) attributable to the Australian Government	(260,854)	(252,521)	(244,509)	(226,572)	(226,572)

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					
	2017-18	2018-19	2019-20	2020-21	2021-22
	\$'000	\$'000	\$'000	\$'000	\$'000
Total comprehensive income/(loss) excluding depreciation/amortisation expenses previously funded through revenue appropriations (a)	7,276	6,727	–	–	–
less depreciation/amortisation expenses previously funded through revenue appropriations (b)	268,130	259,248	244,509	226,572	226,572
Total comprehensive income/(loss)—as per the statement of comprehensive income	(260,854)	(252,521)	(244,509)	(226,572)	(226,572)

Prepared on Australian Accounting Standards basis.

- (a) \$7.3 million in 2017–18 and \$6.7 million in 2018–19 to fund the establishment of international border clearance capabilities for Emerging International Airports. Please refer to Table 3.5 departmental capital budget statement (DCB).
- (b) From 2010–11, the Government introduced net cash appropriation arrangements where Appropriation Act No. 1 or Bill No. 3 revenue appropriations for the depreciation/amortisation expenses of non-corporate Commonwealth entities were replaced with a separate DCB provided through Appropriation Act (No. 1) or Bill (No. 3) equity appropriations. For information regarding DCBs, please refer to Table 3.6 departmental capital budget statement.

Department of Home Affairs Budget Statements

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

	2017–18 Estimated actual \$'000	2018–19 Budget \$'000	2019–20 Forw ard estimate \$'000	2020–21 Forw ard estimate \$'000	2021–22 Forw ard estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	4,241	4,241	4,241	4,241	4,241
Trade and other receivables	494,982	489,117	489,117	489,117	489,117
Other financial assets	4,880	4,880	4,880	4,880	4,880
Total financial assets	504,103	498,238	498,238	498,238	498,238
Non-financial assets					
Land	26,232	28,747	32,680	36,320	36,996
Buildings	132,440	133,105	126,164	119,960	107,502
Property, plant and equipment	665,374	652,571	638,248	673,068	682,391
Intangibles	588,020	610,336	621,927	579,731	528,252
Inventories	22,139	22,139	22,139	22,139	22,139
Other non-financial assets	61,191	61,191	61,191	61,191	61,191
Total non-financial assets	1,495,396	1,508,089	1,502,349	1,492,409	1,438,471
Total assets	1,999,499	2,006,327	2,000,587	1,990,647	1,936,709
LIABILITIES					
Payables					
Suppliers	223,929	223,929	223,929	223,929	223,929
Other payables	26,803	26,803	26,803	26,803	26,803
Total payables	250,732	250,732	250,732	250,732	250,732
Provisions					
Employee provisions	414,479	414,479	414,479	414,479	414,479
Other provisions	35,823	35,823	35,823	35,823	35,823
Total provisions	450,302	450,302	450,302	450,302	450,302
Total liabilities	701,034	701,034	701,034	701,034	701,034
Net assets	1,298,465	1,305,293	1,299,553	1,289,613	1,235,675
EQUITY (a)					
Parent entity interest					
Contributed equity	2,801,156	3,061,532	3,300,346	3,517,023	3,689,703
Reserves	239,667	239,667	239,667	239,667	239,667
Retained surplus/(accumulated deficit)	(1,742,358)	(1,995,906)	(2,240,460)	(2,467,077)	(2,693,695)
Total parent entity interest	1,298,465	1,305,293	1,299,553	1,289,613	1,235,675
Total equity	1,298,465	1,305,293	1,299,553	1,289,613	1,235,675

Prepared on Australian Accounting Standards basis.

(a) 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 2018–19)

	Retained earnings	Asset revaluation reserve	Contributed equity/capital	Total equity
	\$'000	\$'000	\$'000	\$'000
Opening balance as at 1 July 2018				
Balance carried forward from previous period	(1,742,358)	239,667	2,801,156	1,298,465
Adjusted opening balance	(1,742,358)	239,667	2,801,156	1,298,465
Comprehensive income				
Surplus (deficit) for the period	(252,521)	–	–	(252,521)
Total comprehensive income	(252,521)	–	–	(252,521)
of which:				
Attributable to the Australian Government	(252,521)	–	–	(252,521)
Transactions with owners				
Distributions to owners				
Returns of capital:				
Restructuring	(1,027)	–	17,643	16,616
Transactions with owners				
Contributions by owners				
Equity Injection–Appropriation	–	–	93,081	93,081
Departmental Capital Budget (DCB)	–	–	149,652	149,652
Sub-total transactions with owners	(1,027)	–	260,376	259,349
Estimated closing balance as at 30 June 2019	(1,995,906)	239,667	3,061,532	1,305,293
Closing balance attributable to the Australian Government	(1,995,906)	239,667	3,061,532	1,305,293

Prepared on Australian Accounting Standards basis.

Department of Home Affairs Budget Statements

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

	2017–18 Estimated actual \$'000	2018–19 Budget \$'000	2019–20 Forward estimate \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	2,502,981	2,435,720	2,379,258	2,281,622	2,249,809
Sale of goods and rendering of services	135,046	145,153	145,868	147,258	148,626
Net GST received	124,573	124,573	124,573	124,573	124,573
Other	66,461	73,258	67,547	69,007	69,007
Total cash received	2,829,061	2,778,704	2,717,246	2,622,460	2,592,015
Cash used					
Employees	1,402,986	1,465,457	1,460,162	1,453,802	1,435,447
Suppliers	1,403,534	1,300,655	1,257,084	1,168,658	1,156,568
Borrowing costs	–	–	–	–	–
s74 retained revenue receipts	–	–	–	–	–
Other	101	–	–	–	–
Total cash used	2,806,621	2,766,112	2,717,246	2,622,460	2,592,015
Net cash from/(used by) operating activities	22,440	12,592	–	–	–
INVESTING ACTIVITIES					
Cash received					
Proceeds from sales of property, plant and equipment	–	–	–	–	–
Total cash received	–	–	–	–	–
Cash used					
Purchase of property, plant, equipment and intangibles	408,122	255,325	238,814	216,677	172,680
Total cash used	408,122	255,325	238,814	216,677	172,680
Net cash from/(used by) investing activities	(408,122)	(255,325)	(238,814)	(216,677)	(172,680)
FINANCING ACTIVITIES					
Cash received					
Contributed equity	385,709	242,733	238,814	216,677	172,680
Total cash received	385,709	242,733	238,814	216,677	172,680
Net cash from/(used by) financing activities	385,709	242,733	238,814	216,677	172,680
Net increase/(decrease) in cash	27	–	–	–	–
Cash and cash equivalents at the beginning of the reporting period	4,214	4,241	4,241	4,241	4,241
Cash and cash equivalents at the end of the reporting period	4,241	4,241	4,241	4,241	4,241

Prepared on Australian Accounting Standards basis.

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

	2017–18 Estimated actual \$'000	2018–19 Budget \$'000	2019–20 Forw ard estimate \$'000	2020–21 Forw ard estimate \$'000	2021–22 Forw ard estimate \$'000
NEW CAPITAL APPROPRIATIONS					
Capital budget—Act No. 1 and Bill 3 (DCB)	127,056	137,575	160,081	192,193	171,879
Equity injections—Act No. 2 and Bill 4	266,752	93,081	60,745	24,484	801
Total new capital appropriations	393,808	230,656	220,826	216,677	172,680
Provided for:					
Purchase of non-financial assets	393,808	230,656	220,826	216,677	172,680
Total Items	393,808	230,656	220,826	216,677	172,680
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriations (a)	304,145	98,946	60,745	24,484	801
Funded internally by departmental resources (b)	7,276	6,727	—	—	—
Funded by capital appropriation—DCB (c)	96,991	149,652	178,069	192,193	171,879
TOTAL AMOUNT SPENT	408,412	255,325	238,814	216,677	172,680
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	408,122	255,325	238,814	216,677	172,680
TOTAL CASH REQUIRED TO ACQUIRE ASSETS	408,122	255,325	238,814	216,677	172,680

Prepared on Australian Accounting Standards basis.

(a) Includes both current and prior Bill (No. 4) and prior Act 2 and Bills 4 and 6 appropriations and special capital appropriations.

(b) Funded by section 74 revenue received for Emerging International Airports.

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

Note: Capital funds of \$30.1 million have been moved from 2017–18 to 2018–19 (\$12.1 million) and 2019–20 (\$18.0 million).

Department of Home Affairs Budget Statements

Table 3.6: Statement of asset movements (Budget year 2018-19)

	Land	Buildings	Other property, plant and equipment	Computer software and Intangibles	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
As at 1 July 2018					
Gross book value	26,232	254,041	936,910	1,333,044	2,550,227
Accumulated depreciation/amortisation and impairment	–	(121,601)	(271,536)	(745,024)	(1,138,161)
Opening net book balance	26,232	132,440	665,374	588,020	1,412,066
CAPITAL ASSET ADDITIONS					
Estimated expenditure on new or replacement assets					
By purchase—appropriation equity (a)	2,515	18,416	73,367	160,000	254,298
From acquisition of entities or operations (including restructuring)	–	17,643	–	–	17,643
Total additions	2,515	36,059	73,367	160,000	271,941
Other movements					
Depreciation/amortisation expense	–	(35,394)	(86,170)	(137,684)	(259,248)
Total other movements	–	(35,394)	(86,170)	(137,684)	(259,248)
As at 30 June 2019					
Gross book value	28,747	290,100	1,010,277	1,493,044	2,822,168
Accumulated depreciation/amortisation and impairment	–	(156,995)	(357,706)	(882,708)	(1,397,409)
Closing net book balance	28,747	133,105	652,571	610,336	1,424,759

Prepared on Australian Accounting Standards basis.

(a) 'Appropriation equity' refers to equity injections or administered assets and liabilities appropriations provided through Appropriation Act (No. 2) 2018–2019.

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

	2017–18 Estimated actual \$'000	2018–19 Budget \$'000	2019–20 Forw ard estimate \$'000	2020–21 Forw ard estimate \$'000	2021–22 Forw ard estimate \$'000
EXPENSES ADMINISTERED ON BEHALF OF GOVERNMENT					
Suppliers	1,790,576	1,367,970	950,898	907,733	926,037
Grants	307,494	92,450	55,994	36,418	23,234
Personal benefits	231,208	174,667	113,966	107,671	106,025
Depreciation and amortisation	70,971	66,120	63,904	61,694	61,753
Finance costs	38	15	–	–	–
Write-down and impairment of assets	65,330	20,042	13,500	13,500	13,500
Total expenses administered on behalf of government	2,465,617	1,721,264	1,198,262	1,127,016	1,130,549
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Taxation revenue					
Customs duty	15,329,250	16,499,450	21,129,450	19,109,450	19,890,000
Other taxes	3,703,369	4,217,174	4,476,679	4,640,336	4,825,266
Total taxation revenue	19,032,619	20,716,624	25,606,129	23,749,786	24,715,266
Non-taxation revenue					
Fees and fines	58,700	58,700	58,700	58,700	58,700
Interest	1,369	1,189	966	747	526
Other revenue	25,769	25,456	23,673	23,673	23,673
Total non-taxation revenue	85,838	85,345	83,339	83,120	82,899
Total own-source revenue administered on behalf of government	19,118,457	20,801,969	25,689,468	23,832,906	24,798,165
Gains					
Sale of assets	–	8,598	–	–	–
Total gains administered on behalf of government	–	8,598	–	–	–
Total own-source income administered on behalf of government	19,118,457	20,810,567	25,689,468	23,832,906	24,798,165
Net cost of/(contribution by) services	16,652,840	19,089,303	24,491,206	22,705,890	23,667,616
Surplus/(deficit) after income tax	16,652,840	19,089,303	24,491,206	22,705,890	23,667,616
OTHER COMPREHENSIVE INCOME					
Total other comprehensive income	16,652,840	19,089,303	24,491,206	22,705,890	23,667,616
Total comprehensive income (loss) attributable to the Australian Government	16,652,840	19,089,303	24,491,206	22,705,890	23,667,616

Prepared on Australian Accounting Standards basis.

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

	2017–18 Estimated actual \$'000	2018–19 Budget \$'000	2019–20 Forw ard estimate \$'000	2020–21 Forw ard estimate \$'000	2021–22 Forw ard estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	55,239	55,239	55,239	55,239	55,239
Taxation receivables	328,953	515,453	781,953	631,953	618,453
Trade and other receivables	126,998	109,095	91,563	74,005	57,399
Other financial assets	23,490	23,490	23,490	23,490	23,490
Total financial assets	534,680	703,277	952,245	784,687	754,581
Non-financial assets					
Land	46,205	46,205	46,205	46,205	46,205
Buildings	895,581	848,065	816,143	786,321	755,347
Property, plant and equipment	254,037	241,529	230,571	220,096	211,104
Other non-financial assets	460	460	460	460	460
Total non-financial assets	1,196,283	1,136,259	1,093,379	1,053,082	1,013,116
Assets held for sale	9,750	9,750	9,750	9,750	9,750
Total assets administered on behalf of government	1,740,713	1,849,286	2,055,374	1,847,519	1,777,447
LIABILITIES					
Payables					
Suppliers	244,744	244,744	244,744	244,744	244,744
Personal benefits	23,201	23,201	23,201	23,201	23,201
Grants	–	–	–	–	–
Other payables	42,737	42,737	42,737	42,737	42,737
Total payables	310,682	310,682	310,682	310,682	310,682
Interest bearing liabilities					
Provisions					
Other provisions	10,132	10,132	10,132	10,132	10,132
Total provisions	10,132	10,132	10,132	10,132	10,132
Total liabilities administered on behalf of government	320,814	320,814	320,814	320,814	320,814
Net assets/(liabilities)	1,419,899	1,528,472	1,734,560	1,526,705	1,456,633

Prepared on Australian Accounting Standards basis.

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

	2017–18 Estimated actual \$'000	2018–19 Budget \$'000	2019–20 Forw ard estimate \$'000	2020–21 Forw ard estimate \$'000	2021–22 Forw ard estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Taxes	19,243,669	20,570,624	25,380,129	23,940,286	24,769,266
Net GST received	70,170	70,170	70,170	70,170	70,170
Other	25,296	24,803	29,339	29,120	28,899
Total cash received	19,339,135	20,665,597	25,479,638	24,039,576	24,868,335
Cash used					
Grants	36,254	92,450	55,994	36,418	23,234
Personal benefits	231,208	174,667	113,966	107,671	106,025
Suppliers	1,860,746	1,438,140	1,021,068	977,903	996,207
Total cash used	2,128,208	1,705,257	1,191,028	1,121,992	1,125,466
Net cash from/(used by) operating activities	17,210,927	18,960,340	24,288,610	22,917,584	23,742,869
INVESTING ACTIVITIES					
Cash received					
Proceeds from sale of property, plant, equipment and intangibles	–	23,069	–	–	–
Repayments of advances and loans made	16,359	18,094	17,532	17,558	16,606
Total cash received	16,359	41,163	17,532	17,558	16,606
Cash used					
Purchase of property, plant, equipment and intangibles	129,063	20,567	21,024	21,397	21,787
Advances and loans made	529	206	–	–	–
Total cash used	129,592	20,773	21,024	21,397	21,787
Net cash from/(used by) investing activities	(113,233)	20,390	(3,492)	(3,839)	(5,181)
FINANCING ACTIVITIES					
Cash received					
Capital injections	129,592	20,773	21,024	21,397	21,787
Total cash received	129,592	20,773	21,024	21,397	21,787
Net cash from/(used by) financing activities					
	129,592	20,773	21,024	21,397	21,787
Net increase/(decrease) in cash held	17,227,286	19,001,503	24,306,142	22,935,142	23,759,475

Department of Home Affairs Budget Statements

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

	2017–18 Estimated actual \$'000	2018–19 Budget \$'000	2019–20 Forw ard estimate \$'000	2020–21 Forw ard estimate \$'000	2021–22 Forw ard estimate \$'000
Cash and cash equivalents at beginning of reporting period	55,239	55,239	55,239	55,239	55,239
Cash from Official Public Account for:					
- Appropriations	2,482,080	2,059,129	1,540,858	1,485,322	1,475,296
Total cash from Official Public Account	2,482,080	2,059,129	1,540,858	1,485,322	1,475,296
Cash to Official Public Account for:					
- Appropriations	19,709,366	21,060,632	25,847,000	24,420,464	25,234,771
Total cash to Official Public Account	19,709,366	21,060,632	25,847,000	24,420,464	25,234,771
Cash and cash equivalents at end of reporting period	55,239	55,239	55,239	55,239	55,239

Prepared on Australian Accounting Standards basis.

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

	2017–18 Estimated actual \$'000	2018–19 Budget \$'000	2019–20 Forw ard estimate \$'000	2020–21 Forw ard estimate \$'000	2021–22 Forw ard estimate \$'000
NEW CAPITAL APPROPRIATIONS					
Capital budget—Act 1 and Bill 3 (ACB)	27,520	20,567	21,024	21,397	21,787
Administered Assets and Liabilities—Bill 2	6,119	206	–	–	–
Total new capital appropriations	33,639	20,773	21,024	21,397	21,787
Provided for:					
Purchase of non-financial assets	33,110	20,567	21,024	21,397	21,787
Other items	529	206	–	–	–
Total Items	33,639	20,773	21,024	21,397	21,787
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriations (a)	93,572	206	–	–	–
Funded by capital appropriation—ACB (b)	36,020	20,567	21,024	21,397	21,787
TOTAL AMOUNT SPENT	129,592	20,773	21,024	21,397	21,787
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total accrual purchases	129,592	20,773	21,024	21,397	21,787
Total cash used to acquire assets	129,592	20,773	21,024	21,397	21,787

Prepared on Australian Accounting Standards basis.

- (a) Includes both current Bill 4 and prior Act 2 and Bills 4 and 6 appropriations and special capital appropriations.
- (b) Does not include annual finance lease costs. Includes purchases from current and previous years' administered capital budgets (ACBs).

Department of Home Affairs Budget Statements

Table 3.11: Statement of administered asset movements (Budget year 2018–19)

	Land	Buildings	Other property, plant and equipment	L&B, IP&E held for sale	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
As at 1 July 2018					
Gross book value	46,205	1,071,538	306,962	9,750	1,434,455
Accumulated depreciation/amortisation and impairment	–	(175,957)	(52,925)	–	(228,882)
Opening net book balance	46,205	895,581	254,037	9,750	1,205,573
CAPITAL ASSET ADDITIONS					
Estimated expenditure on new or replacement assets					
By purchase–appropriation equity (a)	–	18,753	1,814	–	20,567
From disposal of entities or operations (including restructuring)	–	(14,471)	–	–	(14,471)
Total additions	–	4,282	1,814	–	6,096
Other movements					
Depreciation/amortisation expense	–	(51,798)	(14,322)	–	(66,120)
Total other movements	–	(51,798)	(14,322)	–	(66,120)
As at 30 June 2019					
Gross book value	46,205	1,075,820	308,776	9,750	1,440,551
Accumulated depreciation/amortisation and impairment	–	(227,755)	(67,247)	–	(295,002)
Closing net book balance	46,205	848,065	241,529	9,750	1,145,549

Prepared on Australian Accounting Standards basis.

(a) 'Appropriation equity' refers to administered assets and liabilities appropriations provided through Appropriation Bill (No. 2) 2018–19.

AUSTRALIAN CRIMINAL INTELLIGENCE COMMISSION

ENTITY RESOURCES AND PLANNED PERFORMANCE

AUSTRALIAN CRIMINAL INTELLIGENCE COMMISSION

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AUSTRALIAN CRIMINAL INTELLIGENCE COMMISSION

Section 1: Entity overview and resources

1.1 STRATEGIC DIRECTION STATEMENT

The Australian Criminal Intelligence Commission (ACIC) was formed on 1 July 2016 as Australia's national criminal intelligence agency to make Australia safer through improved national ability to discover, understand and respond to current and emerging crime threats and criminal justice issues. To do this, the ACIC:

- conducts special intelligence operations and investigations to reduce serious and organised crime threats to Australia;
- builds the national picture of crime with Commonwealth and state and territory partners; and
- connects police and law enforcement to essential criminal intelligence, policing knowledge and information through collaborative national information systems and services.

The ACIC operates in an ever-changing environment, including advances in technology and innovative criminal methodologies. ACIC intelligence estimates that approximately 70 per cent of the highest risk criminals targeting Australia are based offshore or have strong offshore links. To address this, the ACIC is continuing to target the highest threat criminals (referred to as Australian Priority Organisation Targets or APOTs) and is developing critical insights on the most significant threats impacting Australia. Through a multi-agency task force, the ACIC will work with domestic and international partners in targeting APOTs.

The ACIC uses an integrated and collaborative approach, working with national and international partners to achieve its purpose. The ACIC will continue to focus on priority crime themes, including working with partners to discover and disrupt syndicates involved in serious and organised money laundering and other financial crime and inform strategies to protect Australia and its institutions.

The ACIC will continue its role in supporting national security and counter-terrorism activities, working with partners in the newly formed Home Affairs portfolio. The ACIC will continue to collect intelligence and produce operational and strategic intelligence products on a range of serious and organised crime threats, in particular cybercrime, the illicit firearm market, criminal gangs and emerging drug risks, to support national strategies and policy considerations.

In 2018–19, the ACIC will commence the implementation of the National Criminal Intelligence System (NCIS). The system has been successfully piloted and, through a government-funded measure, will be developed to provide a federated intelligence and information sharing platform for collaboration and intelligence sharing with partners.

The Australian Government has also provided funding for the ACIC to deliver several policy initiatives to reduce crime, including:

- enhancing background checks to inform assessments of suitability to hold particular positions of trust;
- contributing insights, awareness and intelligence on the continued threat of cybercrime that domestic and international partners can act on in response to, and as part of, Australia's Cyber Security Strategy;
- continuing to work to establish an objective evidence base on illicit and licit drug use as part of the National Wastewater Drug Monitoring Program, which will commence its final year of funding through the Confiscated Assets Account; and
- hosting the Australian Gangs Intelligence Coordination Centre, which brings together the collective resources of the ACIC, the Commonwealth, and states and territories to directly support the state-based National Anti-Gang Squad strike teams and respond to these criminal elements harming our communities.

The ACIC will also continue to deliver the national policing information systems and services that support over 70,000 approved users, including police officers. The ACIC will also enhance its project management capabilities to meet the challenge of this large and diverse work program.

The ACIC will pursue opportunities to participate in law reform activity to harden the environment leading to the prevention of crime, enhance its ability to collect and share information and intelligence, and evolve its capabilities in line with the ever-evolving capabilities of criminals.

1.2 ENTITY RESOURCE STATEMENT

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

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

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

Information in this table is presented on a resourcing (that is, appropriations/cash available) basis, while 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 ACIC resource statement — Budget estimates for 2018–19 as at Budget May 2018

	<i>2017–18 Estimated actual \$'000</i>	<i>2018–19 Estimate \$'000</i>
Departmental		
Annual appropriations—ordinary annual services (a)		
Prior year appropriations available	48,433	46,009
Departmental appropriation (b)	88,446	103,592
s 74 retained revenue receipts (c)	25,435	22,868
Departmental capital budget (d)	2,640	2,627
Annual appropriations—other services—non-operating (e)		
Prior year appropriations available	335	—
Equity injection	580	21,971
Total departmental annual appropriations	165,869	197,067
Special accounts (f)		
Opening balance	117,613	114,480
Appropriation receipts (g)	848	—
Non-appropriation receipts	94,454	95,361
Total special accounts	212,915	209,841
Less departmental appropriations drawn from annual/special appropriations and credited to special accounts	848	—
Total departmental resourcing	377,936	406,908
Total resourcing for ACIC	377,936	406,908
	<i>2017–18</i>	<i>2018–19</i>
Average staffing level (number)	750	825

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

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

- (a) Appropriation Bill (No. 1) 2018–19.
- (b) Excludes departmental capital budget (DCB).
- (c) Estimated retained 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) 2018–19.
- (f) For further information on special appropriations and special accounts, please refer to Budget Paper No. 4—Agency Resourcing. Please also see Table 2.1.1 for further information on outcome and program expenses broken down by various funding sources, e.g. annual appropriations, special appropriations and special accounts.
- (g) Amounts credited to the special account(s) from the ACIC's annual appropriations.

1.3 BUDGET MEASURES

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

**Table 1.2: ACIC 2018–19 Budget measures
Part 1: Measures announced since the 2017–18 Mid-Year Economic and Fiscal Outlook (MYEFO)**

	Program	2017–18 \$'000	2018–19 \$'000	2019–20 \$'000	2020–21 \$'000	2021–22 \$'000
Revenue measures						
Criminal Intelligence Checking Capability	1.1					
Administered		–	–	–	–	–
Total revenue measures		–	–	–	–	–
Expense measures						
Criminal Intelligence Checking Capability	1.1					
Departmental		–	–	–	–	–
Total		–	–	–	–	–
National Criminal Intelligence System–establishment	1.1					
Departmental		–	12,854	11,827	3,756	3,827
Total		–	12,854	11,827	3,756	3,827
National Security Agencies–additional resourcing	1.1					
Departmental		nfp	nfp	nfp	nfp	nfp
Total		nfp	nfp	nfp	nfp	nfp
Total expense measures						
Departmental		–	12,854	11,827	3,756	3,827
Total		–	12,854	11,827	3,756	3,827
Capital measures						
Criminal Intelligence Checking Capability	1.1					
Departmental		–	–	–	–	–
Total		–	–	–	–	–
National Criminal Intelligence System–establishment	1.1					
Departmental		–	14,010	12,785	–	–
Total		–	14,010	12,785	–	–
National Security Agencies–additional resourcing	1.1					
Departmental		nfp	nfp	nfp	nfp	nfp
Total		nfp	nfp	nfp	nfp	nfp
Total capital measures						
Departmental		–	14,010	12,785	–	–
Total		–	14,010	12,785	–	–

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

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 that 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 PB Statements are part of the enhanced Commonwealth performance framework established by the *Public Governance, Performance and Accountability Act 2013* (PGPA Act). It is anticipated that the performance criteria described in PB Statements will be read with broader information provided in an entity's corporate plans and annual performance statements – included in annual reports – to provide an entity's complete performance story.

The most recent corporate plan for the ACIC can be found at:
www.acic.gov.au/corporateplan

The most recent annual performance statement can be found at:
<https://www.acic.gov.au/australian-criminal-intelligence-commission-annual-report-2016-17>

2.1 BUDGETED EXPENSES AND PERFORMANCE FOR OUTCOME 1

Outcome 1: To make Australia safer through improved national ability to discover, understand and respond to current and emerging crime threats and criminal justice issues, including the ability to connect police and law enforcement to essential criminal intelligence, policing knowledge and information through collaborative national information systems and services.

Linked programs

The information provided below shows how Outcome 1 links with programs delivered by other Commonwealth entities to contribute to common government objectives.

Contribution to Outcome 1 made by linked programs

The ACIC works across national boundaries to provide national policing information systems and services and to bring together Commonwealth, state and territory government partners from law enforcement, intelligence, regulatory and other agencies to achieve the ACIC's outcome of making Australia safer. Every activity the ACIC undertakes has an intersection and linkage with another agency or organisation (including some international partners and private industry).

Budgeted expenses for Outcome 1

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

Table 2.1.1: Budgeted expenses for Outcome 1

Outcome 1: To make Australia safer through improved national ability to discover, understand and respond to current and emerging crime threats and criminal justice issues, including the ability to connect police and law enforcement to essential criminal intelligence, policing knowledge and information through collaborative national information systems and services.

	2017–18 Estimated actual \$'000	2018–19 Budget \$'000	2019–20 Forw ard estimate \$'000	2020–21 Forw ard estimate \$'000	2021–22 Forw ard estimate \$'000
Program 1.1: Australian Criminal Intelligence Commission					
Departmental expenses					
Departmental appropriations	88,446	103,592	99,316	86,604	87,135
Section 74 retained revenue receipts (a)	19,762	19,488	6,587	6,994	7,121
Special accounts					
National Policing Information Systems and Services Special Account	87,886	97,436	96,339	97,326	98,324
Expenses not requiring appropriation in the Budget year (b)	9,430	8,258	8,597	8,894	9,359
Departmental total	205,524	228,774	210,839	199,818	201,939
Total expenses for program 1.1	205,524	228,774	210,839	199,818	201,939
	2017–18	2018–19			
Average staffing level (number)	750	825			

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

(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, resources received free of charges and audit fees.

Table 2.1.2: Performance criteria for Outcome 1

Table 2.1.2 below details the performance criteria for each program associated with Outcome 1. It also summarises how each program is delivered and where 2018–19 Budget measures have created new programs or materially changed existing programs.

<p>Outcome 1: To make Australia safer through improved national ability to discover, understand and respond to current and emerging crime threats and criminal justice issues, including the ability to connect police and law enforcement to essential criminal intelligence, policing knowledge and information through collaborative national information systems and services.</p>	
<p>Program 1.1: Australian Criminal Intelligence Commission</p> <p>The ACIC will improve the national ability to respond to crime and criminal justice issues affecting Australia through the discovery and understanding of new and emerging crime threats - working with and connecting partners to build the picture of crime impacting Australia. The ACIC will respond to serious and organised crime threats by developing new prevention and disruption strategies that disable or dismantle criminal groups through enforcement, as well as contributing to or informing regulations, policy or legislative responses that make Australia safe from crime threats. The ACIC will contribute to or lead nationally coordinated actions and activities through Board-approved special investigations, special intelligence operations and joint taskforces. The ACIC will provide high-quality national policing knowledge and information systems, and service that support the Australian policing community and will ensure controlled access to appropriate information, including by accredited third parties in relation to criminal history checks.</p>	
<p>Delivery</p>	<p>The ACIC undertakes its functions as set out in its enabling legislation (<i>Australian Crime Commission Act 2002</i>). The ACIC works with multiple partners and stakeholders to achieve its outcome, including state, territory and federal police, Commonwealth Government agencies, international law enforcement and intelligence agencies, research bodies, academia, private sector organisations and the community.</p> <p>The functions that are undertaken include:</p> <ul style="list-style-type: none"> • conducting investigations and intelligence operations into federally relevant criminal activity; • maintaining a national database of criminal information and intelligence; • providing and maintaining national information capabilities and services to support policing and law enforcement; • providing strategic criminal intelligence assessments and advice on national criminal intelligence priorities; and • providing nationally coordinated criminal history checks.

Performance information		
Year	Performance criteria	Forecast results
2017–18	Existing systems and services are accessible, used and reliable.	Mid-year performance analysis of quantitative measures and some qualitative results indicate that consistent with previous years performance, existing ACIC systems and services use and availability has been tracking well.
	The delivery and implementation of new and enhanced ACIC systems and services satisfies the needs of stakeholders and users.	Numerous new or enhanced systems and services projects have been delivered, although risks remain to key projects.
	The ACIC is sharing increasing volume, breadth and formats (mediums, platforms) of criminal intelligence and information, police information, and other relevant information.	In line with volumes of recent years, sharing intelligence and information continues, including sharing of information with international partners.
	The ACIC builds, coordinates and maintains strong and collaborative relationships with domestic and international partners.	Continued collaboration with existing partners, but also expansion of, and building relationships with, international partners.
	The picture of crime impacting Australia is improving because the ACIC is discovering crime threats, vulnerabilities, patterns, methods and trends previously unknown.	Qualitative results demonstrate support of partners in discovering new targets, threats and drug manufacturing methods.
	The understanding of the picture of crime impacting Australia is increasingly more comprehensive, integrated and relevant.	There is a greater understanding of the picture of crime impacting Australia, including the production of flagship serious financial crime and drug wastewater reports.
	The understanding of the picture of crime impacting Australia is increasingly used to guide strategies and responses to crime.	ACIC intelligence continues to inform partner responses to crime, and strategies have been informed through the development and maintenance of the Australian Priority Organisation Targets (APOT) list.
	The ACIC better informs and influences the hardening of the environment against crime.	The ACIC provided stakeholders with classified and unclassified intelligence and submissions that have influenced the hardening of the environment against crime.
	The ACIC is conducting investigations and intelligence operations, and producing intelligence, that is effective in disrupting, disabling and dismantling serious and organised crime. ACIC partners are better informed and enabled to undertake policing and community safeguarding activities through access to national information systems and services.	Results relating to specific operational measures can vary due to timing or investigative cycles. However, overall operational results achieved with partners are consistent or higher than previous years, with some very large illicit drug seizures recorded for the year to date.
		The ACIC collects qualitative and quantitative performance data. Qualitative performance results will be collated for inclusion in the annual performance statement.

ACIC Budget Statements

Performance information		
Year	Performance criteria	Planned measurement
2018–19	<p>Existing ACIC systems and services are accessible, used and reliable.</p> <p>Through effective collaboration, enable the delivery and implementation of new and enhanced ACIC systems and services that satisfies the needs of stakeholders and users.</p> <p>The ACIC is sharing increasing volume, breadth and formats (mediums, platforms) of criminal intelligence and information, police information, and other relevant information.</p> <p>The picture of crime impacting Australia is improving because the ACIC is discovering crime threats, vulnerabilities, patterns, methods and trends previously unknown.</p> <p>The understanding of the picture of crime impacting Australia is increasingly more comprehensive, integrated and relevant.</p> <p>The understanding of the picture of crime impacting Australia is increasingly used to influence strategies and responses to crime.</p> <p>The ACIC better informs and influences collaborative efforts to harden the environment against crime.</p> <p>The ACIC is conducting collaborative investigations and intelligence operations, and producing intelligence with and for partners that is effective in disrupting, disabling and dismantling serious and organised crime.</p> <p>ACIC partners are better informed and enabled to undertake policing and community safeguarding activities through access to national information systems and services.</p>	<p>The ACIC collects qualitative and quantitative performance data. The ACIC monitors and analyses trends in quantitative data against relevant performance criteria, where appropriate, which includes;</p> <ul style="list-style-type: none"> • comparative statistics on information and intelligence systems and services availability, usage and support levels; • demonstrated delivery and implementation of planned systems and services that satisfy stakeholders and users; • comparative statistics on volume and breadth of intelligence shared; • the level and types of our activities to discover and understand crime impacting Australia ; • the level, types and results of our responses to disrupting serious and organised crime; and • annual stakeholder survey results that form an overall assessment against the performance criteria.
2019–20 and beyond	<i>As per 2018–19.</i>	<i>As per 2018–19.</i>
Purpose	To make Australia safer through improved national ability to discover, understand and respond to current and emerging crime threats and criminal justice issues including the ability to connect police and law enforcement to essential criminal intelligence, policing knowledge and information through collaborative national information systems and services.	

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2018–19 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 is no material difference between the entity resourcing and financial statements.

3.1.2 Explanatory notes and analysis of budgeted financial statements

Departmental

Income statement

In 2018–19, the estimated appropriation revenue is \$103.6 million. This is an increase of \$15.2 million from the 2017–18 appropriation. The increase is primarily attributed to the new measures listed in the Table 1.2, offset by previous whole-of-government saving measures and efficiency dividends.

Balance sheet

There is a significant growth in the non-financial assets in 2018–19. This is consistent with Table 3.5 departmental capital budget statement, which included \$22.0 million in equity injections from the Government to:

- start building the National Criminal Intelligence System;
- establish criminal intelligence checking capabilities; and
- build the working with children checks national database.

Administered

For the first time the ACIC is forecasting administered revenue. The revenue relates to anticipated fees collected through undertaking criminal intelligence checks.

There are no administered assets or liabilities associated with the *Criminal Intelligence Checking Capability* measure.

3.2 BUDGETED FINANCIAL STATEMENTS TABLES

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

	2017–18 Estimated actual \$'000	2018–19 Budget \$'000	2019–20 Forw ard estimate \$'000	2020–21 Forw ard estimate \$'000	2021–22 Forw ard estimate \$'000
EXPENSES					
Employee benefits	90,394	99,465	101,518	98,196	99,648
Suppliers	90,383	104,957	85,874	77,388	77,801
Depreciation and amortisation (a)	19,977	19,582	18,677	19,534	19,720
Other expenses	4,770	4,770	4,770	4,700	4,770
Total expenses	205,524	228,774	210,839	199,818	201,939
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	119,889	118,229	102,926	104,320	105,445
Other	1,670	1,670	1,670	1,670	1,670
Total own-source revenue	121,559	119,899	104,596	105,990	107,115
Net (cost of)/contribution by services	(83,965)	(108,875)	(106,243)	(93,828)	(94,824)
Revenue from government	88,446	103,592	99,316	86,604	87,135
Surplus/(deficit) attributable to the Australian Government	4,481	(5,283)	(6,927)	(7,224)	(7,689)
Total comprehensive income/(loss) attributable to the Australian Government	4,481	(5,283)	(6,927)	(7,224)	(7,689)
Note: Impact of net cash appropriation arrangements					
	2017–18 \$'000	2018–19 \$'000	2019–20 \$'000	2020–21 \$'000	2021–22 \$'000
Total comprehensive income/(loss) excluding depreciation/ amortisation expenses previously funded through revenue appropriations	12,241	1,305	–	–	–
Less depreciation/amortisation expenses previously funded through revenue appropriations (a)	7,760	6,588	6,927	7,224	7,689
Total comprehensive income/(loss) —as per the statement of comprehensive income	4,481	(5,283)	(6,927)	(7,224)	(7,689)

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.

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

	2017–18 Estimated actual \$'000	2018–19 Budget \$'000	2019–20 Forw ard estimate \$'000	2020–21 Forw ard estimate \$'000	2021–22 Forw ard estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	119,038	92,893	92,893	92,893	92,893
Trade and other receivables	55,752	52,383	50,814	48,849	46,477
Other financial assets	3,427	3,427	3,427	3,427	3,427
Total financial assets	178,217	148,703	147,134	145,169	142,797
Non-financial assets					
Land and buildings	21,733	19,941	17,179	14,031	10,712
Property, plant and equipment	25,271	32,279	30,192	28,881	27,937
Intangibles	32,738	74,009	87,389	87,316	86,599
Other non-financial assets	6,691	6,691	6,691	6,691	6,691
Total non-financial assets	86,433	132,920	141,451	136,919	131,939
Total assets	264,650	281,623	288,585	282,088	274,736
LIABILITIES					
Payables					
Suppliers	21,483	21,143	21,375	21,210	20,640
Other payables	18,155	15,288	13,456	11,624	9,791
Total payables	39,638	36,431	34,831	32,834	30,431
Provisions					
Employee provisions	25,833	25,698	25,698	25,698	25,698
Other provisions	1,665	1,638	1,669	1,701	1,732
Total provisions	27,498	27,336	27,367	27,399	27,430
Total liabilities	67,136	63,767	62,198	60,233	57,861
Net assets	197,514	217,856	226,387	221,855	216,875
EQUITY (a)					
Parent entity interest					
Contributed equity	46,477	71,075	86,488	89,135	91,798
Reserves	11,713	11,713	11,713	11,713	11,713
Retained surplus (accumulated deficit)	139,324	135,068	128,186	121,007	113,364
Total parent entity interest	197,514	217,856	226,387	221,855	216,875
Total equity	197,514	217,856	226,387	221,855	216,875

Prepared on Australian Accounting Standards basis.

(a) Equity is the residual interest in assets after the deduction of liabilities.

**Table 3.3: Departmental statement of changes in equity—summary of movement
(Budget year 2018–19)**

	Retained earnings \$'000	Asset revaluation reserve \$'000	Contributed equity/ capital \$'000	Total equity \$'000
Opening balance as at 1 July 2018				
Balance carried forward from previous period	139,324	11,713	46,477	197,514
Adjusted opening balance	139,324	11,713	46,477	197,514
Comprehensive income				
Surplus/(deficit) for the period	(5,283)	–	–	(5,283)
Total comprehensive income	(5,283)	–	–	(5,283)
Transactions with owners				
Distributions to owners				
Restructuring	1,027	–	–	1,027
Contributions by owners				
Equity injection—Appropriation	–	–	21,971	21,971
Departmental capital budget (DCB)	–	–	2,627	2,627
Sub-total transactions with owners	1,027	–	24,598	25,625
Estimated closing balance as at 30 June 2019	135,068	11,713	71,075	217,856
Closing balance attributable to the Australian Government	135,068	11,713	71,075	217,856

Prepared on Australian Accounting Standards basis.

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

	2017–18 Estimated actual \$'000	2018–19 Budget \$'000	2019–20 Forw ard estimate \$'000	2020–21 Forw ard estimate \$'000	2021–22 Forw ard estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	91,205	106,961	100,885	88,569	89,507
Sale of goods and rendering of services	119,559	117,310	102,926	104,320	105,445
Total cash received	210,764	224,271	203,811	192,889	194,952
Cash used					
Employees	91,096	99,603	101,518	98,196	99,648
Suppliers	90,309	105,267	85,611	77,521	78,340
Other	5,402	5,102	4,932	4,862	4,933
Total cash used	186,807	209,972	192,061	180,579	182,921
Net cash from/(used by) operating activities	23,957	14,299	11,750	12,310	12,031
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant and equipment and intangibles	30,310	65,042	27,163	14,957	14,694
Total cash used	30,310	65,042	27,163	14,957	14,694
Net cash from/(used by) investing activities	(30,310)	(65,042)	(27,163)	(14,957)	(14,694)
FINANCING ACTIVITIES					
Cash received					
Contributed equity	3,220	24,598	15,413	2,647	2,663
Total cash received	3,220	24,598	15,413	2,647	2,663
Net cash from/(used by) financing activities	3,220	24,598	15,413	2,647	2,663
Net increase/(decrease) in cash held	(3,133)	(26,145)	–	–	–
Cash and cash equivalents at the beginning of the reporting period	122,171	119,038	92,893	92,893	92,893
Cash and cash equivalents at the end of the reporting period	119,038	92,893	92,893	92,893	92,893

Prepared on Australian Accounting Standards basis.

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

	2017–18 Estimated actual \$'000	2018–19 Budget \$'000	2019–20 Forw ard estimate \$'000	2020–21 Forw ard estimate \$'000	2021–22 Forw ard estimate \$'000
NEW CAPITAL APPROPRIATIONS					
Capital budget—Bill 1 (DCB)	2,640	2,627	2,628	2,647	2,663
Equity injections—Bill 2	580	21,971	12,785	–	–
Total new capital appropriations	3,220	24,598	15,413	2,647	2,663
Provided for:					
Purchase of non-financial assets	3,220	24,598	15,413	2,647	2,663
Total items	3,220	24,598	15,413	2,647	2,663
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriations (a)	580	21,971	12,785	–	–
Funded by capital appropriation—DCB (b)	2,640	2,627	2,628	2,647	2,663
Funded internally from departmental resources (c)	27,090	40,444	11,750	12,310	12,031
TOTAL	30,310	65,042	27,163	14,957	14,694
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	30,310	65,042	27,163	14,957	14,694
Total cash used to acquire assets	30,310	65,042	27,163	14,957	14,694

Prepared on Australian Accounting Standards basis.

- (a) Includes both current Bill No. 2 and prior Act 2 and Bills 4 and 6 appropriations and special capital appropriations.
- (b) Does not include annual finance lease costs. Includes purchases from current and previous years' departmental capital budgets (DCBs).
- (c) Includes the following sources of funding: Current Bill 1 and prior year Act 1/3/5 appropriations (excluding amounts from the DCB), internally developed assets and s 74 retained revenue receipts. Excludes asset transferred from other agencies.

Table 3.6: Statement of asset movements (Budget year 2018–19)

	Buildings	Other property, plant and equipment	Computer software and intangibles	Total
	\$'000	\$'000	\$'000	\$'000
As at 1 July 2018				
Gross book value	33,586	50,063	92,384	176,033
Accumulated depreciation/ amortisation and impairment	(11,853)	(24,792)	(59,646)	(96,291)
Opening net book balance	21,733	25,271	32,738	79,742
Capital asset additions				
Estimated expenditure on new or replacement assets				
By purchase—appropriation equity (a)	–	–	21,971	21,971
By purchase—appropriation ordinary annual services (b)	800	1,279	548	2,627
By purchase—other	567	9,953	30,951	41,471
Total additions	1,367	11,232	53,470	66,069
Other movements				
Depreciation/amortisation expense	(3,159)	(4,224)	(12,199)	(19,582)
Total other movements	(3,159)	(4,224)	(12,199)	(19,582)
As at 30 June 2019				
Gross book value	34,953	61,295	145,854	242,102
Accumulated depreciation/ amortisation and impairment	(15,012)	(29,016)	(71,845)	(115,873)
Closing net book balance	19,941	32,279	74,009	126,229

Prepared on Australian Accounting Standards basis.

- (a) 'Appropriation equity' refers to equity injections appropriations provided through Appropriation Bill (No. 2) 2017–18.
- (b) 'Appropriation ordinary annual services' refers to funding provided through Appropriation Bill (No.1) 2017–18 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)

	2017–18 Estimated actual \$'000	2018–19 Budget \$'000	2019–20 Forw ard estimate \$'000	2020–21 Forw ard estimate \$'000	2021–22 Forw ard estimate \$'000
EXPENSES					
Total expenses administered on behalf of government	–	–	–	–	–
LESS:					
OWN-SOURCE INCOME					
Non-taxation revenue					
Sale of goods and rendering of services	–	–	7,864	7,864	7,864
Total non-taxation revenue	–	–	7,864	7,864	7,864
Total own-sourced income administered on behalf of government	–	–	7,864	7,864	7,864
Net (cost of)/contribution by services	–	–	(7,864)	(7,864)	(7,864)
Surplus/(deficit) before income tax	–	–	7,864	7,864	7,864
Income tax expense	–	–	–	–	–
Surplus/(deficit) after income tax	–	–	7,864	7,864	7,864
Total comprehensive income/(loss)	–	–	7,864	7,864	7,864

Prepared on Australian Accounting Standards basis.

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

The ACIC has no administered assets or liabilities.

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

	2017–18 Estimated actual \$'000	2018–19 Budget \$'000	2019–20 Forw ard estimate \$'000	2020–21 Forw ard estimate \$'000	2021–22 Forw ard estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Sales of goods and rendering of services	–	–	7,864	7,864	7,864
Total cash received	–	–	7,864	7,864	7,864
Net cash from/(used by) operating activities	–	–	7,864	7,864	7,864
Net increase/(decrease) in cash held	–	–	7,864	7,864	7,864
Cash and cash equivalents at beginning of reporting period	–	–	–	–	–
Cash to Official Public Account for:					
- Transfers to other entities (Finance—Whole of Government)	–	–	(7,864)	(7,864)	(7,864)
Total cash to Official Public Account	–	–	(7,864)	(7,864)	(7,864)
Cash and cash equivalents at end of reporting period	–	–	–	–	–

Prepared on Australian Accounting Standards basis.

AUSTRALIAN FEDERAL POLICE

ENTITY RESOURCES AND PLANNED PERFORMANCE

AUSTRALIAN FEDERAL POLICE

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AUSTRALIAN FEDERAL POLICE

Section 1: Entity overview and resources

1.1 STRATEGIC DIRECTION STATEMENT

The Australian Federal Police (AFP) is an independent statutory authority, within the Home Affairs portfolio, whose functions are set out in section 8 of the *Australian Federal Police Act 1979* (AFP Act). These include provision of:

- police services in relation to laws of the Commonwealth, the property of the Commonwealth (including Commonwealth places) and the safeguarding of Commonwealth interests;
- policing in the Australian Capital Territory, the Jervis Bay Territory and Australia's external territories (Christmas Island, Cocos (Keeling) Islands and Norfolk Island);
- protective and custodial services as directed by the Minister;
- police services and police support services to assist or cooperate with an Australian or foreign law enforcement agency, intelligence or security agency, or government regulatory agency; and
- police services and police support services in relation to establishing, developing and monitoring peace, stability and security in foreign countries.

The AFP is also guided by a Ministerial Direction, issued under section 37(2) of the AFP Act. The AFP also performs functions under the *Witness Protection Act 1994* and the *Proceeds of Crime Act 2002*. A comprehensive description of the AFP can be found at <https://www.afp.gov.au/about-us>.

Since the formation of the AFP in 1979, the organisation has undergone significant change and now has a broad range of national and international responsibilities. As Australia's national policing agency, the AFP protects Australians and Australia's interests through addressing criminal and national security threats; in essence, policing for a safer Australia.

The AFP continues to evolve to meet growing challenges, but policing and protecting life and property will always be at the core of its business. In 2018–19 and beyond, the AFP will continue to pursue strategies to prevent, disrupt, detect and investigate crime with a focus on complex, transnational, serious and organised crime, terrorism, cybercrime and cyber safety, child protection, and the recovery of proceeds of crime. As the principal international representative for Australian policing and law enforcement,

the AFP will increase its effort to lead and coordinate multijurisdictional operational activity through its national, regional and international offices, posts and missions.

In 2018–19, the AFP will establish the Australian Centre to Counter Child Exploitation, which will bring together capabilities from across Commonwealth, state and territory law enforcement and other stakeholders to provide a national response to combat the exploitation of children.

Aviation security will be strengthened with increased counter terrorism first-response capability, aviation protection assessment teams and an Australian explosive detection capability.

The AFP is also focused on aligning capacity and capability to best support and sustain operational outcomes. The AFP works in a technically and socially sophisticated and interconnected world requiring a range of approaches to ensure security and safety and combat criminality. This involves investment in technology to ensure automation is maximised to detect and respond to criminal threats. The AFP is committed to strengthening its workforce through cultural reform, workforce diversity, staff safety and support, and workplace security. Such work aims to ensure the service has the right tools and people in the right places at the right time to effectively deliver a safer Australia.

The AFP prides itself on demonstrating leadership and agility in a dynamic operating environment. The AFP will continue to enhance collaboration with partners across the newly formed Home Affairs portfolio. The focus of 2018–19 and beyond is to build a sustainable capability-based policing organisation, underpinned by its values that can operate in an increasingly complex and challenging future criminal environment. Further information on the AFP's vision for the future can be found at <https://www.afp.gov.au/futures>.

1.2 ENTITY RESOURCE STATEMENT

Table 1.1 shows the total funding from all sources available to the AFP 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 AFP's operations) classification.

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

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

Table 1.1: AFP resource statement—Budget estimates for 2018–19 as at Budget May 2018

	2017–18 <i>Estimated actual</i> \$'000	2018–19 Estimate \$'000
Departmental		
Annual appropriations—ordinary annual services		
Prior year appropriations available (a)	200,279	168,259
Departmental appropriation (b)	1,029,171	1,051,233
s 74 retained revenue receipts (c)	286,810	282,687
Departmental capital budget (d)	58,105	58,623
Annual appropriations—other services—non-operating		
Prior year appropriations available (a)	69,961	48,355
Equity injection (e)	75,323	70,229
Total departmental annual appropriations	1,719,649	1,679,386
Special accounts (f)		
Opening balance	10,812	10,812
Appropriation receipts (g)	1,539	1,554
Non-appropriation receipts	8,844	9,771
Total special accounts	21,195	22,137
Less departmental appropriations drawn from annual/special appropriations and credited to special accounts	(10,383)	(11,325)
Total departmental resourcing	1,730,461	1,690,198
Administered		
Annual appropriations—ordinary annual services		
Outcome 1	16,077	11,735
Total administered annual appropriations	16,077	11,735
Total administered special appropriations (h)	100	–
Total administered resourcing	16,177	11,735
Total resourcing for AFP (i)	1,746,638	1,701,933
	2017–18	2018–19
Average staffing level (number)	6,300	6,448

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

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

- (a) Estimated adjusted balance carried forward from previous years to meet existing leave provisions, other liabilities and capital commitments.
- (b) Appropriation Bill (No. 1) 2018–19, excluding the departmental capital budget (DCB).
- (c) Estimated retained revenue receipts under section 74 of the PGPA Act.
- (d) DCBs are not separately identified in Appropriation Bill (No. 1) and form part of ordinary annual services items. Please refer to Table 3.5 for further details. For accounting purposes, this amount is designated as 'contribution by owner'.
- (e) Appropriation Bill (No. 2) 2018–19.
- (f) Excludes 'special public money' held in an account such as a Services for Other Entities and Trust Monies (SOETM) special account. For further information on special accounts, please refer to Budget Paper No. 4: Agency Resourcing. Please also see Tables 2.1.1 and 2.2.1 for further information on outcome and program expenses broken down by various funding sources, e.g. annual appropriations, special appropriations and special accounts.
- (g) Amounts credited to the special account(s) from AFP's annual and special appropriations.
- (h) Special appropriation provided for the purpose of repayments under section 77 of the PGPA Act.

AFP Budget Statements

(i) Total net resourcing comprises prior year and current year appropriations. The following table provides a summary of these two elements:

	2017–18 Estimated actual \$'000	2018–19 Estimate \$'000
Total resources provided for in current year Budget	1,476,398	1,485,319
Prior year appropriations available	270,240	216,614
Total net resourcing for AFP	1,746,638	1,701,933

1.3 BUDGET MEASURES

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

**Table 1.2: AFP 2018–19 Budget measures
Part 1: Measures announced since the 2017–18 Mid–Year Economic and Fiscal Outlook (MYEFO)**

	Program	2017–18 \$'000	2018–19 \$'000	2019–20 \$'000	2020–21 \$'000	2021–22 \$'000
Expense measures						
Assistance to Papua New Guinea for hosting APEC 2018 (a)	1.2					
Administered		–	–	–	–	–
Departmental expenses		–	–	–	–	–
Total		–	–	–	–	–
Australian Centre to Counter Child Exploitation—establishment	1.1					
Departmental expenses		–	9,601	16,965	16,443	15,354
Total		–	9,601	16,965	16,443	15,354
Aviation, Air Cargo and International Mail Security Package	1.1					
Departmental expenses		–	9,271	24,336	30,026	36,797
Total		–	9,271	24,336	30,026	36,797
Commonwealth Ombudsman—additional funding (b)	1.1					
Departmental expenses		(160)	(160)	(160)	(160)	(160)
Total		(160)	(160)	(160)	(160)	(160)
National Security Agencies—additional funding	1.1					
Departmental expenses		–	3,157	3,140	3,143	3,164
Total		–	3,157	3,140	3,143	3,164
Total expense measures						
Administered		–	–	–	–	–
Departmental		(160)	21,869	44,281	49,452	55,155
Total		(160)	21,869	44,281	49,452	55,155

Table 1.2: AFP 2018–19 Budget measures (continued)

	Program	2017–18 \$'000	2018–19 \$'000	2019–20 \$'000	2020–21 \$'000	2021–22 \$'000
Capital measures						
Australian Centre to Counter Child Exploitation—establishment	1.1					
Departmental capital		–	2,691	7,552	–	–
Total		–	2,691	7,552	–	–
Aviation, Air Cargo and International Mail Security Package	1.1					
Departmental capital		–	3,406	1,370	561	1,233
Total		–	3,406	1,370	561	1,233
Total capital measures						
Departmental		–	6,097	8,922	561	1,233
Total		–	6,097	8,922	561	1,233

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

- (a) Funding of \$4.7 million in 2018–19, for the *Assistance to Papua New Guinea for hosting APEC 2018* measure, has already been provided for by government.
- (b) The lead entity for the *Commonwealth Ombudsman—additional funding* measure is the Attorney-General's Department. The full measure description and package details appear in Budget Paper No. 2 under the Attorney-General's portfolio.

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

AFP has no other measures not previously reported in a portfolio statement.

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 that 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 PB Statements are part of the enhanced Commonwealth performance framework established by the *Public Governance, Performance and Accountability Act 2013* (PGPA Act). It is anticipated that the performance criteria described in PB Statements will be read with broader information provided in an entity's corporate plans and annual performance statements – included in annual reports – to provide an entity's complete performance story.

The most recent corporate plan for the AFP can be found at:
<https://www.afp.gov.au/corporateplan>.

The most recent annual performance statement can be found at:
<https://www.afp.gov.au/about-us/publications-and-reports/annual-reports>.

2.1 BUDGETED EXPENSES AND PERFORMANCE FOR OUTCOME 1

Outcome 1: Reduced criminal and security threats to Australia's collective economic and societal interest through co-operative policing services.

Linked programs

The information provided below shows how Outcome 1 links with programs delivered by other Commonwealth entities to contribute to common government objectives.

<p>Australian Criminal Intelligence Commission Program 1.1: Australian Criminal Intelligence Commission</p>
<p>Australian Financial Security Authority Program 1.1: Personal Insolvency and Trustee Services</p>
<p>Australian Security Intelligence Organisation Program 1.1: Security Intelligence</p>
<p>Australian Taxation Office Program 1.1: Australian Taxation Office</p>
<p>Australian Transaction Reports and Analysis Centre Program 1.1: AUSTRAC</p>
<p>Department of Foreign Affairs and Trade Program 1.1: Foreign Affairs and Trade Operations Program 1.2: Official Development Assistance Program 2.1: Consular Services</p>
<p>Department of Home Affairs Program 1.1: Border Enforcement Program 1.5: Regional Cooperation Program 1.7: National Security and Criminal Justice Program 1.9: Counter Terrorism</p>
<p>Department of the Prime Minister and Cabinet Program 1.1: Prime Minister and Cabinet</p>
<p>Office of the Director of Public Prosecutions Program 1.1: An independent service to prosecute alleged offences against the criminal law of the Commonwealth.</p>
<p>Contribution to Outcome 1 made by linked programs Australian law enforcement, border and national security agencies work collaboratively with the AFP in addressing criminal and security threats through a range of mechanisms, including joint taskforces, joint operations, information and intelligence sharing, international development assistance and policy development</p>

Budgeted expenses for Outcome 1

This table shows how much the AFP 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: Reduced criminal and security threats to Australia's collective economic and societal interests through co-operative policing services.					
	2017–18 Estimated actual \$'000	2018–19 Budget \$'000	2019–20 Forward estimate \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000
Program 1.1: Federal Policing and National Security					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	1,977	970	980	988	994
Special appropriations					
Special appropriations s 77	100	–	–	–	–
Administered total	2,077	970	980	988	994
Departmental expenses					
Departmental appropriations	845,535	889,119	884,230	863,050	786,425
s 74 retained revenue receipts (a)	109,998	106,461	92,810	95,079	97,432
Special accounts					
Services for other entities and trust moneys	10,383	11,325	11,427	11,532	11,591
Expenses not requiring appropriation in the Budget year (b)	95,267	104,774	113,138	115,862	113,244
Departmental total	1,061,183	1,111,679	1,101,605	1,085,523	1,008,692
Total expenses for program 1.1	1,063,260	1,112,649	1,102,585	1,086,511	1,009,686

Table 2.1.1: Budgeted expenses for Outcome 1 (continued)

	2017–18 Estimated actual \$'000	2018–19 Budget \$'000	2019–20 Forw ard estimate \$'000	2020–21 Forw ard estimate \$'000	2021–22 Forw ard estimate \$'000
Program 1.2: International Policing Assistance					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	14,100	10,765	4,863	5,703	3,457
Administered total	14,100	10,765	4,863	5,703	3,457
Departmental expenses					
Departmental appropriation	183,636	162,114	154,719	155,861	140,006
Section 74 retained revenue receipts (a)	11,361	10,516	7,417	7,110	7,251
Expenses not requiring appropriation in the Budget year (b)	3,310	1,956	903	666	531
Departmental total	198,307	174,586	163,039	163,637	147,788
Total expenses for program 1.2	212,407	185,351	167,902	169,340	151,245
Outcome 1 Totals by appropriation type					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	16,077	11,735	5,843	6,691	4,451
Special appropriations	100	–	–	–	–
Administered total	16,177	11,735	5,843	6,691	4,451
Departmental expenses					
Departmental appropriation	1,029,171	1,051,233	1,038,949	1,018,911	926,431
Section 74 retained revenue receipts (a)	121,359	116,977	100,227	102,189	104,683
Special accounts	10,383	11,325	11,427	11,532	11,591
Expenses not requiring appropriation in the Budget year (b)	98,577	106,730	114,041	116,528	113,775
Departmental total	1,259,490	1,286,265	1,264,644	1,249,160	1,156,480
Total expenses for Outcome 1	1,275,667	1,298,000	1,270,487	1,255,851	1,160,931
	2017–18	2018–19			
Average staffing level (number)	5,338	5,484			

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

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

(b) Expenses not requiring appropriation in the Budget year are made up of depreciation expenses, amortisation expenses and resources received free of charge.

Table 2.1.2: Performance criteria for Outcome 1

Table 2.1.2 below details the performance criteria for each program associated with Outcome 1. It also summarises how each program is delivered and where 2018–19 Budget measures have created new programs or materially changed existing programs.

Outcome 1: Reduced criminal and security threats to Australia’s collective economic and societal interest through co-operative policing services.		
Program 1.1: Federal Policing and National Security		
This program will reduce criminal and security threats through promoting the safety and security of Australian communities and infrastructure; preventing, deterring, disrupting and investigating serious and organised crime and crimes of Commonwealth significance; and ensuring effective collaboration with international, Commonwealth, state and territory partners.		
Delivery	This program addresses criminal and security threats through a range of policing activities, including national and transnational investigations, counter-terrorism, protection operations and joint taskforces with international, Commonwealth, state, territory and private-sector partners.	
Performance information		
Year	Performance criteria (a)	Targets (b)
2017–18	External stakeholder satisfaction.	Forecast 90% (against 85%)
	Number of disruptions.	Forecast 150 (benchmark year)
	Prevention case studies.	Successful target prevention
	Community confidence.	Forecast 60% (against 75%)
	Response to aviation law enforcement and / or security incidents within priority response times.	Forecast all met (against 90%) Priority 1—90% P2—93%; P3—98%; P4—100%
	Number of avoidable incidents recorded by Protection Operations.	Forecast 0 (against 4)
	Return on investment for investigation and disruption of crime.	Forecast 3 (against >1)
	Increased or reinforced cyber safety and security awareness.	Forecast 90 % (against 85%)
2018–19	Community confidence in the contribution that the AFP makes to law enforcement and national security.	Target 75 %
	AFP return on investment.	Target >1
2019–20 and beyond	As per 2018–19	As per 2018–19
Purposes (b)	As Australia’s national policing agency, we protect Australian’s and Australia’s interests.	

(a) Performance criteria in the PBS have been reduced to a single key indicator of AFP performance. The AFP Corporate Plan will continue to contain the full AFP performance measurement framework and performance criteria from July 2018 onwards.

(b) All forecasts based on year-to-date figures or projections of year-to-date average monthly figures.

Program 1.2: International Police Assistance		
This program will reduce criminal and national security threats through delivery of collaborative law and order police development missions, participation in internationally mandated peace operations and provision of civil policing assistance in accordance with Australian foreign development policy priorities.		
Delivery	This program provides policing support for enhanced rule of law internationally. This is facilitated through the AFP's official development assistance in the Indo-Pacific region, the AFP's contribution to United Nations missions, training programs for police and community policing in Australia's external territories.	
Performance information		
Year	Performance criteria	Targets
2017-18	Mission/external territories performance evaluation: <ul style="list-style-type: none"> • Timor-Leste Police Development Program • Papua New Guinea-Australia Policing Partnership 	Evaluations completed and recommendations addressed
2018-19	Mission/external territories performance evaluation: <ul style="list-style-type: none"> • Pacific Police Development Program • International Operations Gender Strategy 	Evaluations completed and recommendations addressed
2019-20 and beyond	Mission/external territories performance evaluation: Continuation of the evaluation pipeline listed in the AFP Corporate Plan (https://www.afp.gov.au/corporateplan)	As per 2018-19
Purpose	As Australia's national policing agency, we protect Australian's and Australia's interests.	

2.2 BUDGETED EXPENSES AND PERFORMANCE FOR OUTCOME 2

Outcome 2: A safe and secure environment through policing activities on behalf of the Australian Capital Territory Government.

Budgeted expenses for Outcome 2

Table 2.2.1 shows how much the AFP intends to spend (on an accrual basis) on achieving Outcome 2, broken down by program and departmental funding sources.

Table 2.2.1: Budgeted expenses for Outcome 2

Outcome 2: A safe and secure environment through policing activities on behalf of the Australian Capital Territory Government.					
	2017–18	2018–19	2019–20	2020–21	2021–22
	Estimated actual	Budget	Forward estimate	Forward estimate	Forward estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Program 2.1: ACT Community Policing					
Departmental expenses					
Section 74 retained revenue receipts (a)	159,628	162,212	163,089	162,525	162,532
Expenses not requiring appropriation in the Budget year (b)	8,368	8,368	8,368	8,368	8,368
Departmental total	167,996	170,580	171,457	170,893	170,900
Total expenses for program 2.1	167,996	170,580	171,457	170,893	170,900
Average staffing level (number)					
	962	964			

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

- (a) Estimated expenses incurred in relation to receipts retained under section 74 of the PGPA Act.
- (b) Expenses not requiring appropriation in the Budget year are made up of depreciation expenses, amortisation expenses and resources received free of charge.

Performance criteria for Outcome 2

Table 2.2.2 details the performance criteria for the program associated with Outcome 2. It also summarises how the program is delivered.

Table 2.2.2: Performance criteria for Outcome 2

Outcome 2: A safe and secure environment through policing activities on behalf of the Australian Capital Territory Government.		
Program 2.1: ACT Community Policing This program provides community policing capacity to the ACT Government based on three key outcomes of reduced crime, public safety, and community and partner engagement.		
Delivery	ACT Policing delivers high quality and effective policing service to the people of the ACT in accordance with the Policing Arrangement between the Commonwealth and ACT Governments. That Arrangement provides for the development of a Purchase Agreement (currently 2017-21) for the AFP to provide policing services in the ACT. ACT Policing services are provided under section 8 of the AFP Act.	
Performance information		
Year	Performance criteria	Targets
2017–18	See the 2017–21 purchase agreement on the ACT Policing website for performance measures and indicators of effectiveness: https://www.police.act.gov.au/about-us/government-directions	As per the purchase agreement
2018–19	Will be published in the 2017–21 purchase agreement: https://www.police.act.gov.au/about-us/government-directions	As per the purchase agreement
2019–20 and beyond	As per 2018–19	As per 2018–19
Purpose	To provide policing in the Australian Capital Territory	

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements, which provide a comprehensive snapshot of entity finances for the 2018–19 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 is no material difference between the entity resourcing and financial statements.

3.1.2 Explanatory notes and analysis of budgeted financial statements

Departmental

Income statement

The AFP is anticipating an operating loss of \$27.2 million excluding unfunded depreciation in 2017–18. This relates to a higher national security threat and response level and higher investigative activity, leading to higher staff and operating costs and costs to remediate some core foundational capabilities.

In 2018–19 the AFP is budgeting to receive departmental appropriations of \$1,051.3 million, an increase of \$22.1 million over 2017–18. This increase includes new funding for the measures *Australian Centre to Counter Child Exploitation – Establishment* (\$9.6 million), *Assistance to Papua New Guinea for hosting APEC 2018* (\$0.5 million), *Aviation, Air Cargo and International Mail Security Package* (\$9.3 million) and *National Security Agencies – additional resourcing* (\$3.2 million). Other movements for measures previously announced, whole-of-government savings measures and transfers, and parameter adjustments are also embedded within the 2018–19 departmental appropriation funding.

Balance sheet

The AFP's net asset position decreases over the forward estimates as depreciation and amortisation expenses exceed current planned equity injections and departmental capital budget from 2019–20 onwards.

Capital budget statement

The AFP's 2018–19 estimate of capital purchases is \$154.3 million. The funding includes equity injections for the measures *Australian Centre to Counter Child Exploitation – establishment* (\$2.7 million) and *Aviation, Air Cargo and International Mail Security Package* (\$3.4 million).

Administered

Total estimated expenses administered on behalf of government for 2018-19 is \$11.7 million and includes funding for the *Asia-Pacific Economic Cooperation 2018*, *Solomon Islands Police Development Program*, *Pacific Police Development Program – continuation*, *National Security–additional counter terrorism funding* and the *Cyber-Safety Plan*.

3.2 BUDGETED FINANCIAL STATEMENTS TABLES

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

	2017–18 Estimated actual \$'000	2018–19 Budget \$'000	2019–20 Forw ard estimate \$'000	2020–21 Forw ard estimate \$'000	2021–22 Forw ard estimate \$'000
EXPENSES					
Employee benefits	876,175	882,994	889,364	876,130	827,796
Suppliers	469,538	452,983	418,456	413,050	371,405
Depreciation and amortisation	101,390	109,543	116,854	119,341	116,588
Total expenses	1,447,103	1,445,520	1,424,674	1,408,521	1,315,789
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	284,821	279,926	263,518	264,818	267,211
Rental income	1,718	2,520	2,615	2,713	2,821
Other	271	241	241	241	241
Total own-source revenue	286,810	282,687	266,374	267,772	270,273
Gains					
Other	5,555	5,555	5,555	5,555	5,555
Total gains	5,555	5,555	5,555	5,555	5,555
Total own-source income	292,365	288,242	271,929	273,327	275,828
Net (cost of)/contribution by services	(1,154,738)	(1,157,278)	(1,152,745)	(1,135,194)	(1,039,961)
Revenue from government	1,029,171	1,051,233	1,038,949	1,018,911	926,431
Surplus/(deficit) attributable to the Australian Government	(125,567)	(106,045)	(113,796)	(116,283)	(113,530)
Total comprehensive income/(loss) attributable to the Australian Government	(125,567)	(106,045)	(113,796)	(116,283)	(113,530)
Note: Impact of net cash appropriation arrangements					
	2017–18 Estimated actual \$'000	2018–19 Budget \$'000	2019–20 Forw ard estimate \$'000	2020–21 Forw ard estimate \$'000	2021–22 Forw ard estimate \$'000
Total comprehensive income/(loss) excluding depreciation/ amortisation expenses not funded through revenue appropriations	(27,235)	440	–	–	–
Less depreciation/amortisation expenses not funded through revenue appropriations	98,332	106,485	113,796	116,283	113,530
Total comprehensive income/(loss) —as per the statement of comprehensive income	(125,567)	(106,045)	(113,796)	(116,283)	(113,530)

Prepared on Australian Accounting Standards basis.

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

	2017–18 Estimated actual \$'000	2018–19 Budget \$'000	2019–20 Forw ard estimate \$'000	2020–21 Forw ard estimate \$'000	2021–22 Forw ard estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	8,701	8,701	8,701	8,701	8,701
Trade and other receivables	247,378	224,564	217,870	203,139	189,035
Other financial assets	5,070	5,070	5,070	5,070	5,070
Total financial assets	261,149	238,335	231,641	216,910	202,806
Non-financial assets					
Land and buildings	376,538	390,246	381,958	358,477	331,781
Property, plant and equipment	154,901	160,800	166,533	158,571	157,866
Intangibles	66,250	91,362	78,307	76,908	75,342
Inventories	5,653	5,653	5,653	5,653	5,653
Other non-financial assets	23,645	24,297	24,968	25,660	25,660
Total non-financial assets	626,987	672,358	657,419	625,269	596,302
Total assets	888,136	910,693	889,060	842,179	799,108
LIABILITIES					
Payables					
Suppliers	74,071	70,847	68,822	64,712	64,712
Other payables	19,935	18,433	16,773	16,771	16,328
Total payables	94,006	89,280	85,595	81,483	81,040
Provisions					
Employee provisions	299,735	303,747	300,931	290,512	276,851
Other provisions	32,099	32,563	33,041	33,533	33,533
Total provisions	331,834	336,310	333,972	324,045	310,384
Total liabilities	425,840	425,590	419,567	405,528	391,424
Net assets	462,296	485,103	469,493	436,651	407,684
EQUITY (a)					
Parent entity interest					
Contributed equity	1,188,932	1,317,784	1,415,970	1,499,411	1,583,974
Reserves	123,754	123,754	123,754	123,754	123,754
Retained surplus (accumulated deficit)	(850,390)	(956,435)	(1,070,231)	(1,186,514)	(1,300,044)
Total parent entity interest	462,296	485,103	469,493	436,651	407,684
Total equity	462,296	485,103	469,493	436,651	407,684

Prepared on Australian Accounting Standards basis.

(a) Equity is the residual interest in assets after the deduction of liabilities.

**Table 3.3: Departmental statement of changes in equity—summary of movement
(Budget year 2018–19)**

	Retained earnings \$'000	Asset revaluation reserve \$'000	Contributed equity/ capital \$'000	Total equity \$'000
Opening balance as at 1 July 2018				
Balance carried forward from previous period	(850,390)	123,754	1,188,932	462,296
Adjusted opening balance	(850,390)	123,754	1,188,932	462,296
Comprehensive income				
Surplus/(deficit) for the period	(106,045)	–	–	(106,045)
Total comprehensive income	(106,045)	–	–	(106,045)
of which:				
Attributable to the Australian Government	(106,045)	–	–	(106,045)
Transactions with owners				
Contributions by owners				
Equity injection—Appropriation	–	–	70,229	70,229
Departmental capital budget (DCB)	–	–	58,623	58,623
Sub-total transactions with owners	–	–	128,852	128,852
Estimated closing balance as at 30 June 2019	(956,435)	123,754	1,317,784	485,103
Closing balance attributable to the Australian Government	(956,435)	123,754	1,317,784	485,103

Prepared on Australian Accounting Standards basis.

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

	2017–18 Estimated actual \$'000	2018–19 Budget \$'000	2019–20 Forw ard estimate \$'000	2020–21 Forw ard estimate \$'000	2021–22 Forw ard estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	1,302,421	1,299,503	1,277,603	1,269,023	1,177,656
Sale of goods and rendering of services	286,746	280,975	264,294	267,900	270,032
Net GST received	35,063	33,264	31,994	32,148	32,670
Other	271	241	241	241	241
Total cash received	1,624,501	1,613,983	1,574,132	1,569,312	1,480,599
Cash used					
Employees	866,001	878,911	891,902	886,790	841,900
Suppliers	475,202	450,840	415,119	411,805	365,850
s 74 retained revenue receipts transferred to OPA	286,475	280,734	264,053	267,659	269,791
Total cash used	1,627,678	1,610,485	1,571,074	1,566,254	1,477,541
Net cash from/(used by) operating activities	(3,177)	3,498	3,058	3,058	3,058
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant and equipment and intangibles	172,850	154,262	101,244	86,499	87,621
Total cash used	172,850	154,262	101,244	86,499	87,621
Net cash from/(used by) investing activities	(172,850)	(154,262)	(101,244)	(86,499)	(87,621)
FINANCING ACTIVITIES					
Cash received					
Contributed equity	167,027	150,764	98,186	83,441	84,563
Total cash received	167,027	150,764	98,186	83,441	84,563
Net cash from/(used by) financing activities	167,027	150,764	98,186	83,441	84,563
Net increase/(decrease) in cash held	(9,000)	–	–	–	–
Cash and cash equivalents at the beginning of the reporting period	17,701	8,701	8,701	8,701	8,701
Cash and cash equivalents at the end of the reporting period	8,701	8,701	8,701	8,701	8,701

Prepared on Australian Accounting Standards basis.

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

	2017–18 Estimated actual \$'000	2018–19 Budget \$'000	2019–20 Forw ard estimate \$'000	2020–21 Forw ard estimate \$'000	2021–22 Forw ard estimate \$'000
NEW CAPITAL APPROPRIATIONS					
Capital budget—Bill 1 (DCB)	58,105	58,623	78,748	82,846	83,330
Equity injections—Bill 2	75,323	70,229	19,438	595	1,233
Total new capital appropriations	133,428	128,852	98,186	83,441	84,563
Provided for:					
Purchase of non-financial assets	133,428	128,852	98,186	83,441	84,563
Total items	133,428	128,852	98,186	83,441	84,563
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriations (a)	108,922	92,141	19,438	595	1,233
Funded by capital appropriation—DCB (b)	58,105	58,623	78,748	82,846	83,330
Funded internally from departmental resources (c)	5,823	3,498	3,058	3,058	3,058
TOTAL	172,850	154,262	101,244	86,499	87,621
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	172,850	154,262	101,244	86,499	87,621
Total cash used to acquire assets	172,850	154,262	101,244	86,499	87,621

Prepared on Australian Accounting Standards basis.

- (a) Includes both current Bill No. 2 and prior Act 2 and Bills 4 and 6 appropriations and special capital appropriations.
- (b) Does not include annual finance lease costs. Includes purchases from current and previous years' DCBs.
- (c) Includes current and previous years' section 74 retained revenue receipts and proceeds from the sale of assets.

Table 3.6: Statement of asset movements (Budget year 2018–19)

	Land	Buildings	Other property, plant and equipment	Computer software and intangibles	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
As at 1 July 2018					
Gross book value	2,400	407,758	207,936	153,686	771,780
Accumulated depreciation/ amortisation and impairment	–	(33,620)	(53,035)	(87,436)	(174,091)
Opening net book balance	2,400	374,138	154,901	66,250	597,689
Capital asset additions					
Estimated expenditure on new or replacement assets					
By purchase—appropriation equity (a)	–	38,489	35,175	18,476	92,141
By purchase—appropriation ordinary annual services (b)	–	11,954	25,026	25,142	62,121
Total additions	–	50,443	60,201	43,618	154,262
Other movements					
Depreciation/amortisation expense		(36,735)	(54,302)	(18,506)	(109,543)
Total other movements	–	(36,735)	(54,302)	(18,506)	(109,543)
As at 30 June 2019					
Gross book value	2,400	458,201	268,137	197,304	926,042
Accumulated depreciation/ amortisation and impairment	–	(70,355)	(107,337)	(105,942)	(283,634)
Closing net book balance	2,400	387,846	160,800	91,362	642,408

Prepared on Australian Accounting Standards basis.

- (a) 'Appropriation equity' refers to equity injections or administered assets and liabilities appropriations provided through Appropriation Bill (No. 2) 2018–19, including collection development acquisition budgets (CDABs).
- (b) 'Appropriation ordinary annual services' refers to funding provided through Appropriation Bill (No.1) 2018–19 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)

	2017–18 Estimated actual \$'000	2018–19 Budget \$'000	2019–20 Forw ard estimate \$'000	2020–21 Forw ard estimate \$'000	2021–22 Forw ard estimate \$'000
EXPENSES					
Suppliers	16,177	11,735	5,843	6,691	4,451
Total expenses administered on behalf of government	16,177	11,735	5,843	6,691	4,451
Net (cost of)/contribution by services	16,177	11,735	5,843	6,691	4,451
Surplus/(deficit) before income tax	(16,177)	(11,735)	(5,843)	(6,691)	(4,451)
Surplus/(deficit) after income tax	(16,177)	(11,735)	(5,843)	(6,691)	(4,451)
Total comprehensive income/(loss)	(16,177)	(11,735)	(5,843)	(6,691)	(4,451)

Prepared on Australian Accounting Standards basis.

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

	2017–18 Estimated actual \$'000	2018–19 Budget \$'000	2019–20 Forw ard estimate \$'000	2020–21 Forw ard estimate \$'000	2021–22 Forw ard estimate \$'000
ASSETS					
Financial assets					
Trade and other receivables	113	113	113	113	113
Total financial assets	113	113	113	113	113
Total assets administered on behalf of government	113	113	113	113	113
LIABILITIES					
Payables					
Suppliers	573	463	463	463	463
Total payables	573	463	463	463	463
Total liabilities administered on behalf of government	573	463	463	463	463
Net assets/(liabilities)	(460)	(350)	(350)	(350)	(350)

Prepared on Australian Accounting Standards basis.

Table 3.9: Schedule of budgeted cash flows administered on behalf of government (as at 30 June)

	2017–18 Estimated actual \$'000	2018–19 Budget \$'000	2019–20 Forw ard estimate \$'000	2020–21 Forw ard estimate \$'000	2021–22 Forw ard estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Net GST received	29	13	10	12	8
Total cash received	29	13	10	12	8
Cash used					
Suppliers	16,704	11,845	5,843	6,691	4,451
Net GST paid	29	13	10	12	8
Total cash used	16,733	11,858	5,853	6,703	4,459
Net cash from/(used by) operating activities	(16,704)	(11,845)	(5,843)	(6,691)	(4,451)
Net increase/(decrease) in cash held	(16,704)	(11,845)	(5,843)	(6,691)	(4,451)
Cash and cash equivalents at beginning of reporting period	–	–	–	–	–
Cash from Official Public Account for:					
– Appropriations	16,704	11,845	5,843	6,691	4,451
Total cash from Official Public Account	16,704	11,845	5,843	6,691	4,451
Cash and cash equivalents at end of reporting period	–	–	–	–	–

Prepared on Australian Accounting Standards basis.

**AUSTRALIAN INSTITUTE OF
CRIMINOLOGY**

**ENTITY RESOURCES AND PLANNED
PERFORMANCE**

AUSTRALIAN INSTITUTE OF CRIMINOLOGY

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AUSTRALIAN INSTITUTE OF CRIMINOLOGY

Section 1: Entity overview and resources

1.1 STRATEGIC DIRECTION STATEMENT

The Australian Institute of Criminology (AIC) is Australia's leading national research and knowledge centre on crime and justice.

The AIC undertakes and communicates evidence-based research to inform policy and practice through:

- monitoring trends in crime and the criminal justice system;
- building knowledge of offending and victimisation;
- identifying emerging or changed criminal activity; and
- building an evidence base for an effective criminal justice system and crime prevention.

The AIC's research program includes specialised national monitoring programs on key areas of crime and justice, providing vital information that assists policy makers and practitioners to manage, evaluate and respond effectively and efficiently to crime and justice problems. These unique datasets are used to monitor trends in offending, the changing profile of offenders and victims, and the circumstances of the crimes. The national monitoring programs and regular reports produced by the AIC include:

- human trafficking and slavery;
- deaths in custody;
- fraud against the Commonwealth;
- drug use and the criminal activities of police detainees;
- homicide; and
- identity crime.

The AIC also undertakes a range of research projects each year that investigate other areas of concern to policy makers and practitioners. The current research priorities are:

- youth crime and new migrant communities;
- criminal justice responses to family and domestic violence;
- illicit drugs;
- indigenous over-representation in the criminal justice system;
- child exploitation material; and
- economics of transnational serious and organised crime.

The AIC works cooperatively with, and also undertakes research for, other Commonwealth, state and territory agencies. State and territory agencies provide substantial in-kind support to the research undertaken by the AIC. The AIC provides access to information for the AIC's broad range of stakeholders. Through its publication program, the AIC's website, social media, library and information services, and annual series of national conferences and roundtables, the AIC disseminates research findings and information about the nature and extent of crime, emerging trends, and effective responses to promote justice and reduce crime.

The Criminology Research Grants program is managed by the AIC, with funding contributed by the Commonwealth and state and territory governments. The Director of the AIC approves a series of research grants each year, taking into account the recommendations of the Criminology Research Advisory Council. The program funds research that has relevance for jurisdictional public policy in the areas of law, police, judiciary, corrections, mental health, social welfare and related fields.

The Australian Crime and Violence Prevention Awards are also managed by the AIC. The awards are designed to reward good practice in the prevention or reduction of violence and other types of crime in Australia. They also encourage public initiatives at the grassroots level, and assist governments to identify and develop practical projects that will reduce violence and other types of crime in the community.

1.2 ENTITY RESOURCE STATEMENT

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

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

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

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

Table 1.1: AIC resource statement — Budget estimates for 2018–19 as at Budget May 2018

	2017–18 Estimated actual \$'000	2018–19 Estimate \$'000
Departmental		
Annual appropriations—ordinary annual services (a)	5,002	4,975
Departmental appropriation (b)		
Departmental capital budget (c)	23	22
Total departmental annual appropriations	5,025	4,997
Special accounts (d)		
Opening balance	1,281	1,058
Non-appropriation receipts	1,166	1,520
Total special accounts	2,447	2,578
Total departmental resourcing	7,472	7,575
	2017–18	2018–19
Average staffing level (number)	26	46

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

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

(a) Appropriation Bill (No. 1) 2018–19.

(b) Excludes departmental capital budget (DCB).

(c) 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'.

(d) For further information on special accounts, please refer to Budget Paper No. 4: Agency Resourcing. Please also see Tables 2.1.1 for further information on outcome and program expenses broken down by various funding sources, e.g. annual appropriations and special accounts.

1.3 BUDGET MEASURES

The AIC has no budget measures since the 2017-18 Budget.

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

The most recent corporate plan for the AIC can be found at:

https://aic.gov.au/sites/default/files/2017/11/corporate_plan_2017-18_to_2020-21.pdf?v=1510810965

The most recent annual performance statement can be found at:

<https://aic.gov.au/publications/annualreport/2017>

2.1 BUDGETED EXPENSES AND PERFORMANCE FOR OUTCOME 1

Outcome 1: Informed crime and justice policy and practice in Australia by undertaking, funding and disseminating policy-relevant research of national significance; and through the generation of a crime and justice evidence base and national knowledge centre.

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

	2017–18 Estimated actual \$'000	2018–19 Budget \$'000	2019–20 Forw ard estimate \$'000	2020–21 Forw ard estimate \$'000	2021–22 Forw ard estimate \$'000
Program 1.1: Australian Institute of Criminology					
Departmental expenses					
Departmental appropriation	5,002	4,975	4,985	5,018	5,047
s74 retained revenue receipts (a)					
Special accounts					
Criminology Research Special Account	1,166	1,520	1,620	1,720	1,820
Expenses not requiring appropriation in the Budget year (b)	86	62	62	62	62
Departmental total	6,254	6,557	6,667	6,800	6,929
Total expenses for program 1.1	6,254	6,557	6,667	6,800	6,929
	2017–18	2018–19			
Average staffing level (number)	26	46			

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

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

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

Table 2.1.2: Performance criteria for Outcome 1

Table 2.1.2 below details the performance criteria for each program associated with Outcome 1. It also summarises how each program is delivered and where 2018–19 Budget measures have created new programs or materially changed existing programs.

Outcome 1: Informed crime and justice policy and practice in Australia by undertaking, funding and disseminating policy-relevant research of national significance; and through the generation of a crime and justice evidence base and national knowledge centre.		
Program 1.1: Australian Institute of Criminology The primary objective of program 1.1 is to inform policy and practice that seeks to reduce crime and promote justice, through the conduct of research and the dissemination of research findings and related information. This also includes the support of research that is relevant to current and future public policy issues and the funding of quality criminological research through an annual Criminology Research Grants program. The secondary objective is to maintain a comprehensive and focused collection of criminal justice-related material in Australia and to ensure that the AIC’s researchers and stakeholders have access to the most up-to-date and relevant information through an active information dissemination program.		
Delivery	Delivery of this program includes: <ul style="list-style-type: none"> • undertaking impartial and policy-relevant research of the highest standard on crime and criminal justice; • working cooperatively with the Home Affairs Department portfolio and other federal agencies, and state and territory government agencies in the AIC’s role as the Australian Government’s national research centre on crime and justice; • administering an effective and efficient annual Criminology Research Grants program that results in policy-relevant research; and • actively disseminating research findings to policy makers, practitioners and the general public across Australia and internationally in a timely manner. 	
Performance information		
Year	Performance criteria (a)	Targets
2017–18	Trends & Issues (T&I) papers and Research Report series are peer reviewed. This ensures the quality of the AIC’s research outputs.	Target: 100% Indicative result: 100%
	Reports produced for each of the monitoring programs are issued according to schedule, annually or biennially.	Target: Annually or biennially Indicative result: Achieved
	Peer-reviewed T&I and Research Report papers are prepared for publication.	Target: 23 Indicative result: 23
	Other publications—including statistical reports, statistical bulletins, briefs, journal articles, consultancy reports et cetera—to be published each year.	Target: 38 Indicative result: 40
	Roundtables, workshops and other forums to be held annually.	Target: At least 10 Indicative result: 10

Performance information		
Year	Performance criteria	Targets
2018–19	Trends and Issues (T&I) papers and Research Report series are peer reviewed. This ensures the quality of the AIC’s research outputs.	Target: 100%
	Reports produced for each of the monitoring programs are issued according to schedule, annually or biennially.	Target: On schedule
	Peer-reviewed T&I and Research Report papers are prepared for publication.	Target: 23
	Other publications—including statistical reports, statistical bulletins, briefs, journal articles, consultancy reports et cetera—to be published each year.	Target: 38
	Roundtables, workshops and other forums to be held annually.	Target: at least 10
2019–20 and beyond	As per 2018–19	As per 2018–19
Purposes	The Australian Institute of Criminology (AIC) is Australia’s national research and knowledge centre on crime and justice, compiling trend data and promulgating and disseminating research studies and policy advice.	

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2018–19 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 is no material difference between the entity resourcing and financial statements.

3.1.2 Explanatory notes and analysis of budgeted financial statements

The 2017–18 estimated actual and the budgeted 2018–19 operating result for the AIC is a break-even position, excluding unfunded depreciation.

The AIC's appropriation income in 2018–19 has marginally reduced from 2017–18 appropriation, primarily as a result of additional savings and efficiency measures reported in 2017–18 Budget.

The AIC's own source revenue is budgeted to increase from the previous year by \$0.4 million to \$1.6 million, due to planned increases in externally funded research and related activities.

3.2 BUDGETED FINANCIAL STATEMENTS TABLES

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

	2017–18 Estimated actual \$'000	2018–19 Budget \$'000	2019–20 Forw ard estimate \$'000	2020–21 Forw ard estimate \$'000	2021–22 Forw ard estimate \$'000
EXPENSES					
Employee benefits	3,034	3,152	3,159	3,175	3,166
Suppliers	3,174	3,383	3,486	3,603	3,741
Depreciation and amortisation (a)	46	22	22	22	22
Total expenses	6,254	6,557	6,667	6,800	6,929
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	1,116	1,470	1,570	1,670	1,770
Royalties	50	50	50	50	50
Other	40	40	40	40	40
Total own-source revenue	1,206	1,560	1,660	1,760	1,860
Total own-source income	1,206	1,560	1,660	1,760	1,860
Net (cost of)/contribution by services	(5,048)	(4,997)	(5,007)	(5,040)	(5,069)
Revenue from government	5,002	4,975	4,985	5,018	5,047
Surplus/(deficit) attributable to the Australian Government	(46)	(22)	(22)	(22)	(22)
Total comprehensive income/(loss) attributable to the Australian Government	(46)	(22)	(22)	(22)	(22)
Note: Impact of net cash appropriation arrangements					
	2017–18 \$'000	2018–19 \$'000	2019–20 \$'000	2020–21 \$'000	2021–22 \$'000
Total comprehensive income/(loss) excluding depreciation/amortisation expenses previously funded through revenue appropriations	–	–	–	–	–
less depreciation/amortisation expenses previously funded through revenue appropriations (a)	46	22	22	22	22
Total comprehensive income/(loss) —as per the statement of comprehensive income	(46)	(22)	(22)	(22)	(22)

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.

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

	2017–18 Estimated actual \$'000	2018–19 Budget \$'000	2019–20 Forw ard estimate \$'000	2020–21 Forw ard estimate \$'000	2021–22 Forw ard estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	1,058	1,058	1,058	1,058	1,058
Trade and other receivables	282	282	282	282	282
Total financial assets	1,340	1,340	1,340	1,340	1,340
Non-financial assets					
Property, plant and equipment	76	76	76	76	76
Intangibles	17	17	17	17	17
Other non-financial assets	132	132	132	132	132
Total non-financial assets	225	225	225	225	225
Assets held for sale					
Total assets	1,565	1,565	1,565	1,565	1,565
LIABILITIES					
Payables					
Suppliers	544	544	544	544	544
Other payables	671	671	671	671	671
Total payables	1,215	1,215	1,215	1,215	1,215
Provisions					
Other provisions	16	16	16	16	16
Total provisions	16	16	16	16	16
Total liabilities	1,231	1,231	1,231	1,231	1,231
Net assets	334	334	334	334	334
EQUITY (a)					
Parent entity interest					
Contributed equity	1,203	1,225	1,247	1,269	1,291
Reserves	144	144	144	144	144
Retained surplus (accumulated deficit)	(1,013)	(1,035)	(1,057)	(1,079)	(1,101)
Total parent entity interest	334	334	334	334	334
Total equity	334	334	334	334	334

Prepared on Australian Accounting Standards basis.

(a) Equity is the residual interest in assets after the deduction of liabilities.

Table 3.3: Departmental statement of changes in equity — summary of movement (Budget year 2018–19)

	Retained earnings	Asset revaluation reserve	Contributed equity/capital	Total equity
	\$'000	\$'000	\$'000	\$'000
Opening balance as at 1 July 2018				
Balance carried forward from previous period	(1,013)	144	1,203	334
Adjusted opening balance	(1,013)	144	1,203	334
Comprehensive income				
Surplus/(deficit) for the period	(22)	–	–	(22)
Total comprehensive income	(22)	–	–	(22)
Transactions with owners				
Contributions by owners				
Departmental capital budget (DCB)	–	–	22	22
Sub-total transactions with owners	–	–	22	22
Estimated closing balance as at 30 June 2019	(1,035)	144	1,225	334
Closing balance attributable to the Australian Government	(1,035)	144	1,225	334

Prepared on Australian Accounting Standards basis.

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

	2017–18 Estimated actual \$'000	2018–19 Budget \$'000	2019–20 Forw ard estimate \$'000	2020–21 Forw ard estimate \$'000	2021–22 Forw ard estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	5,002	4,975	4,985	5,018	5,047
Sale of goods and rendering of services	1,116	1,470	1,570	1,670	1,770
Other	50	50	50	50	50
Total cash received	6,168	6,495	6,605	6,738	6,867
Cash used					
Employees	3,034	3,152	3,159	3,175	3,166
Suppliers	3,134	3,343	3,446	3,563	3,701
s 74 retained revenue receipts transferred to OPA					
Other	223	–	–	–	–
Total cash used	6,391	6,495	6,605	6,738	6,867
Net cash from/(used by) operating activities	(223)	–	–	–	–
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant and equipment and intangibles	23	22	22	22	22
Total cash used	23	22	22	22	22
Net cash from/(used by) investing activities	(23)	(22)	(22)	(22)	(22)
FINANCING ACTIVITIES					
Cash received					
Contributed equity	23	22	22	22	22
Total cash received	23	22	22	22	22
Net cash from/(used by) financing activities	23	22	22	22	22
Net increase/(decrease) in cash held	(223)	–	–	–	–
Cash and cash equivalents at the beginning of the reporting period	1,281	1,058	1,058	1,058	1,058
Cash and cash equivalents at the end of the reporting period	1,058	1,058	1,058	1,058	1,058

Prepared on Australian Accounting Standards basis.

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

	2017–18 Estimated actual \$'000	2018–19 Budget \$'000	2019–20 Forw ard estimate \$'000	2020–21 Forw ard estimate \$'000	2021–22 Forw ard estimate \$'000
NEW CAPITAL APPROPRIATIONS					
Capital budget—Bill 1 (DCB)	23	22	22	22	22
Equity injections—Bill 2					
Total new capital appropriations	23	22	22	22	22
Provided for:					
Purchase of non-financial assets	23	22	22	22	22
Total items	23	22	22	22	22
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriation— DCB (a)	23	22	22	22	22
TOTAL	23	22	22	22	22
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	23	22	22	22	22
Total cash used to acquire assets	23	22	22	22	22

Prepared on Australian Accounting Standards basis.

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

Table 3.6: Statement of asset movements (Budget year 2018–19)

	Other property, plant and equipment \$'000	Computer softw are and intangibles \$'000	Total \$'000
As at 1 July 2018			
Gross book value	1,380	154	1,534
Accumulated depreciation/ amortisation and impairment	(1,304)	(137)	(1,441)
Opening net book balance	76	17	93
Capital asset additions			
Estimated expenditure on new or replacement assets			
By purchase—appropriation ordinary annual services (a)	22		22
Total additions	22	–	22
Other movements			
Depreciation/amortisation expense	(22)		(22)
Total other movements	(22)	–	(22)
As at 30 June 2019			
Gross book value	1,402	154	1,556
Accumulated depreciation/ amortisation and impairment	(1,326)	(137)	(1,463)
Closing net book balance	76	17	93

Prepared on Australian Accounting Standards basis.

(a) 'Appropriation ordinary annual services' refers to funding provided through Appropriation Bill (No. 1) 2018–19 for depreciation/amortisation expenses, DCBs or other operational expenses.

AUSTRALIAN TRANSACTION REPORTS AND ANALYSIS CENTRE

ENTITY RESOURCES AND PLANNED PERFORMANCE

AUSTRALIAN TRANSACTION REPORTS AND ANALYSIS CENTRE

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AUSTRALIAN TRANSACTION REPORTS AND ANALYSIS CENTRE

Section 1: Entity overview and resources

1.1 STRATEGIC DIRECTION STATEMENT

The Australian Transaction Reports and Analysis Centre (AUSTRAC) is Australia's financial intelligence unit and anti-money-laundering and counter-terrorism financing (AML/CTF) regulator. Our purpose is to build resilience in the financial system and use financial intelligence to disrupt money laundering, terrorism financing and other serious crime. We will achieve our purpose by:

- Discovering new and emerging risks. We will identify new and emerging risks posed by criminal actors seeking to exploit the financial system.
- Understanding our environment. We will develop and share a comprehensive understanding of vulnerabilities within the global financial system at risk of criminal exploitation.
- Strengthening the financial system. We will ensure risks within the financial system are mitigated through effective controls deployed by an engaged, capable and collaborative community.
- Disrupting criminal abuse of the financial system. We will collaborate with our partners to detect, understand and disrupt criminal exploitation of the financial system.
- Optimising our business. We will continuously evolve and adapt our business operations to improve our efficiency, effectiveness and sustainability in a dynamic operating environment.

Among its key priorities for 2018–19, AUSTRAC will continue to build the effective operation of the Fintel Alliance—a world-first private–public partnership launched in March 2017. AUSTRAC will continue to mature the Fintel Alliance Operations Hub to share actionable intelligence between industry and government across a broad spectrum of criminal and security threats. The Fintel Alliance Innovation Hub will continue to collaborate with a range of companies, including fintechs and regtechs to examine regulatory implications from new technologies. It will also create solutions to counter serious financial crime and terrorism financing, and co-design controls for new industry products, services, systems and processes. Fintel Alliance's reach will grow further as domestic and international partners join. The financial intelligence tradecraft of

AUSTRAC and its partners will continue to be bolstered by our Financial Intelligence Analysis Course. AUSTRAC will also develop new intelligence and regulatory insights by enhancing the quality and value of our data, including new systems, data sets and sources, enabling the discovery of new and emerging threats.

Through its Smarter Regulation Program, AUSTRAC will continue to co-design with industry a more efficient, effective and collaborative regulatory framework, which will support the regulated community to improve their AML/CTF risk management. This will improve resilience across the financial system by fostering a collaborative community that is knowledgeable, vigilant, engaged and capable of preventing, detecting and responding to threats of criminal abuse and exploitation. AUSTRAC will increase its education and guidance program and work to improve its systems and processes to make it easier for the regulated community to comply with their obligations. AUSTRAC will also further refine its use of regulatory insights to identify and respond to serious and systemic non-compliance, including through the use of enforcement actions.

AUSTRAC will work closely within the newly created Home Affairs portfolio, as well as industry, to implement further reforms recommended in the statutory review of the *Anti-Money Laundering and Counter-Terrorism Financing Act 2006*. This will deliver a more efficient and effective AML/CTF regime that recognises the threats and risks we face and meets the needs of the regulated community operating in the face of disruptive new technologies and rapidly changing consumer needs and business models.

AUSTRAC's international strategy will deliver on the outcomes of the 2017 Counter Terrorism Financing Summit ahead of the 2018 Summit in Thailand. AUSTRAC will increasingly leverage domestic, regional and international relationships to identify the emergence of new threats, enhance existing knowledge and information exchanges, and counter regional threats. AUSTRAC will participate in international efforts to strengthen the global financial system by assisting international partners to build their AML/CTF capabilities. AUSTRAC will continue its strong involvement in international forums, including the Financial Action Task Force, Asia-Pacific Group on Money Laundering and Egmont Group of Financial Intelligence Units.

Optimising AUSTRAC's business will be a priority in 2018-19. We will design improved and adaptable models to increase productivity and deliver sustainable business operations. AUSTRAC will invest in developing the expertise and capabilities of our workforce, fostering talent and supporting our workforce to achieve a high-performing environment. AUSTRAC will also continue to provide the tools our workforce and partners require to produce higher value, more accurate financial intelligence and regulatory insights.

1.2 ENTITY RESOURCE STATEMENT

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

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

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

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

Table 1.1: AUSTRAC resource statement—Budget estimates for 2018–19 as at Budget May 2018

	2017–18 Estimated actual \$'000	2018–19 Estimate \$'000
Departmental		
Annual appropriations—ordinary annual services (a)		
Prior year appropriations available	8,639	8,639
Departmental appropriation (b)	62,662	68,413
s 74 retained revenue receipts (c)	4,416	5,328
Departmental capital budget (d)	3,061	3,046
Annual appropriations—other services—non-operating (e)		
Prior year appropriations available	10,346	–
Equity injection	3,600	7,300
Total departmental annual appropriations	92,724	92,726
Total departmental resourcing	92,724	92,726
Total resourcing for AUSTRAC	92,724	92,726
	2017–18	2018–19
Average staffing level (number)	303	330

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

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

(a) Appropriation Bill (No.1) 2018–19.

(b) Excludes departmental capital budget (DCB).

(c) Estimated retained 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) 2018–19.

1.3 BUDGET MEASURES

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

Table 1.2: AUSTRAC 2018–19 Budget measures

Part 1: Measures announced since the 2017–18 Mid-Year Economic and Fiscal Outlook (MYEFO)

AUSTRAC has no budget measures since the 2017–18 MYEFO.

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

AUSTRAC has no other measures not previously reported in a portfolio statement.

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 that contribute to government outcomes over the Budget and forward years.

AUSTRAC's outcome is described below together with its related program.

Note:

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

The most recent corporate plan for AUSTRAC can be found at:
<http://www.austrac.gov.au/publications/corporate-publications-and-reports/austrac-corporate-plans>

The most recent annual performance statement can be found at:
<http://www.austrac.gov.au/publications/corporate-publications-and-reports/austrac-annual-reports>

2.1 BUDGETED EXPENSES AND PERFORMANCE FOR OUTCOME 1

Outcome 1: The protection of the financial system from criminal abuse through actionable financial intelligence and collaboration with domestic and international partners.

Linked programs

AUSTRAC works collaboratively with a wide range of federal, state and territory agencies in the law enforcement, regulatory and financial intelligence sectors, as well as a host of international and private sector partners. Each activity we undertake is linked to our outcome to protect the financial system from criminal abuse through actionable financial intelligence, and our activities support the intended outcomes of many of our domestic and international partners.

Budgeted expenses for Outcome 1

This table shows how much AUSTRAC intends to spend (on an accrual basis) on achieving the outcome, broken down by departmental funding sources.

Table 2.1: Budgeted expenses for Outcome 1

Outcome 1: The protection of the financial system from criminal abuse through actionable financial intelligence and collaboration with domestic and international partners.					
	2017–18 Estimated actual \$'000	2018–19 Budget \$'000	2019–20 Forw ard estimate \$'000	2020–21 Forw ard estimate \$'000	2021–22 Forw ard estimate \$'000
Program 1.1: AUSTRAC					
Departmental expenses					
Departmental appropriation	62,662	68,413	67,666	67,430	67,773
s74 retained revenue receipts (a)	4,416	5,328	2,488	445	448
Expenses not requiring appropriation in the Budget year (b)	6,291	6,786	6,797	7,916	9,011
Departmental total	73,369	80,527	76,951	75,791	77,232
Total expenses for program 1.1	73,369	80,527	76,951	75,791	77,232
	2017–18	2018–19			
Average staffing level (number)	303	330			

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

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

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

Table 2.2: Performance criteria for Outcome 1

Table 2.2 below details the performance criteria for the program associated with Outcome 1. It also summarises how the program is delivered.

Outcome 1: The protection of the financial system from criminal abuse through actionable financial intelligence and collaboration with domestic and international partners.		
Program 1.1 AUSTRAC		
To protect the Australian community from money laundering, terrorism financing and other serious crime, by collaborating with our partners to strengthen Australia's financial sector through our regulatory and intelligence programs.		
Delivery	AUSTRAC will: <ul style="list-style-type: none"> • identify new and emerging risks posed by criminal actors seeking to exploit the financial system; • develop and share a comprehensive understanding of vulnerabilities within domestic and international financial systems at risk of criminal exploitation; • ensure risks within the financial system are mitigated through effective controls employed by an engaged and capable regulated community; and • collaborate with our partners to detect, understand and disrupt criminal exploitation of the financial system. 	
Performance information		
Year	Performance criteria	Targets
2017–18	AUSTRAC generates and shares intelligence and information that is of value to private and public partners. AUSTRAC contributes to smarter AML/CTF regulatory and policy outcomes. AUSTRAC contributes to Australia's international policy objectives.	AUSTRAC is on track to demonstrate its performance, as evidenced through a range of case studies and quantitative and qualitative reporting. Information relating to performance criteria will be published in the annual performance statement in the 2017–18 AUSTRAC annual report.
2018–19	AUSTRAC contributes to mitigating risk in the financial system by using its regulatory capability, and generating and sharing intelligence and insights, to support the mission of our public and private partners.	Details about how the components of the performance criteria are measured will be available in AUSTRAC's 2018–22 corporate plan.
2019–20 and beyond	As per 2018–19	
Purposes (a)	Build resilience in the financial system and use financial intelligence to disrupt money laundering, terrorism financing and other serious crime.	

(a) Refers to updated purposes that will be reflected in the 2018–19 Corporate Plan.

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements, which provide a comprehensive snapshot of entity finances for the 2018–19 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 is no material difference between the entity resourcing and financial statements.

3.1.2 Explanatory notes and analysis of budgeted financial statements

Departmental

Income statement

Revenue from government in 2018–19 is \$68.4 million, which is an increase of \$5.7 million when compared to 2017–18 (\$62.7 million). The increase is primarily due to various budget measures reported in previous PB Statements and PAES.

Own-source revenue has increased to \$5.3 million, reflecting an expansion in activity for externally funded programs.

Cash flows

The purchase of fixed assets in 2017–18 has increased to \$17.0 million. This is funded through current Bills 1, 2 and 4 and prior Act 2 appropriations. Further information is contained in Table 1.1 Entity resource statement.

Administered

Other revenue administered on behalf of government is projected to be \$78.3 million in 2018–19, as reported in Table 3.7. The revenue is collected by AUSTRAC through the AUSTRAC industry contribution levy arrangement. The amount is calculated to recover AUSTRAC's operating costs, including amortisation and annual depreciation of assets.

3.2 BUDGETED FINANCIAL STATEMENTS TABLES

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

	2017–18 Estimated actual \$'000	2018–19 Budget \$'000	2019–20 Forw ard estimate \$'000	2020–21 Forw ard estimate \$'000	2021–22 Forw ard estimate \$'000
EXPENSES					
Employee benefits	41,595	45,853	43,002	40,502	44,290
Suppliers	25,643	28,048	27,312	27,533	24,091
Depreciation and amortisation (a)	6,131	6,626	6,637	7,756	8,851
Total expenses	73,369	80,527	76,951	75,791	77,232
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Other	4,416	5,328	2,488	445	448
Total own-source revenue	4,416	5,328	2,488	445	448
Gains					
Other	160	160	160	160	160
Total gains	160	160	160	160	160
Total own-source income	4,576	5,488	2,648	605	608
Net (cost of)/contribution by services	(68,793)	(75,039)	(74,303)	(75,186)	(76,624)
Revenue from government	62,662	68,413	67,666	67,430	67,773
Surplus/(deficit) attributable to the Australian Government	(6,131)	(6,626)	(6,637)	(7,756)	(8,851)
Total comprehensive income/(loss) attributable to the Australian Government	(6,131)	(6,626)	(6,637)	(7,756)	(8,851)
Note: Impact of net cash appropriation arrangements					
	2017–18 \$'000	2018–19 \$'000	2019–20 \$'000	2020–21 \$'000	2021–22 \$'000
Total comprehensive income/(loss) excluding depreciation/ amortisation expenses previously funded through revenue appropriations	–	–	–	–	–
Less depreciation/amortisation expenses previously funded through revenue appropriations (a)	6,131	6,626	6,637	7,756	8,851
Total comprehensive income/(loss) —as per the statement of comprehensive income	(6,131)	(6,626)	(6,637)	(7,756)	(8,851)

Prepared on Australian Accounting Standards basis.

(a) From 2010–11, the Government introduced net cash appropriation arrangements. This involved Bill 1 revenue appropriations for the depreciation/amortisation expenses of non-corporate Commonwealth entities (and select corporate Commonwealth entities) being 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.

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

	2017–18 Estimated actual \$'000	2018–19 Budget \$'000	2019–20 Forw ard estimate \$'000	2020–21 Forw ard estimate \$'000	2021–22 Forw ard estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	2,798	2,798	2,798	2,798	2,798
Trade and other receivables	7,266	7,266	7,266	7,266	7,266
Total financial assets	10,064	10,064	10,064	10,064	10,064
Non-financial assets					
Property, plant and equipment	15,774	13,198	9,923	6,675	4,250
Intangibles	14,459	20,755	24,045	25,725	22,401
Other non-financial assets	3,241	3,241	3,241	3,241	3,241
Total non-financial assets	33,474	37,194	37,209	35,641	29,892
Total assets	43,538	47,258	47,273	45,705	39,956
LIABILITIES					
Payables					
Suppliers	8,180	8,180	8,180	8,180	8,180
Other payables	745	745	745	745	745
Total payables	8,925	8,925	8,925	8,925	8,925
Provisions					
Employee provisions	12,267	12,267	12,267	12,267	12,267
Other provisions	448	448	448	448	448
Total provisions	12,715	12,715	12,715	12,715	12,715
Total liabilities	21,640	21,640	21,640	21,640	21,640
Net assets	21,898	25,618	25,633	24,065	18,316
EQUITY (a)					
Parent entity interest					
Contributed equity	87,094	97,440	104,092	110,280	113,382
Reserves	3,116	3,116	3,116	3,116	3,116
Retained surplus (accumulated deficit)	(68,312)	(74,938)	(81,575)	(89,331)	(98,182)
Total parent entity interest	21,898	25,618	25,633	24,065	18,316
Total equity	21,898	25,618	25,633	24,065	18,316

Prepared on Australian Accounting Standards basis.

(a) 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 2018–19)

	Retained earnings	Asset revaluation reserve	Other reserves	Contributed equity/capital	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000
Opening balance as at 1 July 2018					
Balance carried forward from previous period	(68,312)	3,116	—	87,094	21,898
Adjustment for changes in accounting policies	—	—	—	—	—
Adjusted opening balance	(68,312)	3,116	—	87,094	21,898
Comprehensive income					
Surplus/(deficit) for the period	(6,626)	—	—	—	(6,626)
Total comprehensive income	(6,626)	—	—	—	(6,626)
of which:					
Attributable to the Australian Government	(6,626)	—	—	—	(6,626)
Transactions with owners					
Contributions by owners					
Equity injection—Appropriation	—	—	—	7,300	7,300
Departmental capital budget (DCB)	—	—	—	3,046	3,046
Sub-total transactions with owners	—	—	—	10,346	10,346
Estimated closing balance as at 30 June 2019	(74,938)	3,116	—	97,440	10,346
Closing balance attributable to the Australian Government	(74,938)	3,116	—	97,440	25,618

Prepared on Australian Accounting Standards basis.

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

	2017–18 Estimated actual \$'000	2018–19 Budget \$'000	2019–20 Forw ard estimate \$'000	2020–21 Forw ard estimate \$'000	2021–22 Forw ard estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	62,662	68,413	67,666	67,430	67,773
Net GST received	2,200	2,200	2,200	2,200	2,200
Other	4,416	5,328	2,488	445	448
Total cash received	69,278	75,941	72,354	70,075	70,421
Cash used					
Employees	41,595	45,853	43,002	40,502	44,290
Suppliers	25,483	27,888	27,152	27,373	23,931
Net GST paid	2,200	2,200	2,200	2,200	2,200
Total cash used	69,278	75,941	72,354	70,075	70,421
Net cash from/(used by) operating activities	–	–	–	–	–
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant and equipment and intangibles	17,007	10,346	6,652	6,188	3,102
Total cash used	17,007	10,346	6,652	6,188	3,102
Net cash from/(used by) investing activities	(17,007)	(10,346)	(6,652)	(6,188)	(3,102)
FINANCING ACTIVITIES					
Cash received					
Contributed equity	17,007	10,346	6,652	6,188	3,102
Total cash received	17,007	10,346	6,652	6,188	3,102
Net cash from/(used by) financing activities	17,007	10,346	6,652	6,188	3,102
Net increase/(decrease) in cash held	–	–	–	–	–
Cash and cash equivalents at the beginning of the reporting period	2,798	2,798	2,798	2,798	2,798
Cash and cash equivalents at the end of the reporting period	2,798	2,798	2,798	2,798	2,798

Prepared on Australian Accounting Standards basis.

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

	2017–18 Estimated actual \$'000	2018–19 Budget \$'000	2019–20 Forw ard estimate \$'000	2020–21 Forw ard estimate \$'000	2021–22 Forw ard estimate \$'000
NEW CAPITAL APPROPRIATIONS					
Capital budget—Bill 1 (DCB)	3,061	3,046	3,052	3,078	3,102
Equity injections—Bill 2	3,600	7,300	3,600	3,110	–
Total new capital appropriations	6,661	10,346	6,652	6,188	3,102
Provided for:					
Purchase of non-financial assets	6,661	10,346	6,652	6,188	3,102
Total items	6,661	10,346	6,652	6,188	3,102
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriations (a)	13,946	7,300	3,600	3,110	–
Funded by capital appropriation— DCB (b)	3,061	3,046	3,052	3,078	3,102
TOTAL	17,007	10,346	6,652	6,188	3,102
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	17,007	10,346	6,652	6,188	3,102
Total cash used to acquire assets	17,007	10,346	6,652	6,188	3,102

Prepared on Australian Accounting Standards basis.

(a) Includes both current Bill No. 2 and prior Act 2 appropriations.

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

Table 3.6: Statement of asset movements (Budget year 2018–19)

	Other property, plant and equipment \$'000	Computer software and intangibles \$'000	Total \$'000
As at 1 July 2018			
Gross book value	31,665	34,067	65,732
Accumulated depreciation/ amortisation and impairment	(15,891)	(19,608)	(35,499)
Opening net book balance	15,774	14,459	30,233
Capital asset additions			
Estimated expenditure on new or replacement assets			
By purchase—appropriation equity (a)	–	7,300	7,300
By purchase—appropriation ordinary annual services (b)	1,854	1,192	3,046
Total additions	1,854	8,492	10,346
Other movements			
Depreciation/amortisation expense	(4,430)	(2,196)	(6,626)
Total other movements	(4,430)	(2,196)	(6,626)
As at 30 June 2019			
Gross book value	33,519	42,559	76,078
Accumulated depreciation/ amortisation and impairment	(20,321)	(21,804)	(42,125)
Closing net book balance	13,198	20,755	33,953

Prepared on Australian Accounting Standards basis.

(a) 'Appropriation equity' refers to equity injections appropriations provided through Appropriation Bill (No. 2) 2018–19.

(a) 'Appropriation ordinary annual services' refers to funding provided through Appropriation Bill (No. 1) 2018–19 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)

	2017–18 Estimated actual \$'000	2018–19 Budget \$'000	2019–20 Forw ard estimate \$'000	2020–21 Forw ard estimate \$'000	2021–22 Forw ard estimate \$'000
EXPENSES					
Total expenses administered on behalf of government	–	–	–	–	–
LESS:					
OWN-SOURCE INCOME					
Non-taxation revenue					
Fees and fines	200	150	100	100	100
Other revenue	65,507	78,325	74,303	75,185	76,623
Total non-taxation revenue	65,707	78,475	74,403	75,285	76,723
Total own-sourced income administered on behalf of government	65,707	78,475	74,403	75,285	76,723
Net (cost of)/contribution by services	65,707	78,475	74,403	75,285	76,723
Total comprehensive income/(loss)	65,707	78,475	74,403	75,285	76,723

Prepared on Australian Accounting Standards basis.

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

	2017–18 Estimated actual \$'000	2018–19 Budget \$'000	2019–20 Forw ard estimate \$'000	2020–21 Forw ard estimate \$'000	2021–22 Forw ard estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	1	1	1	1	1
Total financial assets	1	1	1	1	1
Total assets administered on behalf of government	1	1	1	1	1
LIABILITIES					
Total liabilities administered on behalf of government	–	–	–	–	–
Net assets/(liabilities)	1	1	1	1	1

Prepared on Australian Accounting Standards basis.

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

	2017–18 Estimated actual \$'000	2018–19 Budget \$'000	2019–20 Forw ard estimate \$'000	2020–21 Forw ard estimate \$'000	2021–22 Forw ard estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Fines	200	150	100	100	100
Other	65,507	78,325	74,303	75,185	76,623
Total cash received	65,707	78,475	74,403	75,285	76,723
Net cash from/(used by) operating activities	65,707	78,475	74,403	75,285	76,723
Net increase/(decrease) in cash held	65,707	78,475	74,403	75,285	76,723
Cash and cash equivalents at beginning of reporting period	1	1	1	1	1
Cash to Official Public Account for:					
- Transfers to other entities (Finance—w hole of government)	(65,707)	(78,475)	(74,403)	(75,285)	(76,723)
Total cash to Official Public Account	(65,707)	(78,475)	(74,403)	(75,285)	(76,723)
Cash and cash equivalents at end of reporting period	1	1	1	1	1

Prepared on Australian Accounting Standards basis.

PORTFOLIO GLOSSARY

Term	Meaning
Administered items	Expenses, revenues, assets or liabilities managed by agencies on behalf of the Commonwealth. Agencies do not control administered items. Administered revenue includes Customs Duty, Visa Application Charge (VAC) and other taxes. Administered expenses include grants, subsidies and benefits. In many cases, administered expenses fund the delivery of third party agencies.
Additional estimates (AEs)	Where amounts appropriated at Budget time are insufficient, Parliament may appropriate more funds to portfolios through the Additional Estimates Acts.
Appropriation	An authorisation by Parliament to spend monies from the Consolidated Revenue Fund (CRF), for a particular purpose.
Annual appropriation	Two appropriation Bills are introduced into Parliament in May and comprise the Budget for the financial year beginning 1 July. Further Bills are introduced later in the financial year as part of the Additional Estimates. Parliamentary Departments have their own appropriations.
Consolidated Revenue Fund	Section 81 of the Constitution stipulates that all revenue raised or money received by the Commonwealth forms the one CRF. The CRF is not a bank account. The Official Public Accounts reflects most of the operations of the CRF.
Departmental items	Assets, liabilities, revenues and expenses that are controlled by the agency in providing program 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.

Glossary

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.
Efficiency dividend	The annual reduction in funding provided for total annual net appropriation of operational expenses. All entities in the general government sector are expected to make continuing efficiency improvements in their departmental expenses.
Equity or net assets	Residual interest in the assets of an entity after deduction of its liabilities.
Expense	Decreases in economic benefits in the form of outflows or depletions of assets or incurrence of liabilities that result in decrease in equity, other than those relating to distributions to equity participants.
Forward estimates (FEs) period	The three years following the Budget year. For example if 2018-19 is the Budget year, 2019-20 is forward year 1, 2020-21 is forward year 2 and 2021-22 is forward year 3. This period does not include the current or Budget year.
Measure	A new policy or savings decision of the Government with financial impacts on the Government's underlying cash balance, fiscal balance, operating balance, headline cash balance, net debt or net worth. Such proposals are normally made in the context of the annual Budget, and are typically published in Budget Paper No. 2, and in the Mid-Year Economic and Fiscal Outlook.
Migration Act	Refers to the <i>Migration Act 1958</i> .
Outcomes	The Australian Government's objectives in each portfolio area. Outcomes are desired results, impacts or consequences for the Australian community as influenced by the actions of the Australian Government. Actual outcomes are assessments of the end results or impacts actually achieved.

PGPA Act	The <i>Public Governance, Performance and Accountability Act 2013</i> is the principal legislation concerning the governance, performance and accountability of, and the use and management of public resources by the Commonwealth.
Special account	Balances existing within the CRF that are supported by standing appropriations <i>PGPA Act</i> s78, s79 and s80. Special Accounts allow money in the CRF to be acknowledged as set-aside (hypothecated) for a particular purpose. Amounts credited to a Special Account may only be spent for the purposes of the Special Account. Special Accounts can only be established by a written determination of the Finance Minister (s78 of the <i>PGPA Act</i>) or through an Act of Parliament (referred to in s80 of the <i>PGPA Act</i>).
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 subcategory consisting of ongoing special appropriations—the amount appropriated will depend on circumstances specified in the legislation.